IMPORTANT NOTICE

The B a d, he S e i C mmi ee and he Di ec , S e i and eni managemen f he C m an a an ha he e a e n fal e ec d , mi leading a emen ma e ial mi i n in he 2017 in e im e (hi ' **Report**), and j in l and e e all acce f ll legal e n ibili f he hf lne , acc ac and c m le ene f he inf ma i n c n ained in hi Re .

The Re ha been e ie ed and a ed a he 11 h mee ing f he eigh h e i n f he B a d in 2017 (he ' **Meeting**). M Wang Y hang, Vice Chai man, a nable a end he Mee ing d e k ea n , and ha a h i ed M Li Ch ng, n n-e ec i e Di ec e n hi behalf. All he Di ec a ended he Mee ing.

The financial a emen f he G ha e been e a ed in acc dance i h China Acc n ing S anda d f B ine En e i e (' **CASBE**). The in e im financial a emen and n e (he ' **2017 Interim Financial Report**) f he G f he i m n h ended 30 J ne 2017 e a ed in acc dance i h CASBE in hi Re ha e n been a di ed.

M Wang H ng, e n-in-cha ge f he C m an and chai man f he B a d, M Mai B liang, CEO and e iden , and M Zeng Han, gene al manage f he financial managemen de a men , e n-in-cha ge f acc n ing affai and head f he acc n ing de a men (he financial c n lle), he eb a an he hf lne , acc ac and c m le ene f hi Re and he 2017 In e im Financial Re .

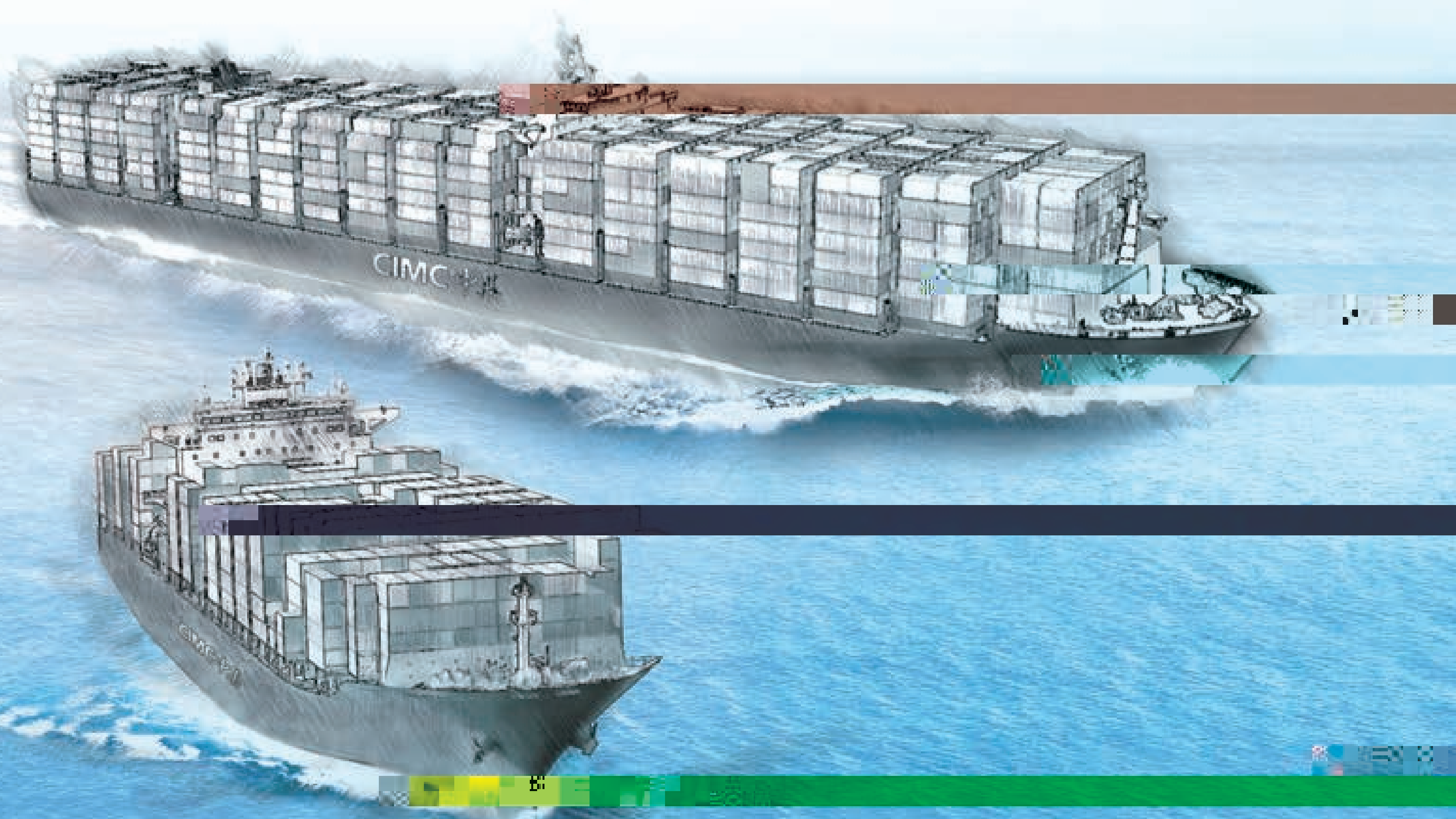
Nei he an c n lling ha eh lde (incl ding i b idia ie) n b an ial ha eh lde (incl ding i b idia ie) f he C m an ha ili ed he n n- e a ing f nd f he C m an .

The C m an ed n di ib e an ca h di idend, i e b n ha e c n e ha e f m e e e in ha e ca i al f he i m n h ended 30 J ne 2017 (i m n h ended 30 J ne 2016: Nil).

Thi Re c n ain ce ain f a d-l king a emen made n he ba i f bjec i e a m i n and j dgmen n f e lic and ec n mic de el men in ela i n he financial c ndi i n , e a ing e l and b ine f he G , hich a e bjec a a ie f i k , nce ain ie and a m i n be nd he G ' c n l and i h a high deg ee f nce ain in na e. The ef e, he ac al c me ma diffe ma e iall f m ch f a d-l king a emen . S ch f a d-l king a emen a e nl he ecen e ec a i n f he G n f e e en and a e n g a an ee f f e b ine e f mance and d n c n i e a an ac al c mmi men in e . In e h ld be a a e ha nd e eliance n e f ch inf ma i n ma lead i k f in e men .

Thi Re ha been e a ed in b h Chine e and Engli h. In he e en f an inc n i enc be een he e i n , he Chine e e i n hall e ail.

CONTENTS



Definitions

For the purpose of this Report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Items	Definitions
“A Share(s)” or “RMB-denominated Ordinary Share(s)”	domestic ordinary share(s) issued by the Company with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in Renminbi.
“A Share(s) Share Option Incentive Scheme”	share option incentive scheme of China International Marine Containers (Group) Co., Ltd. considered and approved at the extraordinary general meeting of the Company on 17 September 2010.
“Articles of Association”	The Articles of Association of China International Marine Containers (Group) Co., Ltd..
“Board”	the Board of the Company.
“C&C Trucks”	C&C Trucks Co., Ltd. (集瑞聯合重工有限公司), a company incorporated in the PRC with limited liability on 12 March 2009 and a non-wholly-owned subsidiary of the Company.
“CASBE”	Accounting Standards for Business Enterprises – Basic Standards and 38 Specific Accounting Standards issued by the Ministry of Finance of the People’s Republic of China on 15 February 2006, and application guidance and interpretations to CASBE and other related regulations subsequently issued.
“CFSE”	China Fire Safety Enterprise Group Limited, a company listed on the main board of the Hong Kong Stock Exchange (stock code: 445) and an associated company of the Company.
“China COSCO Shipping”	China COSCO Shipping Corporation Limited, a company incorporated in the PRC with limited liability in February 2016 and as the indirect second largest shareholder of the Company as at the date of this Report.
“China Merchants Group”	China Merchants Group Limited, a company incorporated in the PRC with limited liability on 14 October 1986 and as the indirect largest shareholder of the Company as at the date of this Report.
“CIMC” or “Company”	China International Marine Containers (Group) Co., Ltd. (中國國際海運集裝箱(集團)股份有限公司), a joint stock company incorporated in the PRC with limited liability, the A Shares of which are listed on the Shenzhen Stock Exchange and the H Shares of which are listed on the Hong Kong Stock Exchange.
“CIMC Enric”	CIMC Enric Holdings Limited (中集安瑞科控股有限公司), a company incorporated in the Cayman Islands with limited liability on 28 September 2004 and listed on the main board of the Hong Kong Stock Exchange (stock code: 3899) and a non-wholly-owned subsidiary of the Company.
“CIMC Finance Company”	CIMC Finance Co., Ltd., a company incorporated in the PRC with limited liability on 9 February 2010 and a wholly-owned subsidiary of the Company.

‘CIMC Financial Lea ing C m an	CIMC Financial Lea ing C ., L d., a c m an inc a ed in he PRC i h limi ed liabili n 30 J l 2007 and a h ll - ned b idia f he C m an .
‘CIMC H ng K ng	China In e na i nal Ma ine C n aine (H ng K ng) Limi ed (中國國際海運集裝箱(香港)有限公司), a c m an inc a ed in H ng K ng i h limi ed liabili n 30 J l 1992 and a h ll - ned b idia f he C m an .
‘CIMC M l im dal T an	CIMC M l im dal T an De el men C ., L d. (中集多式聯運發展有限公司), a c m an inc a ed in he PRC i h limi ed liabili n 29 Ma ch 2016 and a n n- h ll - ned b idia f he C m an .
‘CIMC Off h e Enginee ing	CIMC Off h e Enginee ing C ., L d., a c m an inc a ed in he PRC i h limi ed liabili n 21 J l 2016 and a h ll - ned b idia f he C m an .
‘CIMC Raffle	CIMC Raffle Off h e (Singa e) Limi ed, a c m an inc a ed in Singa e i h limi ed liabili n 7 Ma ch 1994 and a h ll - ned b idia f he C m an .
‘CIMC Sk ace Real E a e	Shen hen CIMC Sk ace Real E a e De el men C ., L d., a c m an inc a ed in he PRC i h limi ed liabili n 24 N embe 1998 and a n n- h ll - ned b idia f he C m an .
‘CIMC Tianda	Shen hen CIMC-Tianda Ai S C ., L d. (深圳中集天達空港設備有限公司), a c m an inc a ed in he PRC i h limi ed liabili n 18 J l 1992 and a n n- h ll - ned b idia f he C m an .
‘CIMC Vehicle (G)	CIMC Vehicle (G) C ., L d. (中 集 車 輛(集 團) 有 限 公 司), a c m an inc a ed in he PRC i h limi ed liabili n 29 A g 1996 and a n n- h ll - ned b idia f he C m an .
‘C a e G e nance C de	he C a e G e nance C de c n ained in A endi 14 f he H ng K ng Li ing R le .
‘CSRC	China Sec i ie Reg la C mmi i n.
‘Di ec ( )	he di ec ( ) f he C m an .
‘G ,‘ e ,‘ and‘	he C m an and i b idia ie .
‘H Sha e( ) (‘O e ea -li ed F eign Sha e( ))	e ea -li ed f eign dina ha e( ) i ed b he C m an i h a n minal al e f RMB1.00 each, hich a e li ed n he H ng K ng S ck E change and aded in H ng K ng d lla .
‘H ng K ng	The H ng K ng S ecial Admini a i e Regi n f he PRC.
‘H ng K ng Li ing R le	R le G e ning he Li ing f Sec i ie n The S ck E change f H ng K ng Limi ed.

Definitions

H ng K ng S ck E change	The S ck E change f H ng K ng Limi ed.
M del C de	he M del C de f Sec ie T an ac i n b Di ec f Li ed I e c n ained in A endi 10 f he H ng K ng Li ing R le .
PRC China	he Pe le' Re blic f China.
P e	P e Gl bal Limi ed, a c m an inc a ed in 1979 and a n n- h ll - ned b idia f he C m an .
Re ing Pe d	he i m n h a ing f m 1 Jan a 2017 and ending n 30 J ne 2017, hich i al called he fi half f 2017.
RMB	Renminbi, he la f l c enc f he PRC.
SFO	he Sec ie and F e O dinance, Cha e 571 f he La f H ng K ng.
Sha eh lde ( )	he h lde ( ) f ha e( ) f he C m an , incl ding he h lde ( ) f A Sha e and H Sha e .
Shen hen Li ing R le	R le G e ning he Li ing f Sec ie n he Shen hen S ck E change.
Shen hen S ck E change	he Shen hen S ck E change.
S e i ( )	he e i ( ) f he C m an .
S e i C mmi ee	he S e i C mmi ee f he C m an .
US$ U.S. d lla	Uni ed S a e d lla , he la f l c enc f he Uni ed S a e f Ame ica.
Ziegle	Albe Ziegle GmbH, a c m an inc a ed in Ge man i h limi ed liabili and a n n- h ll - ned b idia f he C m an .

Thi gl a c n ain ce ain defini i n f echnical e m ed in hi Re in c nnec i n i h he G . S me f he e defini i n ma n c e nd anda d ind defini i n age.

Items	Definitions
CNG	C m e ed Na al Ga .
FLNG	Fl a ing Li efied Na al Ga .
FPSO	Fl a ing P d c i n S age and Offl ading.
FSRU	Fl a ing S age and Rega ifica i n Uni .
HSE	Heal h, Safe and En i nmen .
GSE	G nd S E i men , efe ai e i men ed en e fligh afe . T mee he e i emen f ai c af main enance and fligh , ai a e e i ed i h a a ie f m de n g nd e i men , incl ding b n limi ed mechanical, elec ic, h d a lic and ecial ga e i men .
Jack- D illing Pla f m	A jack- d illing la f m i a m bile il ig c mm nl ed f hall a e e a i n. M jack- ig e a e in a e de h anging f m 250 400 fee . Thi il d illing e i men i gene all ed f m n ing machine , e l , e i men and acc mm da i n facili ie f d illing and ce ain lif able d leg n a la f m fl a ing n he a e
LNG	Li efied Na al Ga .
LPG	Li efied Pe le m Ga .
M d la B ilding	he b ilding man fac ed in a fac en i nmen and an ed a e a ed jec i e be in alled.
ONE M del	O imi a i n Ne e Ending, he lean managemen em f he G .
QHSE	A managemen em ha g ide and c n l an gani a i n in e ec f Q ali , Heal h, Safe and En i nmen al a ec .
Semi- bme ible D illing Pla f m	A emi- bme ible d illing la f m i a m bile il ig; he e a f he h ll c e i he king deck and he l e a c m i e l e h ll , i h he a c nnec ed b c l mn . When in e a i n, he l e h ll a e bme ged in he a e A emi- bme ible la f m i gene all ed in dee ea i h a e de h anging f m 600-3,600m. The la f m icall e a d namic i i ning em f i i ning.
TEU	T en -f e i alen ni , al kn n a a anda d ni (a c n aine i h a leng h f 20 fee , a heigh f 8 fee and 6 inche and a id h f 8 fee), being ed mea e he l me f a c n aine
VOC	V la ile O ganic C m nd .

Chapter I Corporate Profile

I. COMPANY PROFILE

Legal Chine e Name:	中國國際海運集裝箱(集團)股份有限公司
Abb e ia ed Chine e Name:	中集集團
Engli h Name:	China In e na i nal Ma ine C n aine (G) C ., L d.
Abb e ia ed Engli h Name:	CIMC
Legal Re e en a i e:	Wang H ng
A h i ed Re e en a i e :	Mai B liang, Y Y n
Regi e ed Add e and Add e f Head Office:	8 h Fl CIMC R&D Cen e, 2 Gang an A en e, Shek , Nan han Di ic , Shen hen, G angd ng, PRC
P al C de:	518067
C m an Web i e:	h :// .cimc.c m
Email Add e :	ha eh lde @cimc.c m
P inci al Place f B ine in H ng K ng:	3101-2 Infini Pla a, 199 De V e R ad Cen al, H ng K ng
Unif m S cial C edi C de:	91440300618869509J

II. CONTACT PERSONS AND MEANS OF COMMUNICATION

Sec e a he B a d, C m an Sec e a :	Y Y n
A i an C m an Sec e a :	Shen Yang
C n ac Add e :	CIMC R&D Cen e, 2 Gang an A en e, Shek , Nan han Di ic , Shen hen, G angd ng, PRC (P al c de: 518067)
C n ac Tele h ne:	(86) 755-2669 1130
Fac imile:	(86) 755-2682 6579
Email Add e :	ha eh lde @cimc.c m
Re e en a i e f Sec i ie Affai :	Wang Xinji
C n ac Add e :	CIMC R&D Cen e, 2 Gang an A en e, Shek , Nan han Di ic , Shen hen, G angd ng, PRC (P al c de: 518067)
C n ac Tele h ne:	(86) 755-2680 2706
Fac imile:	(86) 755-2681 3950
Email Add e :	ha eh lde @cimc.c m

III. INFORMATION DISCLOSURE AND LOCATIONS FOR DOCUMENTS FOR INSPECTION

De igna ed Ne a e f Inf ma i n Di cl e:	A Sha e : China Sec ie J nal, Sec ie Time and Shanghai Sec ie Ne
A h ed Web i e n hich hi Re i Made A ailable:	A Sha e : h :// .cninf .c m.cn H Sha e : h :// .hke ne .hk
C m an Web i e:	.cimc.c m
Place a hich hi Re i A ailable:	Office f he Sec e a he B a d f CIMC, 9 h Fl CIMC R&D Cen e, 2 Gang an A en e, Shek , Nan han Di ic , Shen hen, G angd ng, PRC (P al c de: 518067)

IV. STOCK INFORMATION OF THE COMPANY

S ck E change n hich A Sha e a e Li ed:	Shen hen S ck E change
Abb e ia ed S ck Name f A Sha e :	CIMC
S ck C de:	000039
S ck E change n hich H Sha e a e Li ed:	H ng K ng S ck E change
Abb e ia ed S ck Name f H Sha e :	CIMC, ZJHD (N e)
S ck C de:	2039, 299901 (N e)

N e: B h he abb e ia ed ck name and he ck c de a e nl ed b he iginal B Sha eh lde f he C m an in he PRC in e ec f hei ading f H Sha e f he C m an af e H Sha e f he C m an e e li ed n he H ng K ng S ck E change.

Whe he he egi e ed add e , ffice add e , al c de, eb i e and email add e f he C m an e e changed d ing he Re ing Pe i d

☐ A licable ✓ N a licable

Whe he he inf ma i n di cl e and l ca i n f d c men f in ec i n e e changed d ing he Re ing Pe i d

☐ A licable ✓ N a licable

Whe he he egi a i n a changed d ing he Re ing Pe i d

☐ A licable ✓ N a licable

Whe he he ele an inf ma i n i changed d ing he Re ing Pe i d

☐ A licable ✓ N a licable

Chapter II Summary of Accounting Data and Financial Indicators

I. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

Re ec i e adj men e a emen f he acc n ing da a f i ea b he C m an

☐ Ye , N

Uni : RMB h and

Consolidated income statement items	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
Re en e	**33,387,152**	23,542,843	41.81%
O e a ing fi	**1,524,203**	(318,988)	577.82%
T al fi	**1,576,142**	(165,844)	1,050.38%
O e a ing fi	**509,633**	375,316	35.79%
Ne fi f he c en e i d	**1,066,509**	(541,160)	297.08%
Ne fi a ib able			
Sha eh lde and he e i h lde f he C m an	**796,898**	(378,034)	310.80%
Min i fi /(l)	**269,611**	(163,126)	265.28%
Ne fi a ib able Sha eh lde and he e i h lde f he C m an af e ded c ing n n-ec ing fi l	**865,083**	(502,200)	272.26%

Uni : RMB h and

Consolidated balance sheet items	As at the end of the Reporting Period (30 June 2017) (unaudited)	As at the end of previous year (31 December 2016) (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
T al c en a e	**57,457,050**	53,352,031	7.69%
T al n n-c en a e	**72,041,804**	71,262,717	1.09%
T al a e	**129,498,854**	124,614,748	3.92%
T al c en liabili ie	**53,634,687**	46,249,215	15.97%
T al n n-c en liabili ie	**35,992,284**	39,230,741	(8.25%)
T al liabili ie	**89,626,971**	85,479,956	4.85%
T al ha eh lde ' e i	**39,871,883**	39,134,792	1.88%
E i a ib able :			
Sha eh lde and he e i h lde f he C m an	**29,822,813**	29,285,970	1.83%
Min i in e e	**10,049,070**	9,848,822	2.03%
Sha e ca i al (ha e)	**2,980,352,786**	2,978,576,986	0.06%

Uni : RMB h and

Consolidated cash flow statement items	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
Ne ca h fl f m/(ed in) e a ing ac i i ie	**(668,216)**	933,732	(171.56%)
Ne ca h fl f m/(ed in) in e ing ac i i ie	**(1,507,729)**	(5,376,277)	71.96%
Ne ca h fl f m/(ed in) financing ac i i ie	**1,875,660**	5,570,910	(66.33%)

	As at the end of the Reporting Period 30 June 2017 (unaudited)	As at the end of previous year 31 December 2016 (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
Balance f ca h and ca h e i alen a he end f he e i d	**5,940,423**	6,338,667	(6.28%)

Key Financial Indicators

	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
Ba ic ea ning e ha e a ib able ha eh lde f he C m an (RMB/ ha e)	**0.2554**	(0.1444)	276.87%
Dil ed ea ning e ha e a ib able ha eh lde f he C m an (RMB/ ha e)	**0.2544**	(0.1444)	276.18%
Weigh ed a e age e n n ne a e (%)	**2.76%**	(1.64%)	4.40%
Weigh ed a e age e n n ne a e af e ded c ing n n-ec ing fi (%)	**3.00%**	(2.11%)	5.11%
Ne ca h fl f m/(ed in) e a ing ac i i ie e ha e (RMB/ ha e)	**(0.22)**	0.31	(170.97%)

	As at the end of the Reporting Period (30 June 2017) (unaudited)	As at the end of previous year (31 December 2016) (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
Ne a e e ha e a ib able Sha eh lde and he e i h lde f he C m an (RMB/ ha e)	**10.01**	9.83	1.83%
Gea ing a i (%) (N e)	**69.21%**	68.60%	0.61%

N e: The gea ing a i a calc la ed ba ed n he G ' al deb di ided b al a e a a he e ec i e da e .

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

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

□ Applicable √ Not applicable

There was no difference in net profits and net assets prepared under International Accounting Standards and CASBE during the Reporting Period.

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

□ Applicable √ Not applicable

There was no difference in net profits and net assets prepared under foreign accounting standards and CASBE during the Reporting Period.

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

□ Applicable √ Not applicable

III. NON-RECURRING PROFIT OR LOSS ITEMS AND AMOUNT

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Uni : RMB h and

Item	Amount (January – June 2017) (unaudited)
Gain /(l) n di al f n n-c en a e	13,739
G e nmen g an ec gni ed in fi l f he c en e i d	91,032
Gain l e f m change in fai al e a i ing f m h lding financial a e a fai al e h gh fi l and financial liabili ie a fai al e h gh fi l , and in e men gain a i ing f m di al f financial a e a fai al e h gh fi l , financial liabili ie a fai al e h gh fi l and a ailable-f ale financial a e , and gain l e f m change in fai al e f in e men e ie b e en l mea ed a fai al e, e ce f he effec i e hedging ac i i ie ela ing he G ' dina ac i i ie	(20,332)
Ne gain /(l) f m di al f l ng- e m e i in e men	(25,460)
O he n n- e a ing inc me and e en e he han he ab e i em	38,201
O he fi /l i em defined a n n- ec ing fi /l i em	(105,549)
Effec f inc me a	(30,200)
Effec f min i in e e (af e a)	(29,616)
T al	(68,185)

N e: Af e aid n n- ec ing fi l i em (he han he effec f min i in e e (af e a)) a e en ed a am n bef e a a i n.

Rea n and e lana i n n he C m an ' n n- ec ing fi l i em a defined nde he E lana Ann ncemen N . 1 n Inf ma i n Di cl e b C m anie Offe ing Sec i ie he P blic N n-Rec ing P fi L (he E lana Ann ncemen N . 1) and he ec ing fi l i em hich a e li ed a n n- ec ing fi l i em nde he e i emen f he E lana Ann ncemen N . 1

☐ A licable N a licable

The C m an did n define he n n- ec ing fi l i em a defined and li ed nde he E lana Ann ncemen N . 1 a ec ing fi l i em d ing he Re ing Pe i d.

Chapter III Report of the Board

I. BUSINESS SUMMARY

The G i inci all engaged in he man fac e f m de n an a i n e i men , ene g , chemical and li id f d e i men , ff h e enginee ing e i men and ai facili ie , a ell a he i i n f ele an e ice , incl ding he de ign, man fac e and e ice

B i e f he fa able d me ic and e ea mac ec n mic c ndi i n , he e i f he ele an ind ie he e he G a engaged in im ed ignifican l . D ing he Re ing Pe i d, he G ' e en e am n ed RMB33,387.152 milli n (ame e i d in 2016: RMB23,542.843 milli n), e e en ing ignifican ea n- ea g h f 41.81%. Am ng he inci al b ine e , he e en e f m c n aine man fac ing, ad an a i n ehicle and hea ck b ine ec ded ignifican g h. The e en e f m ene g , chemical and li id f d e i men , ai facili ie e i men , l gi ic e ice and financial b ine ained able g h, hile he e en e f m he eal e a e b ine ligh l dec ea ed. A affec ed b an ind d n n, he e en e f m he ff h e enginee ing b ine ignifican l declined. D ing he Re ing Pe i d, he G ' ne fi a ib able he ha eh lde and he e i h lde f he a en c m an am n ed RMB796.898 milli n (ame e i d in 2016: l f RMB378.034 milli n), ning he l fi ea n ea he e he ne l in he ame e i d f he e i ea a mainl d e he la ge am n f i i n ided f he am n d e f m Sin Pacific Off h e & Enginee ing C ., L d. (南通太平洋海洋工程有限公司) (' SOE) f CIMC En ic.

2. REVIEW OF THE PRINCIPAL BUSINESSES DURING THE REPORTING PERIOD

Container Manufacturing Business

The G ' c n aine man fac ing b ine mainl deal i h anda d d c n aine , eefe c n aine and ecial eefe . The G ha he ca aci d ce a f ll e ie f c n aine d c i h inde enden in ellec al e igh . S ecial eefe incl de 53-f inland N h Ame ican c n aine , E ean ide c n aine , b lk c n aine , ecial eefe c n aine , f ldable c n aine and he d c . D ing he Re ing Pe i d, he G emained a N . 1 in e m f and ale f c n aine in he ind .

In he fi half f 2017, he e a a i i e end f he e all gl bal ade en i nmen . The g h f hi ing l me a highe han e ec ed. Imbalance be een l and demand a im ed a ib able he c n in inc ea e in hi ing ice . In ie f he c en ain c n aine l and he i i e ie n f e de el men , c me gene all inc ea ed hei c emen f ne c n aine . Mean hile, m f he lan in he d me ic c n aine man fac ing ind had g aded hei d c i n line ing a e ba ed ain in he fi half f hi ea in acc dance i h he en i nmen al-f iendl a e ba ed ain elf-di ci line c n en i n in he ind , h affec ing he effec i e d c i n ca aci in he ind . The d c i n c a ed inc ea e in he ec nd a e f hi ea C n aine ice e e ba icall able af e g h in he fi a e In addi i n, he n mbe f de and c n aine ice f he ame e i d in he e i ea a ela i el a a l le el, and he ea n- ea ba e a l . A a e l, e ec ded a ignifican ea n- ea inc ea e in he ale l me and he e en e f c n aine f he G d ing he Re ing Pe i d.

Chapter III Report of the Board

During the Reporting Period, the accumulated sales volume of ordinary dry containers of the Group reached 535,700 TEU (same period in 2016: 238,300 TEU), representing a year-on-year increase of 124.80%; the accumulated sales volume of reefer containers reached 35,100 TEU (same period in 2016: 22,300 TEU), representing a year-on-year increase of 57.40%. The container business of the Group recorded a revenue of RMB10,049.055 million (same period in 2016: RMB4,898.618 million), representing a year-on-year increase of 105.14%; and the net profit was RMB681.102 million (same period in 2016: recording a net loss of RMB139.632 million), gaining profit again from the loss-recorded previous year.

In the first half of 2017, the demand in the standard dry container industry of the Group increased, and the number of orders was higher than expected. As the production of oil-based painted containers was fully suspended in standard dry container manufacturing enterprises in China from 1 April 2017, the container domestic production lines experienced the peak season of production conversion for upgrade of water-based painted containers. The Group strived to shorten the period of production line upgrade of water-based painted containers and meet the demand of clients. The Group was able to succeed with the standard dry water-based painted container upgrade on schedule. Meanwhile, market share had recovered to normal level from the low level in the previous years with excellent results achieved. In addition, in response to the government requirement and in compliance with the policy direction, the Group made greater investments in HSE in the container manufacturing business during the Reporting Period. The construction standard of plants had reached a higher level. The relocation project of containers in Fenggang of Dongguan City progressed in an orderly way, and it is expected that the Phase I of this project will be put into operation at the beginning of the next year.

Road Transportation Vehicle Business

With the world's local manufacturing group (全球運營，地方智慧) as its business philosophy, CIMC Vehicle (Group), a subsidiary of the Group, is a global leading road transportation vehicle manufacturing group, providing its global customers with special vehicle products, key parts of special vehicles and sales services. CIMC Vehicle (Group) has established 25 production and research and development bases in China, North America, Europe and emerging markets, and developed different product lines for special vehicles consisting of 10 series and more than 1,000 models, including container semi-trailers, flatbed/staked-side semi-trailers, low-flatbed semi-trailers, vehicle loaded semi-trailers, stake trucks, van trucks, tank trucks, dump trucks, sanitation trucks and special vehicles, covering major domestic and international markets.

In the first half of 2017, the global manufacturing industry and trade resumed growth and the Chinese economy gradually became stable. There was a noticeable trend in replacement with light trucks for road transportation vehicle benefiting from the extended impact of implementation of the policy on the mandatory standard on the limits of dimensions, axle load and masses of vehicles, trailers and combination of vehicles (GB1589-2016) promulgated by the central government in 2016 and the continued domestic stringent governance against overloading. Meanwhile, more domestic infrastructure projects commenced construction, which boosted the growth of demand for intelligent urban muck trucks. In the overseas markets, although the shipping performance in the North American market remained strong, the cyclical demand for semi-trailers declined. With the economic recovery in Europe, the demand in some local markets in emerging markets was buoyant.

D ing he Re ing Pe d, b i e f he b ine g h in Chine e and E ean ma ke , he G ' ad an a i n ehicle b ine achie ed ale f 81,468 ni (ame e d in 2016: 58,231 ni), e e en ing a ea n- ea inc ea e f 39.90%. I ec ded e en e (e cl ding he hea ck b ine) f RMB9,719.601 milli n (ame e d in 2016: RMB7,013.354 milli n), e e en ing a ea n- ea inc ea e f 38.59%, and achie ed ne fi (e cl ding he hea ck b ine) f RMB568.016 milli n (ame e d in 2016: RMB361.893 milli n), e e en ing a ea n- ea inc ea e f 56.96%.

D ing he Re ing Pe d, CIMC Vehicle (G) c n in ed m ing he gl bal e a i n managemen eadil , enhanced he e a i nal efficienc f a e f each b ine ni and he c a e fi abili , and f c ed n he in e men and de el men f he inc emen al b ine and he inn a i n b ine f each b ine ni eali e he g h i h ali . In he PRC ma ke , a CIMC Vehicle (G) f ll im la ed he en e i e i ali , c n in ed g a he la end a d e lacemen i h ligh ck and ni ie in ma ke egmen and enla ged i ma ke ing eng h and c e in he fi half f hi ea , he G c m le ed m e han 55% f he ann al a ge in e m f e en e and fi f i d me ic b ine . In he e ea ma ke , in de elimina e he effec f c clical decline in he ma ke , CIMC Vehicle (G) ac i el e anded i d c c e age in he N h Ame ican ma ke , and f c ed n i leading

Chapter III Report of the Board

D ing he Re ing Pe i d, he maj b ine egmen f CIMC En ic de ed hem el e f c ing n c me ' need , im ing c e echn l g e e e and enhancing b ine c m e i i ene . (1) The ene g e i men b ine egmen ca ied c n in m l i-dimen i n ef m n ma d c , c mi ed e ice , and e a i n managemen da a. I e ea b ine e achie ed nified managemen n ma ke ing f im ing ma ke e nding ca abili . The egmen al i ed e l e ne b ine e and ne e ice m del eek b ine ni ie f h d gen ene g , di ib ed e gene a i n, EPC em l i n , e a ing lea e and he jec . (2) D ing he Re ing Pe i d, again he backd f l g h in e all ma ke demand f he d c in he chemical e i men b ine egmen , he ank c n aine b ine f CIMC En ic deli e ed anding e f mance amid he fie ce ma ke c m e i i n. S anda d ank c n aine , ga ank c n aine , LNG ank c n aine and ail a ank c n aine all ec ded e cellen e f mance. (3) Af e c n lida ing Ziemann and B igg G Limi ed, he li id f d e i men b ine egmen had bec me a lie f c m ehen i e n-ke jec l i n f bee , i i and he li id f d man fac e and ha mace ical c m anie . Mean hile, he egmen ke a f h ld in China and E e and e anded i d c i n ca aci in China and i ma ke ne k in A ia b c n lida ing Ziemann H l ieka A ia C m an Limi ed.

A men i ned in he 2016 In e im Re , 2016 Ann al Re and he ele an ann ncemen f he C m an , n 1 J ne 2016, CIMC En ic e mina ed he ac i i i n f all e i in e e in SOE f m he end and he i i n f financial a i ance SOE d e he fail e in f lfillmen ai e f ce ain c ndi i n eceden e in he ele an ag eemen b SOEG PTE LTD, Jiang Pacific Shi b ilding G C ., L d. and E e g een G C ., L d., and e e ed he end ef nd he e aid c n ide a i n and SOE e n he l an and he g a an ee f bank l an. Af e a c m ehen i e and ca ef l a e men n he im ai men i k and c llec abili f he am n ecei able , CIMC En ic made im ai men i i n f RMB1,214.880 milli n in al f he am n d e f m he end and SOE in he in e im e i d f 2016, and made f he i i n a he end f 2016, e l ing in a al am n f i i n f RMB1,362.915 milli n f he h le ea . Acc dingl , CIMC En ic inc ed ne l in he in e im e i d f 2016 and he ea 2016, and he C m an ec ded a ne l in he in e im e i d f 2016 and a ignifican decline in ne fi in he ea 2016.

C n ide ing ha SOE i nde ecei e hi f he Recei e and i b ine and a e ma lemen and c llab a e i h he b ine f CIMC En ic, n 5 J l 2017, CIMC En ic, h gh i h ll - ned b idia CIMC En ic In e men H lding (Shen hen) L d., en e ed in he Re c ing In e men Ag eemen i h SOE and SOE Bank c and Li ida i n Team* (南通太平洋破產清算組) e ac i e he en i e e i in e e in SOE cha e he maj a e f SOE. On 4 A g 2017, he SOE Re c ing Plan a a ed b SOE' c edi a he c edi ' mee ing and a a ed b he c in China in acc dance i h he ele an la in China. SOE ill im lemen he Re c ing Plan nde he e i i n f he Recei e acc dingl . On 15 A g 2017, SOE ha bec me an indi ec h ll - ned b idia f CIMC En ic an he Re c ing In e men Ag eemen and he Re c ing Plan and ha bec me an indi ec n n- h ll - ned b idia f he G . SOE enamed a 南通中集太平洋海洋工程有限公司 (Nan ng CIMC Sin Pacific Off h e & Enginee ing C ., L d.*). F de ail , lea e efe he ele an ann ncemen bli hed b he C m an n 6 J l , 4 A g and 16 A g 2017. Acc ding he l enc anal i e ided b he Recei e , he ec e able am n f he am n d e f m SOE f CIMC En ic a e ima ed be RMB190.521 milli n a a 30 J ne 2017. Acc dingl , CIMC En ic ill make addi i nal i i n f RMB105.549 milli n f im ai men f he Re ing Pe i d. S ch i i n al incl ded in he 2017 c n lida ed in e im financial e f he G .

Offshore Engineering Business

CIMC Raffle , a b idia f he G , i an ff h e enginee ing en e i e h e in eg a ed e a i n m del in eg a ing de ign, c emen , man fac e, c n c i n, c mmi i n and e a i n, e ing he ca abili f ma and ind iali ed c n c i n f high-end ff h e enginee ing e i men and he ecial e el a a c n ac l i al ne f he leading c n ac f high-end ff h e enginee ing e i men in China and ha been a ici a ing in he c m e i i n f he in e na i nal ma ke f ff h e enginee ing b ine all he ime. I maj b ine e incl de he de ign and c n c i n f emi- bme ible d illing la f m , emi- bme ible acc mm da i n la f m , jack- d illing la f m , jack- acc mm da i n la f m , ga c m e i n jack- ni , Lif b a , fl a ing d c i n age e el , c ane e el , i e-la ing e el , OSV, cean g , mid- -high-end ach and he e el i h i d c c e ing a maj i f ff h e enginee ing d c .

In he fi half f 2017, b i e f he b ming f he in e na i nal il ice , he n e f he gl bal ff h e enginee ing e i men ma ke inc ea ed a c m a ed i h he ame e i d f he e i ea In i e f he hi icall l e n e ign f b ming eme ged. The in e men in e ec f gl bal il and ga de el men ed declining, g ad all abili ed and ligh l im ed; he ili a i n a e and dail en al f emi- bme ible d illing la f m a ed ec e l l f m i all- ime l ec ded ea hi ea ; and he n mbe f ai n and ende jec in ff h e enginee ing ma ke inc ea ed.

H e e nde he ignifican im ac f he c n in ed d n n in he ind and d e ea n ch a he h ink in ne de ac i ed and he ned deli e f he de n hand, d ing he Re ing Pe i d, he ff h e enginee ing b ine f he G ec ded a ale e en e f RMB1,214.509 milli n (ame e i d in 2016: RMB3,703.689 milli n), e e en ing a ea n- ea ignifican dec ea e f 67.21%, and a ne l e anding RMB550.421 milli n (ame e i d in 2016: ne l f RMB3.988 milli n).

In he e e ind en i nmen , CIMC Raffle i ed de el a a ie f b ine m del e l e ma ke en ial. D ing he Re ing Pe i d, CIMC Raffle ac i ed ne de

Chapter III Report of the Board

In he fi half f 2017, he gl bal ec n m ec e ed m de a el . In i e f he abili ed and fa able im and e , a n mbe f li ical nce ain ie emained. In ie f he in en e c m e i i n in he d me ic l gi ic ind i h e l , he hi ing ice emained l and he e a n ignifican im emen in he e f mance f en e i e . In addi i n, fac ch a m e ingen en i nmen al ec i n lice in China al affec ed he e i men man fac ing b ine in he l gi ic egmen .

D ing he Re ing Pe i d, he G ' l gi ic b ine achie ed ale e en e f RMB3,751.202 milli n (ame e i d in 2016: RMB3,218.617 milli n), e e en ing a ea - n- ea inc ea e f 16.55%, and ne fi f RMB57.340 milli n (ame e i d in 2016: RMB68.434 milli n), e e en ing a ea - n- ea dec ea e f 16.21%. D ing he Re ing Pe i d, a affec ed b he adj men in he b ine line in M ng lia, he g fi ma gin f hi b ine egmen declined, e l ing in a ea - n- ea dec ea e in ne fi .

In he fi half f 2017, he l gi ic e ice b ine f he G eadil hed f a d he f maj b ine line . (1) The c n aine e ice b ine line ecified he de el men a egie f i e en ke d c d ing he 13 h Fi e Yea Plan, namel acan /l aded c n aine a d , ank c n aine a d , ha f e ice , ail a a d and a i n , e ice f eefe c n aine , ading f ne / ld c n aine and gl bal c n aine e a i n and managemen . I eali ed he la f c n aine a d in S hea A ia (Thailand and Vie nam) and he ne k di ib i n f c n aine a d in e ea . I al enhanced he ale e f mance f ec nd-hand c n aine b e anding ale channel and b adening ce f c n aine . (2) The hi ing and jec l gi ic e ice b ine line ac i el ei ed he ma ke ni ie a i ing f m he na i nal a eg , he Bel and R ad , a e and i hi ing and f eigh f a ding, jec l gi ic and c n ac l gi ic b ine e . I enhanced and eng hened he e ice ne k f f eigh f a ding in c a al egi n ch a Xiamen and Shen hen and imi ed he na i nal la f hi ing f a ding in de facili a e he c llab a i n f hi ing and f eigh f a ding. B c ea ing ne g i h he c n aine e ice b ine line and aking Thailand and Vie nam a he a ing in , i g ad all ca ied b ine e an i n in a ge egi n incl ding he S hea A ian c n ie , and a idl ac i ed he ne k di ib i n and e i e ce f he Bel and R ad in he Middle Ea and Cen al A ia b c e a ing m e cl el i h egi nal leading en e i e in e m f b ine and ca i al. (3) The ail- a e an b ine line ke n ing eff in b ine f c ing and gani a i n imi a i n. CIMC Kai ng L gi ic De el men C ., L d., an en e i e nde di ec managemen , en e ed in CAA and l b king ag eemen i h maj hi ing c m anie , e anding i e ice ne k in he middle eache f he Yang e Ri e . I al cceeded in ening he Nanjing- R ia f China Rail a E e , hich enhanced he ail- a e an em cen ing n he Yang e Ri e . In de facili a e he im lemen a i n f he a eg f ne b d i h ing f ail- a e an b ine line, Sin -W link (Beijing) In e na i nal L gi ic C ., L d. (中世運(北京)國際物流有限公司) ac i el m ed he de el men f m l im dal an in Cen al A ia and China and M ng lia egi n b de el ing c me and b ine f ail a ll c n aine . (4) Unde he b ine m de f e i men change l gi ic , he e i men l gi ic b ine line ecified h ee maj d c b ine e f e i men l gi ic e ice , e i men lea e e a i n and e i men R&D and man fac ing hich f c ed n h ee maj ec , namel a m bile, f d and ene g and chemical ind ie . I ac i el m ed efficien d c i n and de el ed he d me ic ma ke . F e i men lea e and e a i n, i k ini ia i e in ffline ne k di ib i n and he elimina c n c i n f lea e ha ing la f m. I al f c ed n he c n lida i n and c l i a i n f he f ll l chain e ice in he a m bile ind .

Heavy Truck Business

C&C T ck , a b idia f he G , e a e he hea ck b ine . C&C T ck i i n i d c in he mid-end high-end hea ck ma ke in he in e na i nal ma ke and he high-end hea ck ma ke in he d me ic ma ke i h he d c de el men a eg f leading d me ic echni e and f ll ing f eign echni e and he de el men a eg f making high-end d c , iding ali e ice , and c ea ing fi -cla b and . I ke d c c e kind incl ding die el and il, and f e ie incl ding ac , mi e ck , d m ck , ca g ck and ecial- e ehicle .

In he fi half f 2017, b i e f he im lemen a i n f he ne na i nal anda d GB1589-2016, g e nance n ehicle e l ad, ha ing ell -label ehicle and he fac and affec ed b he im lemen a i n f ac i e financial licie b he g e nmen , he d me ic hea ck ma ke c n in ed deli e e cellen e f mance. In ligh f he adi i nal eak ea n f he hea ck ma ke in ea l hi ea and he c mmencemen f inf a c e jec in a i efec e-le el ci ie , he c emen demand f hea ck inc ea ed, hich facili a ed he ignifican g h f he ale f hea ck .

D ing he Re ing Pe i d, he ale f C&C T ck am n ed 4,438 ni (ame e i d in 2016: 3,003 ni), e e en ing a ignifican ea - n- ea inc ea e f 47.79%, hich main ained ignifican ale g h f c n ec i e ea . The ale e en e am n ed RMB1,283.201 milli n (ame e i d in 2016: RMB860.359 milli n), e e en ing a b an ial ea - n- ea inc ea e f 49.15%, and he ne l ed ced RMB42.814 milli n (ame e i d in 2016: ne l f RMB96.523 milli n), ec ding a dec ea e f l f 55.64% a c m a ed i h he ame e i d f he e i ea .

D ing he Re ing Pe i d, C&C T ck ke making change be be e and m e eff in ale b ec n lida ing e ce and in i i n , d c im emen , channel b ilding, in e na i nal ma ke e an i n, end ma ke de el men , m h and m e ice and he ma ke ing c mbina i n . In e ec f he d me ic ma ke , C&C T ck c n in eff in d c adj men and imi a i n and f c ed n he ma ke demand and he maj d c in egi n de el ma ke able d c a in d ce c -effec i e d c and c m ehen i el enhance he ehicle deli e ca aci . The ne ma ke ing m del f In e ne + L gi ic + Man fac ing + Finance + Af e ma ke Se ice achie ed elimina e l and dee ened g e i el . In he fi half f hi ea , b h i e f mance and b and infl ence im ed. C&C T ck a a a ded he minen ademа k f Anh i P ince. I n h ee maj a a d incl ding he 2017 Ha a d Chemical Vehicle M del M l T ed b T ck O ne in China . I al n he L gi ic Techn l g Inn a i n A a d in 2017 Gl bal L gi ic Techn l g C nfe ence in Chengd . A a membe f he G , C&C T ck a he nl hea ck man fac e a ici a ing in he In e m dal A ia 2017 in Shanghai. C&C T ck al a ici a ed in China T ck Racing Cham i n hi and n he cham i n in he d me ic ca eg , he cham i n in 12L g f he ea and he nne in e m f acing eam e f mance. In e ec f he in e na i nal ma ke , affec ed b g ading in emi i n anda d , c n l in ca i al i k and he fac , he ga in e na i nal ale a ge f C&C T ck a i e la ge in he fi half f hi ea N ne hele , i i e ec ed he b ine ill achie e ale g h and make he ga b aking mea e ch a im ing channel ca aci , R&D f ne d c and jec im lemen a i n in he ec nd half f hi ea .

Airport Facilities Equipment Business

The G ' ai facili ie b ine i mainl e a ed b P e i , CIMC Tianda, Ziegle and i b idia ie . The G al in eg a e and achie e ne g i h i b idia CFSE e he ad an age f e ce . The inci al b ine incl de b a ding b idge , a ma ed l gi ic em and G nd S E i men (GSE) b ine (incl ding h le b e and lif ing la f m ehicle e c.), fi e ck and he e c e ehicle a ell a ma a king b ine .

In he fi half f 2017, he eg la i n licie n eal e a e in la ci ie in China ke igh ening i h he in en ifica i n f cha ing e ic i n n h e and lending e ic i n a ell a he eg la mea e . The g e nmen al in d ced he e ic i n n ale m del i h e anding c e hile eng hening financial eg la i n n eal e a e in de c b he demand f in e men and ec la i n. Unde he g idance f he igh ened lic c n l, he eal e a e ma ke e med a m e a i nal le el. The e all n e f he h ing ma ke e e en ed a ea n- ea dec ea e i h b i di c e ancie be een diffe en ci ie .

D ing he Re ing Pe i d, he G ' eal e a e b ine achie ed e en e f RMB297.664 milli n (ame e i d in 2016: RMB315.698 milli n), e e en ing a ea n- ea dec ea e f 5.71%, and ne fi f RMB65.035 milli n (ame e i d in 2016: RMB42.775 milli n), e e en ing a ea n- ea inc ea e f 52.04%, hich a mainl d e he ecei f agenc e ice fee f he land e e e a he end f la ea d ing he Re ing Pe i d.

In he fi half f 2017, CIMC Sk ace Real E a e eng hened i eff in he e an i n f ind ial a k , and he m del f ind ial a k became m e ma e. In Ma ch 2017, i e abli hed a jec c m an f an ind a k in Beijing We and accele a ed he im lemen a i n f an ind ial eal e a e jec in he Ne Sh gang C m ehen i e Se ice Z ne in Beijing. In A il, CIMC Eli e A a men a en in S ng Shan Lake,

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Chapter III Report of the Board

In he fi half f 2017, he mac ec n mic en i nmen in China ained he able and fa able m men m ince he ec nd half ea f he e i ea The e i f he ind ie ela ed he G a ignifican l enhanced. Emb acing he ma ke ni ie , CIMC Financial Lea ing C m an c n in ed dee en he in eg a i n f ind and finance f m h ee dimen i n f b ead h, de h and mechani m , inc ea ed i in e men in an a i n, l gi ic and he ma ke , f c ed n imi ing a e c e and im e he ali f c me a achie e heal h and ainable g h. Unde he b ine di ec i n f ed cing c and im ing efficienc , being den and ead and main aining ali g h, i a e i e g ad all e anded in he fi half f hi ea i h f he im emen in a e ali and e a i n efficienc .

In he fi half f 2017, he ke n e f he na i nal m ne a lic changed den and ne al . P e en i n and c n l n financial i k e e laced in a m e im an i i n d ing he im lemen a i n f a i financial licie and eg la mea e . Again he backd f igh ening c enc and eng hening eg la i n , d ing he Re ing Pe i d, b f he im lemen ing cen ali ed managemen n f nd and f ll ing he ind demand, CIMC Finance C m an eng hened he dee in eg a i n i h b ine egmen and ga e la i f nc i n in financial e ice . The al in e men in financial e ice e ceeded RMB6,200 milli n in he fi half f hi ea In e ec f b ilding financial e ice ca aci , he Finance C m an b ained he a al a ici a e in he Shanghai C mme cial Pa e E change im e i e a i n ca aci f c mme cial a e . A he ame ime, i f he e anded he c e f f eign en e i e f i c -b de - a Renminbi ca i al l and e ended i e ice a i b ine egmen . B making inn a i n in he d c and a f financial e ice , i al i ed ed ce financial c and im e ca i al efficienc f he G in de im e b h he ali and efficienc f b ine de el men . In e ec f i k e en i n and c n l, he CIMC Finance C m an f ll e al a ed he im ac f change in i k fac f m he e ec i e f he h le G , imi ed he managemen and c n l n i k ed line and eng hened he a a ene in i k managemen and c n l a en e he able de el men f financial b ine f he G .

Other Businesses

D ing he Re ing Pe i d, he m d la b ilding b ine f he G ained able de el men nde a ne- e ice m del f man fac ing + finance + e ice in eg a ing ind and finance. A f he in e na i nal ma ke , i en e ed in he fi f mal ag eemen f a ma d c i n jec in he U.S., achie ing a b eak h gh f m e in he U.S. ma ke . Wi h f he dee ened c e a i n i h c me , i i e ec ed en e in an ag eemen f he fi ba ch de f high- i e b ilding in he A alian ma ke in he ec nd half f hi ea The deli e f a n mbe f Ham n b Hil n h el incl ding h e in Abe deen Ai and B i l Ai in he U.K. a c m le ed cce f ll , hich f he c n lida ed he ma ke i i n f he m d la b ilding d c f he G in he U.K. I ha bec me ne f he maj lie in he h el ma ke in he U.K. In he Af ican ma ke , he fi ag eemen f m del h me a en e ed in . I i e ec ed ha ba ch de ill be ac i ed in he ec nd half f hi ea A f he d me ic ma ke , he eel c e in eg a i n m d la b ilding em ced e f he G a a ed a he final e amina i n and ha bec me an im an a ach lead and de el he d me ic m d la b ilding ma ke . Mean hile, a b eak h gh a achie ed in he b ilding eca fac e-in alla i n jec nde inde enden R&D, hich a an emblema ic ini ia i e f de el men in high- i e b ilding f he m d la b ine f he G , indica ing he f he c m le i n f he fac f m d la b ilding. The m d la b ilding b ine ha en e ed in he d me ic ma ke i h maj jec nde c n c i n in Shen hen, Jiangmen and he egi n . I i e ec ed deli e h e jec in he ec nd half f hi ea

In he ec nd half f 2017, he G ' m d la b ilding b ine ill f he c n lida e i e i ing ma ke incl ding he U.K. and A alia and ill al m ch m e eff in he e an i n f ne ma ke ch a Af ica and N he n E e a di e if i ma ke . In he d me ic ma ke , he im lemen a i n f he ' Bel and R ad , he c n c i n f Xi ng'an Ne A ea and he na i nal licie ill b ing ab ne ni ie f he m d la b ine f CIMC. A n mbe f la ge jec ill al c mmence c n c i n in China. The G ill eng hen i c llab a i n i h a egic a ne h f a d he im lemen a i n f en ial jec . Wi h e ec echn l g , i ill g ade i c a e anda d he ind anda d in China in de eg la e he gani a i nal em f eel c e m d la and m e he anda di a i n g e f m d la b ilding b ine in China.

The G ' b idia CIMC M l im dal T an De el men C ., L d.* (中集多式聯運發展有限公司) (' CIMC M l im dal T an C m an) i engaged in m l im dal an b ine . I aim ma imi e he G ' c m ehen i e ad an age in b and, e i men , finance and e ice , ili e he ad anced in e ne echn l gie effec i el link diffe en m de f an , and m e he ide ead a lica i n f he G ' d c in he m l im dal an ind , a c ea e a d me ic m l im dal an la f m. D ing he Re ing Pe i d, in e ec f in e na i nal ail- ea an b ine , CIMC M l im dal T an C m an ained able de el men and e abli hed a c m an in he U.S. in de m ch m e eff in he e an i n f he U.S. ma ke and de el he China-N h Ame ica m l im dal an b ine . In e ec f ad- ail a an b ine , i la nched a al f i ail a c n aine line and elimina il e abli hed he m l im dal an ne k in S h China, Cen al China and N h e China. The a lica i n f ne c n aine incl ding ank c n aine , 35- nne en- c n aine and c il c n aine in ail a a f he m ed. The in e na i nal ail- ea an b ine , e i men l gi ic , eel b ine and ad- ail a an b ine al had a id de el men .

In he ec nd half f 2017, he e all l gi ic ind i e ec ed main ain able e a i n. Le e aging he c n in e abli hmen f he m l im dal an em and he a lica i n f m bile in e ne and he ne echn l gie , he l gi ic efficienc in he cie ill im e. The G ill accele a e i ne k di ib i n f m l im dal an channel and e f in a i n e a i n c mmence he e abli hmen f m l im dal an n de ne k. I ill al l k in he e abli hmen f a an a i n and di ib i n em hich e e he channel ne k and c mmence he e abli hmen f a m l im dal an la f m.

III. FUTURE DEVELOPMENT AND OUTLOOK

1. Macroeconomic Environment and Policies

In he ec nd half f 2017, he gl bal ec n m i e ec ed c n in e ec e m de a el , and he in e na i nal ade ill f he e China ill f he dee en and einf ce he l - ide c al ef m, accele a e im lemen a i n f he a eg f inn a i n m i a ing de el men and main ain a ' den and ne al m ne a lic . The ec n mic e a i n in China ill main ain he able and fa able m men m.

2. Industry Development Trend and Market Outlook

In respect of the container manufacturing business, ba ed n he la e edic i n f CLARKSON (an a h i a i e anal i in i i n in he ind), he g h f gl bal c n aine ade ill be a ima el 4.8% in 2017. I i a ela i el high le el f g h in ecen ea . I i e ec ed ha he imbalance f l and demand in he gl bal hi ing ind ill f he im e in he ec nd half f hi ea , and he e l f c n aine hi ing c m anie ill im e ignifican l i h nge illingne f c me cha e c n aine , d i ing he e all demand f c n aine ha e g ea e inc ea e hi ea

Chapter III Report of the Board

In respect of the road transportation vehicle business, in he ec nd half f 2017, he e i dical demand f he emi- aile ind in he Uni ed S a e ill begin e e ience d n n. The ec n mie in E e ill main ain he m men m f ec e . The e ill be b i egmen a i n f he ec n m f eme ging ma ke i h b i k demand in ce ain egi nal ma ke . The Chine e ma ke ill ain he able and fa able ec n mic m men m. In ie f he nce ain ie in eal e a e and inf a c e in e men , i i e ec ed ha he demand f ma m ck ck f c n c i n e ill n decline. A he ame ime, he im lemen a i n f lic mea e , hich incl de ad ancing he managemen f e i e eed, a enge e ad a ell a e ad f ad affic, eg la ing c nf mi f d c i n, he change f ell -label ehicle g een-label ehicle , ban en i nmen al g e nance and im emen f emi i n anda d f ehicle and n, ill accele a e d me ic ind ial an f ma i n and g ade a ell a d c e lacemen and g ade.

In respect of the energy, chemical and liquid food equipment business, af e he m lga i n f he 13 h Fi e Yea Plan n Ene g De el men in 2016, he Na i nal De el men and Ref m C mmi i n in China m lga ed he n ice n he O ini n f Accele a ing he U e f Na al Ga accele a e he e f na al ga in ban ga , ind ial f el, ga e gene a i n, an a i n and he ec . In addi i n, he ade d c a TD[( )18()12( )13.2(Tc 0.2)f c he

In respect of the airport facilities equipment business, in he ec nd half f 2017, he gl bal ai b ine i e ec ed g eadil and ne g h in ill eme ge in Ame ican ma ke and a ea f ne d c . B a ding b idge b ine ill g ee he ni f ene al e i d in Ame ican ma ke . Fi e-figh ing e i men b ine i affec ed b fi cal b dge c b E ean c n ie , b i ill d ce be e e l in Chine e ma ke . L gi ic ind ill g eadil al ng i h he ind ial end and ga age b ine i e ec ed make a g ea b eak h gh d ing hi ea The ne l -de el ed h ee-dimen i nal b ga age b ine ill b ing a la ge and b and ne ma ke .

In respect of the real estate development business, in he ec nd half f 2017, i i e ec ed ha he financial licie in ela i n he eg la i n n eal e a e in China ill e g ea infl ence n he h ing ma ke . The eal e a e ma ke ill be m e able, and i l and an ac i n c e ill be imi ed. In he l ng n, he h ing ice ill al abili e beca e f he imi ed c e. The a ecia i n en ial f eal e a e in he f e ill be m e de enden n he de el men f he fi - ie ci ie , hich ill ide a be e e ec a i n n a e al e f he land in he fi - ie ci ie ned b CIMC Sk ace Real E a e.

In respect of the financial business, in he ec nd half f 2017, he gl bal m ne a en i nmen ill c n in e be igh ened. Ra e hike and h inking balance hee b he Fed ill inc ea e gl bal ec n mic and financial i k . Affec ed b eal e a e eg la i n and financial dele e aging, he in e men in fi ed a e in China ill face d n a d e e a ce ain e en . The g h in mac -ec n m ma be l e a fi and fa e in he end. The financial lea ing ind in China ill main ain i g h m men m b a a l e ace. The inc ea ing financing c ill facili a e ind e h ffle. Unde he lic f dele e aging , d me ic c edi i k ill c n in e be elea ed. The e a ing i k f financial lea ing en e i e ill inc ea e.

3. Overall Operation Targets and Initiatives for Main Business Segments

In he ec nd half f 2017, he G ill in i n im lemen ing he a eg f Man fac ing + Se ice + Finance , c n in e ca b ine an f ma i n and g ading and e end i man fac ing b ine e ice ec ba ed n c me demand, h iding a c m ehen i e l i n ha c e he h le life c cle f i d c . The G ill c n in e enhance i gl bal e a i n, imi e i b ine and d c , and eed he ind cl e c l i a e i ad an age n ind ial chain . Inn a i n ill be c n an l made n echn l g g ading, b ine m del and managemen mechani m, hich he i k ela ed ill be c n lled. The G ill i e ca e he ni ie b gh b ma ke change and e and i c e age n eme ging ind ie and inn a i n b ine achie e ained ali g h.

In respect of the container manufacturing business, in he ec nd half f 2017, he G ill f c n c nn a i e imi a i n and c n lida i n f i leading i i n in he ind , and ei e ma ke ni ie . I ill al enhance he efficienc and abili e he ali f he man fac ing f c n aine i h a e-ba ed ain hile im ing he c n c i n f HSE f all lan . In he ec nd half f hi ea , he D ngg an Fenggang jec ill en e in he e i d f e all c n c i n n ched le. F ne b ine e an i n, he c n aine egmen ill c n in e e l e ibili ie in a e and de l manne a lanned n he ba i f eng hening i k managemen and c n l.

In respect of the road transportation vehicle business, in he ec nd half f 2017, i ill c n in e i e f c m ehen i el im ing he c e c m e enc f gl bal e a i n . While f c ing n emi- aile b ine and imi ing e i ing b ine , he G ill m ch m e eff in e l ing b ine g h and inn a i n b ine , ei e a idl he ni ie a i ing f m he changing end and demand in he gl bal ma ke and eali e he c n in ali g h. In d me ic ma ke , he G ill eek f de el ing ne fi g h b ca ing ni ie b gh b ne eg la i n and e ailing h e en . In N h Ame ican ma ke , he G ill ac i el e end he ge g a hical c e age f i d c e ff he c clical d n end . In he E ean ma ke , he G ill c n in e gi e la he c ad an age f i e i d c f m b ine c llab a i n. In eme ging ma ke , he G ill ad a ia e a egie g i h he ma ke hile f c ing n he ke ma ke .

In respect of the energy, chemical and liquid food equipment business, in he ec nd half f 2017, i ill c n in e f c n he im emen f i c e c m e i i ene ba ed n ganic g h and c n in inn a i n and make e f he inn a i n in ne b ine e , ne echn l g and b ine m del achie e ind g ade. A f i ene g e i men b ine , CIMC En ic ill m ch m e eff in e anding he ma ke ha e f i c e d c in China and enhance R&D jec in ne ene g field ; a f he chemical e i men b ine , CIMC En ic ill i e de el a a ie f ank c n aine hile a ing ecial a en i n he de el men and a lica i n f ne ank ma e ial and he R&D f ecial ank c n aine f ail a in China and E e; a f he li id f d e i men b ine , CIMC En ic ill c n in e im e he b and ad an age f Ziemann H l ieka , eng hen he in eg a i n f B igg G Limi ed and f he im e i ma ke i i n.

In respect of the offshore engineering business, in he ec nd half f 2017, i ill ac i el e and he c e f ff h e enginee ing b ine b f c ing n he il and ga ind ie and e anding in he ele an di e ified b ine . I ill c n in e de el a d d c i n, e el managemen , di a embl and high-end e el e ai ing ec f m he d illing ec a in eg a e d illing and mining hile c e ing b ilding and e ai ing. I ill al f he e and in he b ine ela ed he na i nal ec n m and li elih d and e l e en ial de in he n n- il and ga ff h e e i men , im and dee ea fi he ind ie . I ill ake ff f m he d n n f he ff h e enginee ing ma ke b c ing i h he change in he ind en i nmen and iding diffe en ia ed d c and e ice .

In respect of the logistics services business, in he ec nd half f 2017, i ill f he eng hen a egic a i nali a i n and imi ing he b ine c e and gani a i nal c e; enhancing ca i al efficienc and fi abili ; f he m ing he lean managemen in he l gi ic b ine ; c m le ing he i k managemen in b ine egmen ; f he m ing he enhancemen in he financial em; m ing he de el men f inf ma i a i n i h he in eg a i n f he idea f In e ne l . The G ill al eng hen ind c llab a i n b c n lida ing i in e nal and e e nal e ce and f he e abli h and c m le e i gl bal l gi ic ne k di ib i n and c n c a l gi ic ec em f CIMC hile adhe ing he na i nal a eg f he Bel and R ad .

In respect of the heavy truck business, in he ec nd half f 2017, C&C T ck ill c n in e ca i k b ic l c m l ing i h e a i nal inci le f ma ke - ien ed, efficienc fi , i k managemen , managemen and a di a i n and in eg i -cen ic ecificall ca e f he need f ma ke egmen . I ill ceed i h and achie e he jec f decea ing and ne l e ing , i.e. dec ea ing in en ie , dec ea ing ecei able and l e ing d b f l deb . C&C T ck ill c n in e im e e a ili f a and c m nen and he c e f mance f he d c , manage de h gh he h le ce , ai e he e n e efficienc f e minal e ice, c n c c edibili managemen em f c n e a ie a de el a a ne hi achie ing m al benefi n he ba i f c edibili and imi e he ced e f fi ing e abli h a heal h gani a i nal c e.

In respect of the airport facilities equipment business, in he ec nd half f 2017, i ill c n in e im e he g a an ee abili and achie e able b ine g h; c n in l eng hening c e c m e i i ene ; c nd c ing b ine inn a i n i h he c n ide a i n f ind ial cha ac e i ic ; e fec ing he h man e ce em; m ing i k managemen im emen i h ea nable c n l and managemen ; c m l ing i h he G ' a eg m e he c a e efficienc . Mean hile, b c mbining me ge and ac i i i n i h a egic c e a i n, c a e eng h ill be enhanced.

In respect of the real estate development business, in he ec nd half f 2017, i ill c n in e m e he im lemen a i n f Qianhai P jec and Shanghai Ba han P jec b kee ing cl e c mm nica i n i h c m e en g e nmen a h i ie f b an ial g e . In he mean ime, h gh e lica i n f he ind ial a k m del, i ill ac i el eek mi ing ne ind jec in fi - ie ci ie hei nding a ea b he im lemen a i n f he jec .

In respect of the financial business, in he ec nd half f 2017, CIMC Financial Lea ing C m an ill c n in e dee en he c dina i n f ind and finance, ei e he ni ie f de el ing in ma ke egmen , m ch m e eff in ma ke ing, imi e a e c e and im e c me ' ali hile main aining a able and den i k managemen and c n l lic . I ill al make inn a i n in i b ine m del a i e f heal h , able and ainable g h. CIMC Finance C m an ill f he inn a e i financial e ice , im e he ali and efficienc f gl bal ca i al managemen e ice , m e he ind chain financial e ice , adhe e he i k b m line and m e he b ine de el men f he G .

4. Main Risk Factors for Future Development of the Group

Risk of economic periodic fluctuations and trade protection: The ind ie in l ed in he inci al b ine e a i n f he G a e de enden n gl bal and d me ic ec n mic e f mance and a i h he e i dical change f he e all ec n mic en i nmen . The U.S. ec n mic licie ma ad he ance f m e inclined ec i ni m, hich ill b ing m e nce ain ie and i k he gl bal ec n mic ec e and he im and e f China. Affec ed b he e fac , he e a e i k ha he g h f he G ' a i inci al b ine e migh l d n. The change and i k in he gl bal ec n mic en i nmen b ing highe e i emen n he G ' e a ing and managemen ca abili ie .

Chapter III Report of the Board

Risk of industry policy upgrade: China' ec n m en e ed in he ne n mal and he g e nmen f China e en he ad ma f and e all bjec i e f c m ehen i el dee ening ef m h f a d he an f ma i n and g ade f ec n mic c e. The ne ind ial licie , a licie , licie f en i nmen al ec i n and land licie , e c. ha ha e a h ge

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

I. BUSINESS OVERVIEW

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

F he inci al b ine engaged b he C m an and i e a i n d ing he Re ing Pe i d, lea e efe "I. B ine S mma and "II. Re ie f P inci al B ine e d ing he Re ing Pe i d nde "Cha e III Re f he B a d in hi Re .

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

1. Significant Changes in the Major Assets

D ing he Re ing Pe i d, he e a n ignifican change in he maj a e f he G .

2. Main Overseas Assets

☐ A licable N a licable

(III) Analysis of Core Competitive Advantages

Strategic Positioning of "Manufacture + Service + Finance"

The G ha f med an ind ial a e n anning b h l gi ic and ene g field , and ha de el ed maj b ine egmen i h ind leading i i n and g d ec , and ill c n in e e l e and de l in eme ging ind hich hel gi e f ll la he G ' ad an age . While einf cing i edge in adi i nal ind ie , he G m ed a c me demand- ien ed b ine e an i n f m man fac e inc a e e ice, ffe ed c m ehen i e l i n c e ing he en i e life c cle f a d c , and e abli hed he a egic i i ning and ind ial ec em f "man fac e + e ice + finance .

Development Philosophies of Business Diversification and Globalisation

The G ha al a been c mmi ed ea nable b ine di e ifica i n and gl bali ed de l men . The G ' e i ing inci al b ine e c e c n aine man fac ing b ine , ad an a i n ehicle b ine , ene g , chemical and li id f d e i men b ine , ff h e enginee ing b ine , l gi ic e ice b ine , hea ck b ine , ai facili ie e i men b ine , financial b ine , eal e a e de el men b ine and he eme ging b ine e , i d c i n ba e ead ac A ia, E e, N h Ame ica and A alia, and i b ine ne k an e he ld' maj c n ie and egi n . In a ic la , he c n aine b ine c n in ed ake he lead in he ind ld ide, a ell a ad an a i n ehicle , ene g and chemical e i men and ff h e enginee ing b ine e i h ng c m e i i e edge . The efficien im lemen a i n f b ine di e ifica i n and gl bali ed de l men effec i el ff e he ad e e im ac f he e i dic fl c a i n f he gl bal ma ke in he ecen ea n he G ' e l .

A Standardised and Effective Corporate Governance System

The G ha de el ed a e f effec i e g e nance m del c e ing b ine hil h , g e nance c e and managemen mechani m. A anda di ed and effec i e c a e g e nance c e i he in i i nal afeg a d f he G ' ainable and heal h de el men . Since 2010, he G ha la nched he a egic g ade cam aign f "b ilding an em e ing la f m f ainable and heal h de el men f CIMC . Acc ding he gani a i nal an f ma i n di ec i n f "la e ing managemen , he C m an ha e abli hed a h ee- ie managemen m del c m i ing he e ec i e c mmi ee, ecial c mmi ee and he B a d a ell a a 5S c e managemen ce , and in d ced he lean managemen c nce . A a e l , he C m an ha e abli hed an inn a i e and f a d-l king managemen em en e ainable and heal h de el men f i b ine e .

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

II. OPERATION DISCUSSION AND ANALYSIS

(I) Overview

F he e a i n f he G ' inci al b ine e d ing he Re ing Pe i d, lea e efe II. Re ie f P inci al B ine e d ing he Re ing Pe i d nde Cha e III Re f he B a d in hi Re .

(II) Analysis of Principal Businesses

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

Uni : RMB h and

	As at the end of the Reporting Period (30 June 2017) (unaudited)	A a he end f e i ea (31 Decembe 2016) (a di ed)	Change (%)	Rea n f change
Di idend a able	**253,412**	16,746	1,413.27%	Mainl d e he inc ea e f di idend a able f dina ha e b n aid a a he end f he Re ing Pe i d.
O he c en liabili ie	**2,612,280**	1,687,762	54.78%	Mainl d e he inc ea e f he c mme cial a e i ed in he Re ing Pe i d.

	The Reporting Period (January to June 2017) (unaudited)	Same e i d in 2016 (Jan a J ne 2016) (na di ed)	Change (%)	Rea n f change
Financial e en e -ne	**594,251**	304,944	94.87%	Mainl d e he inc ea e f in e e e en e and e change l e in he Re ing Pe i d.
A e im ai men l e	**234,437**	1,267,501	(81.50%)	Mainl d e he la ge ba e in he ame e i d f la ea a ib able b an ial im ai men i i n a a e l f he e mina i n f ac i i i n f SOE b CIMC En ic in he ame e i d f la ea
(L) / fi f m change in fai al e	**(32,626)**	137,104	(123.80%)	Mainl d e he change in fai al e f de i a i e financial in men in he Re ing Pe i d.
In e men inc me	**(10,628)**	(87,328)	87.83%	Mainl d e he g ea e l e f m he e lemen f de i a i e financial in men in he ame e i d f la ea

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

	The Reporting Period (January to June 2017) (unaudited)	Same period in 2016 (January to June 2016) (unaudited)	Change (%)	Reason for change
Cash received from return on investment	**21,903**	241,771	(90.94%)	Mainly due to the receipt of dividend of associates in the same period of last year
Cash paid to acquire investment	**142,020**	791,687	(82.06%)	Mainly due to the greater amount of investment in associates in the same period of last year
Net cash paid to acquire subsidiaries	**5,000**	764,577	(99.35%)	Mainly due to the cash paid for the acquisition of Retlan Manufacturing Limited and Briggs Group Limited in the same period of last year
Cash received from capital contribution	**33,776**	1,542,157	(97.81%)	Mainly due to the receipt of investment from the strategic investors introduced by the Company's subsidiaries including CIMC Vehicle (Group) and Shenzhen CIMC Electricity Commerce and Logistic Technology Co., Ltd. in the same period of last year

There was a material change in profit composition or sources of the Company during the Reporting Period

□ Applicable √ Not applicable

There was no material change in profit composition or sources of the Company during the Reporting Period.

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

2. Composition of Principal Businesses during the Reporting Period

Unit: RMB thousand

	Revenue (unaudited)	Cost of sales (unaudited)	Gross profit margin (unaudited)	Changes in revenue from the same period of previous year	Changes in cost of sales from the same period of previous year	Changes in gross profit margin from the same period of previous year
By industry/product						
Containers	10,049,055	8,254,228	17.86%	105.14%	96.75%	3.50%
Road transportation vehicle	9,719,601	7,952,957	18.18%	38.59%	39.75%	(0.68%)
Energy, chemical and liquid food equipment	5,060,511	4,191,438	17.17%	16.65%	18.76%	(1.47%)
Offshore engineering	1,214,509	1,347,363	(10.94%)	(67.21%)	(59.41%)	(21.32%)
Airport facilities equipment	1,180,919	954,996	19.13%	4.65%	5.78%	(0.86%)
Logistics service	3,751,202	3,371,872	10.11%	16.55%	19.29%	(2.07%)
Financial business	1,148,040	498,703	56.56%	3.02%	36.13%	(10.57%)
Real estate	297,664	162,201	45.51%	(5.71%)	3.57%	(4.88%)
Heavy truck	1,283,201	1,206,432	5.98%	49.15%	44.01%	3.35%
Others	1,394,177	1,170,585	16.04%	368.91%	429.55%	(9.61%)
Combined offset	(1,711,727)	(1,869,211)	–	(48.84%)	(35.97%)	–
Total	33,387,152	27,241,564	18.41%	41.81%	42.43%	(0.35%)
By region (by receiver)						
China	14,794,349	–	–	74.98%	–	–
Asia (excluding China)	3,384,378	–	–	84.09%	–	–
America	6,645,230	–	–	89.69%	–	–
Europe	7,341,001	–	–	(11.38%)	–	–
Others	1,222,194	–	–	(16.47%)	–	–
Total	33,387,152	–	–	41.81%	–	–

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

(III) Analysis of Non-Principal Businesses

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Uni : RMB h and

Item	Amount	Proportion in total profit	Explanation on the formation	Sustainable or not
In e men inc me	(10,628)	(0.67%)	Mainl a he in e men l f m he di al f l ng- e m e i in e men in he Re ing Pe i d.	N
P fi l f m change in fai al e	(32,626)	(2.07%)	Mainl a he change in he fai al e f de i a i e financial in men in he Re ing Pe i d.	N
A e im ai men l e	234,437	14.87%	Mainl a he f he i i n f im ai men f CIMC En ic f he am n d e f m SOE in he Re ing Pe i d.	N
N n- e a ing inc me	84,343	5.35%	Mainl a he gain f m he di al f n n-c en a e in he Re ing Pe i d.	N
N n- e a ing e en e	32,404	2.06%	Mainl a he l f m he di al f n n-c en a e in he Re ing Pe i d.	N

(IV) Assets and Liabilities

1. Significant Changes in Assets

Uni : RMB h and

Item	As at the end of the Reporting Period		A a he end f e i ea		Change f m he end f e i ea he end f he Re ing Pe i d (%)	De c i i n f ma e ial change
	Amount	% of total assets	Am n	% f al a e		
Ca h a bank and n hand	5,737,102	4.43%	6,325,998	5.08%	(0.65%)	N ma e ial change
Acc n ecei able	16,371,018	12.64%	11,526,075	9.25%	3.39%	N ma e ial change
In en ie	18,336,871	14.16%	17,409,515	13.97%	0.19%	N ma e ial change
In e men e ie	1,722,065	1.33%	1,752,608	1.41%	(0.08%)	N ma e ial change
L ng- e m e i in e men	2,249,428	1.74%	2,162,217	1.74%	0.00%	N ma e ial change
Fi ed a e	21,674,735	16.74%	22,037,261	17.68%	(0.94%)	N ma e ial change
C n c i n in g e	23,804,653	18.38%	22,769,189	18.27%	0.11%	N ma e ial change
Sh - e m b ing	17,945,748	13.86%	15,729,787	12.62%	1.24%	N ma e ial change
L ng- e m b ing	23,665,089	18.27%	27,023,222	21.69%	(3.42%)	N ma e ial change

2. Assets and Liabilities Measured at Fair Value

✓ Applicable ☐ Not applicable

Unit: RMB thousand

Item	Amount at the beginning of the period	Profit or loss arising from changes in fair value for the Reporting Period	Cumulative changes in fair value recognised in equity	Impairment provision for the Reporting Period	Purchases for the Reporting Period	Sales for the Reporting Period	Amount at the end of the Reporting Period
Financial assets:							
1. Financial assets at fair value through profit or loss (excluding derivative financial assets)	138,072	29,834	–	–	–	–	180,357
2. Derivative financial assets	326,969	(71,939)	–	–	–	–	251,402
3. Hedging instruments	1,306	–	6,152	–	–	–	4,392
4. Available-for-sale financial assets	33,244	–	(3,585)	–	–	–	52,847
Sub-total of financial assets	499,591	(42,105)	2,567	–	–	–	488,998
Investment properties	1,752,608	–	481,051	–	–	–	1,722,065
Total of the above	2,252,199	(42,105)	483,618	–	–	–	2,211,063
Financial liabilities	(203,041)	9,479	–	–	–	–	(192,490)
Total	2,049,158	(32,626)	483,618	–	–	–	2,018,573

Whether the measurement attributes of the main assets of the Company changed during the Reporting Period

☐ Yes ✓ No

3. Restricted Asset Rights as at the End of the Reporting Period

For details of the restricted asset rights of the Group as at the end of the Reporting Period, please refer to note IV. 24 of Chapter IX 2017 Interim Financial Report (Unaudited) in this Report.

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

(V) Analysis of Investments during the Reporting Period

1. General Information

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Investment amount in the Reporting Period (RMB thousand)	Investment amount in the same period of previous year (RMB thousand)	Change
163,229	1,023,262	(84.05%)

2. Material Equity Investments during the Reporting Period

□ A licable , N a licable

3. Material Non-equity Investments in Progress during the Reporting Period

□ A licable , N a licable

4. Financial Asset Investments

( )

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Uni : RMB h and

Securities	Stock code	Abbreviation of stock name	Initial investment cost	Modes of accounting measurement	Book value at the beginning of the period	Profit or loss arising from changes in fair value during the current period	Cumulative changes in fair value recognised in equity	Purchases for the current period	Sales for the current period	Profit or loss during the Reporting Period	Book value at the end of the period	Classification in accounting	Source of funds
H Sha e	6198	Qingda P	128,589	Fai al e	133,400	28,637					157,489	Financial a e a fai al e h gh fi l	Self- ned f nd
H Sha e	368	Sin an Shi H	20,742	Fai al e	3,860	1,407					5,123	Financial a e a fai al e h gh fi l	Self- ned f nd
O he ec ie in e men held a he end f he e d					812	(210)					17,745		f f nd

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

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Uni : RMB h and

Name of the 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 period	Amount acquired during the Reporting Period	Amount sold during the Reporting Period	Provision for impairment (if any)	Investment amount at the end of the period	Proportion of Investment amount at the end of the period to net assets of the Company at the end of the Reporting Period	Actual profit or loss during the Reporting Period
HSBC, S anda d Cha e ed and he bank	Nil	N	F eign e change f a d c n ac	-	2015/1/29	2018/4/16	219,820	-	-	-	236,667	0.79%	9,452
China C n c i n Bank, HSBC and he bank	Nil	N	In e e a e a c n ac	-	2010/1/20	2021/6/28	10,302,060	-	-	-	9,849,606	33.03%	(74,075)
S anda d Cha e ed, Ind ial and he bank	Nil	N	C enc a c n ac	-	2017/6/23	2017/12/20	-	-	-	-	154,473	0.52%	333
T al				-	-	-	10,521,880	-	-	-	10,240,746	34.34%	(64,290)

S ce f f nd f de i a i e in e men	Self- ned f nd
Li iga i n ca e (if a licable)	N a licable
Di cl e da e f a al f de i a i e in e men a a B a d mee ing (if an)	28 Ma ch 2017
Di cl e da e f a al f de i a i e in e men a a ha eh lde ' mee ing (if an)	Nil
Ri k anal i ega ding i i n in de i a i e d ing he Re ing Pe i d and e lana i n f i k c n l mea e (incl ding b n limi ed ma ke i k, li idi i k, c edi i k, e a i n i k and la i k e c.)	A a 30 J ne 2017, he de i a i e financial in men held b he G e e mainl f eign e change f a d , in e e a e a and c enc a c n ac . The i k f in e e a e a c n ac e e cl el ela ed he fl c a i n f in e e a e. The i k ca ed b f eign e change f a d e e c nnec ed i h he ma ke i k ela ing e change a e and he G ' ca h fl ce ain f f eign c enc e en e in he f e. The G ' c n l n he de i a i e financial in men a mainl eflec ed in: making den elec i n and de e mina i n n he e and an i f ne l -added de i a i e financial in men ; a de i a i e an ac i n, he G de el ed ig in e nal a al em and e a i nal ce e, and cla ified he a al and a h i a i n ced e f all le el in l ed, a c n l he a cia ed i k.
Change in ma ke ice d c fai al e f de i a i e in e ed d ing he Re ing Pe i d, he e ecific me h d and ele an a m i n and a ame e ed hall be di cl ed in he anal i f fai al e f de i a i e	F m Jan a J ne 2017, he G ' fi l a ing f m change in fai al e f he de i a i e financial in men a RMB(64.290) milli n. Fai al e f he de i a i e financial in men f he G e e de e mined ba ed n ma ke ice f e e nal financial in i i n .
E lana i n f an ignifican change in he C m an ' acc n ing licie and ecific acc n ing inci le n de i a i e be een he Re ing Pe i d and he la e ing e i d	N
S ecific ini n f inde enden Di ec n he de i a i e in e men and i k c n l f he C m an	The C m an in e ed in de i a i e f he e f he da - -da in e na i nal b ine e a i n f he C m an in de m h he fl c a i n f he e a i n f he C m an d e he change in e change a e and in e e a e. The effec f e change a e and in e e a e n he e a i n f he C m an a ed ced che en ha i i acce able and nde c n l he e a i n abili ed and im ed, hich en ed he l ng- e m e a ing a egic bjec i e e e be achie ed. The C m an ha e abli hed a nd in e nal c n l em and i in effec i e im lemen a i n. The managemen em e e f m la ed and c n an l im ed. The ela ed deci i n-making ced e e e imi ed i h i k nde c n l in c m liance i h he e i emen f he la and eg la i n and i h ej dice he in e e f he C m an and he ha eh lde , in a ic la , he min i ha eh lde .

(VI) Disposal of Substantial Assets and Equity Interests

1. Disposal of Substantial Assets

□ Applicable √ Not applicable

2. Disposal of Substantial Equity Interests

□ Applicable √ Not applicable

(VII) Analysis of Principal Subsidiaries and Associates

√ Applicable □ Not applicable

Details on acquiring and disposing subsidiaries during the Reporting Period

□ Applicable √ Not applicable

During the Reporting Period, the Group did not acquire or dispose of major subsidiaries. For the details on the subsidiaries that began and ceased to be consolidated into the accounts of the Group during the Reporting Period, please refer to Note V of "Chapter IX Interim Financial Report (Unaudited)" in this Report.

Details on the principal subsidiaries

Please refer to the relevant information contained in "II. Review of Principal Business During the Reporting Period" under "Chapter III Report of the Board" of this Report for the details of operation of principal holding subsidiaries of the Group during the Reporting Period.

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

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

Uni : RMB h and

Company name	Company type	Principal activities	Industry	Registered capital	Total assets as at the end of the Reporting Period	Net assets as at the end of the Reporting Period	Revenues for the Reporting Period	Operating profits for the Reporting Period	Net profits for the Reporting Period
Taicang CIMC C n aine C ., L d.	Wh ll - ned b idia	Man fac e and e ai f c n aine	C n aine man fac ing	210,006	1,790,848	346,079	1,793,303	160,542	120,303
Ningb CIMC L gi ic E i men C ., L d.	Wh ll - ned b idia	Man fac e and ale f c n aine and ela ed echn l gical c n l anc ; c n aine age	C n aine man fac ing	101,616	908,274	467,290	826,074	127,470	96,104
Shen hen CIMC S ecial Vehicle C ., L d.	N n- h ll - ned b idia	De el men , d c i n and ale f a i ecial- e ehicle , a ell a ele an c m nen and a	A m bile man fac ing	200,000	1,844,205	929,788	1,307,958	167,347	140,092
Yang h CIMC T ng H a S ecial Vehicle C ., L d.	N n- h ll - ned b idia	De el men , d c i n and ale f a i ecial- e ehicle , efi ing ehicle , ecial ehicle , aile e ie	A m bile man fac ing	434,301	1,426,052	786,406	1,314,568	109,723	96,584

(VIII) Structured Body Controlled by the Company

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(IX) Forecast on the Operating Results for the Period from January to September 2017

Wa ning and e lana i n in he f eca f he ible agg ega e ne fi f m he beginning f he ea he end f he ne e ing e i d bec ming a l a ignifican change c m a ed he ame e i d f he e i ea

☐ A licable N a licable

(X) Risk Exposures of the Company and Responsive Initiatives

Plea e efe he ele an inf ma i n c n ained in ec i n 3. O e all O e a i n Ta ge and Ini ia i e f Main B ine Segmen and 4. Main Ri k Fac f F e De el men f he G f III. O l k f F e De el men nde Cha e III Re f he B a d f hi Re f he de ail f i k e e f he C m an and e n i e ini ia i e .

(XI) Reception of Research, Communications and Interviews

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Date of reception	Mode of reception	Type of party received	Brief description on research
9 Jan a 2017	Tele h ne c nfe ence	Wa e land Sec ie in Tai an	P inci al b ine c ndi i n , in e men g e , ecen ind ial de el men and ind l k
11 Jan a 2017	S a egie c nfe ence f Ind ial Sec ie	Ind ial Sec ie and he gani a i n	Same a ab e
13 Feb a 2017	Field e ea ch	Pe e e ance A e , China Me chan Sec ie and China S he n F nd	Same a ab e
13 Feb a 2017	TF Sec ie Tele h ne C nfe ence n Shi ing and C n aine Man fac ing	TF Sec ie and he gani a i n	Same a ab e
14 Feb a 2017	Bank f China Mac & Machine Tele h ne C nfe ence	Bank f China Sec ie and he gani a i n	Same a ab e
15 Feb a 2017	Field e ea ch	GF Sec ie , Shen in & Wang Sec ie , Ji hi Ca i al (玖石資本), Ping An Sec ie , Zh ng ng F nd, Shen Zh M In e men , China Me chan Sec ie , Pengh a F nd, Yinh a F nd, H ng Inn a i n (紅土創新), Pacific Sec ie , Hanming A e , O ien Sec ie , Y n ng Ca i al (雲嵩資本) and H ai hen A e (懷真資產)	Same a ab e
16 Feb a 2017	Field e ea ch	B e a F nd	Same a ab e
17 Feb a 2017	L nche n and he	Al hale Ca i al Managemen , In igh Ca i al Managemen , De che A e Managemen (HK), Tem le n A e Managemen , LBN Ad i e and Val e Pa ne	Same a ab e
20 Feb a 2017	Tele h ne c nfe ence	F nd Ca i al	Same a ab e
20 Feb a 2017	Hai ng Sec ie Machine S a egie Tele h ne C nfe ence	Hai ng Sec ie	Same a ab e
21 Feb a 2017 22 Feb a 2017	Field e ea ch	Zhe hang F nd	Same a ab e

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

Date of reception	Mode of reception	Type of party received	Brief description on research
24 Feb a 2017	Vi i lan in Zhangjiagang	E ence Sec ie	B ine c ndi i n and ind ial de el men in ene g and chemical b ine
11 A il 2017	Field e ea ch	O en D Ca i al	P inci al b ine c ndi i n , in e men g e , ecen ind ial de el men and ind l k
28 A il 2017	Tele h ne c nfe ence	CICC and i c me	E change n Q1 e l
17 Ma 2017	Field e ea ch	E ence Sec ie	P inci al b ine c ndi i n , in e men g e , ecen ind ial de el men and ind l k
18 Ma 2017	Vi i lan in K n han and Shanghai	Teb n Sec ie , ICBC C edi S i e F nd, Bin Y an Ca i al, TF Sec ie , Zh ng ai Sec ie Re ea ch In i e, Shanghai G een d A e , E ence Sec ie , Hanl n In e men (瀚倫投資), F nde Sec ie , UBS Sec ie , G ai J nan, Zhe hang F nd, China AMC, Tianh ng A e Managemen , Hai ng Sec ie , H a ai Sec ie , H a Ch ang Sec ie , BOC In e na i nal, Winb igh Ca i al, CIB F nd, CITIC Sec ie , Ind ial Sec ie , ABC Financial Se ice, Fenghe A ia, Ping An Sec ie and G ai F nd	B ine c ndi i n and ind l k in l gi ic a ma i n
23 Ma 2017	Vi i lan in Shanghai	M gan S anle	B ine c ndi i n and ind ial de el men in c n aine b ine
7 J ne 2017	Vi i lan in K n han and Shanghai	HSBC and i c me	B ine c ndi i n and ind l k in l gi ic a ma i n

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

The f ll ing c n en a e he financial e ce e ie e a ed in acc dance i h he ele an i i n f he H ng K ng Li ing R le . The f ll ing di c i n and anal i hall be ead ge he i h he cha e and he 2017 In e im Financial Re (na di ed) f he G e in hi Re .

CHANGES IN ACCOUNTING POLICIES FOR THE REPORTING PERIOD

On 28 A g 2017, a c n ide ed and a ed b he 11 h mee ing f he eigh h e i n f he B a d f Di ec f he C m an f 2017 and he 6 h mee ing f he eigh h e i n f he S e i C mmi ee f 2017, he C m an e i ed he acc n ing licie f he C m an an he e i emen nde N ice n I ance f Re i ed Acc n ing S anda d f B ine En e i e N . 16 G e nmen S b id (Cai K ai [2017] N . 15) i ed b Mini f Finance (MOF) f he Pe le' Re blic f China and N ice n he I ance f he Acc n ing S anda d f B ine En e i e N . 42 N n-c en A e Held f Sale, Di al G and Te mina i n f O e a i n (Cai K ai [2017] N . 13) i ed b MOF, an hich, (1) he C m an ha im lemen ed he N ice n I ance f Re i ed Acc n ing S anda d f B ine En e i e N . 16 G e nmen S b id (Cai K ai [2017] N . 15) i ed b MOF ince 12 J ne 2017. G e nmen g an ela ing he dina ac i i ie f he G hall be incl ded in he inc me ba ed n he na e f ec n mic b ine . G e nmen g an n ela ing he dina ac i i ie f he G hall be incl ded in n n- e a ing inc me and e en e. The ec i e a lica i n me h d hall be ed f he acc n ing ea men f he g e nmen g an e i ed n 1 Jan a 2017 f he G . Adj men hall be made f he g e nmen g an a e f m 1 Jan a 2017 he effec i e da e f ch anda d. The c m a a i e financial a emen f he G f Jan a J ne 2016 e e n e a ed. (2) The C m an ha im lemen ed he N ice n he I ance f he Acc n ing S anda d f B ine En e i e N . 42 N n-c en A e Held f Sale, Di al G and Te mina i n f O e a i n i ed b MOF ince 28 Ma 2017. The change in ch acc n ing lic did n ha e a ignifican im ac n he financial a emen f he C m an d ing he Re ing Pe i d. F de ail , lea e efe n e II. 33 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

CONSOLIDATED OPERATING RESULTS

D ing he Re ing Pe i d, he G ec ded e en e f RMB33,387.152 milli n (ame e i d in 2016: RMB23,542.843 milli n), e e en ing a ea - n- ea inc ea e f 41.81%, and fi a ib able ha eh lde and he e i h lde f he C m an f RMB796.898 milli n (ame e i d in 2016: ec ding a l f RMB378.034 milli n). F de ail , lea e efe ele an inf ma i n e in he cha e headed Cha e II S mma f Acc n ing Da a and Financial Indica and II. Re ie f P inci al B ine e d ing he Re ing Pe i d nde Cha e III Re f he B a d in hi Re .

SEGMENT INFORMATION

F de ail f he egmen inf ma i n f he G d ing he Re ing Pe i d, lea e efe II. Re ie f P inci al B ine e d ing he Re ing Pe i d nde Cha e III Re f he B a d and n e XIII f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

GROSS PROFIT MARGIN AND PROFITABILITY

D ing he Re ing Pe i d, he g fi ma gin f he G a 18.41% (ame e i d in 2016: 18.76%), e e en ing a ligh ea - n- ea dec ea e f 0.35%. Am ng he inci al b ine e , he g fi ma gin f c n aine man fac ing and hea ck inc ea ed, he g fi ma gin f ff h e enginee ing b ine ned f m fi l a affec ed b he c n in ed d n n in he ind , he g fi ma gin f he emaining egmen emained ba icall able ligh l dec ea ed a c m a ed i h he ame e i d f la ea . F de ail , lea e efe 2. C m i i n f P inci al B ine e d ing he Re ing Pe i d f (II) Anal i f P inci al B ine e f II. O e a i n Di c i n and Anal i f IV. O e a i n Di c i n and Anal i P e a ed in Acc dance i h he D me ic Sec i ie Reg la R le in hi Re .

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

NON-OPERATING INCOME

D ing he Re ing Pe i d, he G ' n n- e a ing inc me am n ed RMB84.343 milli n (ame e i d in 2016: RMB167.289 milli n), e e en ing a ea - n- ea dec ea e f 49.58%, hich a mainl a ib able he ec gni i n f he g e nmen g an ela ing dina ac i i ie f he G nde he inc me a e i ed b he ne anda d n g e nmen g an nde he CASBE d ing he Re ing Pe i d. F de ail , lea e efe n e IV. 60 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

TAX EXPENSE

D ing he Re ing Pe i d, he inc me a e en e f he G e e RMB509.633 milli n (ame e i d in 2016: RMB375.316 milli n), e e en ing a ea - n- ea inc ea e f 35.79%, hich e e mainl d e he inc ea e in c en inc me a a calc la ed acc ding he a eg la i n a a e l f he ignifican inc ea e in fi f he G d ing he Re ing Pe i d. F de ail , lea e efe n e IV. 62 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

TECHNOLOGY DEVELOPMENT COSTS

D ing he Re ing Pe i d, he echn l g de el men c f he G e e RMB288.459 milli n (ame e i d in 2016: RMB230.097 milli n), e e en ing a ea - n- ea inc ea e f 25.36%, hich e e mainl d e he inc ea ed in e men in echn l g R&D f he G d ing he Re ing Pe i d. F de ail , lea e efe n e IV. 18 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

MINORITY PROFIT OR LOSS

D ing he Re ing Pe i d, he G ' min i fi ec ded RMB269.611 milli n (ame e i d in 2016: ec ding a l f RMB163.126 milli n), hich a mainl d e he inc ea e in fi f b idia ie i h min i ha eh lde d ing he Re ing Pe i d.

LIQUIDITY AND FINANCIAL RESOURCES

The G ' ca h a bank and n hand ima il c n i f ca h and bank de i . A a 30 J ne 2017, he G ' ca h a bank and n hand am n ed RMB5,737.102 milli n (31 Decembe 2016: RMB6,325.998 milli n), e e en ing a dec ea e f 9.31% a c m a ed i h he end f he e i ea F de ail , lea e efe n e IV. 1 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re . The G ' f nd mainl de i ed f m he f nd gene a ed f m e a i n and bank b ing . The G ha al a ed den financial managemen licie and main ained fficien and a ia e ca h n hand e a he bank l an falling d e and en e he b ine de el men .

D ing he Re ing Pe i d, he G ec ded ne ca h fl f m e a ing ac i i ie f RMB(668.216) milli n (ame e i d in 2016: RMB933.732 milli n), ne ca h fl f m in e ing ac i i ie f RMB(1,507.729) milli n (ame e i d in 2016: RMB(5,376.277) milli n) and ne ca h fl f m financing ac i i ie f RMB1,875.660 milli n (ame e i d in 2016: RMB5,570.910 milli n). A he end f he Re ing Pe i d, he balance f ca h and ca h e i alen held b he G am n ed RMB5,940.423 milli n.

BANK LOANS AND OTHER BORROWINGS

A a 30 J ne 2017, he G ' h - e m b ing , l ng- e m b ing , deben e a able and he c en liabili ie (i ance f c mme cial a e) in agg ega e am n ed RMB57,072.710 milli n (31 Decembe 2016: RMB55,932.185 milli n). De ail a e e in n e IV. 25, IV. 36, IV. 37, IV. 38 and IV. 39 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

Uni : RMB h and

	As at 30 June 2017 (unaudited)	A a 31 Decembe 2016 (a di ed)
Sh - e m b ing	**17,945,748**	15,729,787
N n-c en b ing d e i hin ne ea	**4,891,414**	3,525,710
L ng- e m b ing	**23,665,089**	27,023,222
Deben e a able	**7,986,500**	7,986,500
O he c en liabili ie (i ance f c mme cial a e)	**2,583,959**	1,666,966
T al	**57,072,710**	55,932,185

In he fi half f 2017, he ne bank l an a ia ed b he G am n ed RMB2,798.256 milli n (ame e i d in 2016: RMB5,324.877 milli n), e e en ing a ea - n- ea dec ea e f 47.45%. The G ' bank b ing a e mainl den mina ed in U.S. d lla , i h he in e e a men c m ed ing fi ed a e and fl a ing a e . A a 30 J ne 2017, he G ' bank b ing incl ded fi ed- a e b ing f a ima el RMB11,035.941 milli n (31 Decembe 2016: RMB8,123.960 milli n), e e en ing an inc ea e f 35.84% a c m a ed i h he end f he e i ea , hich a mainl d e he financing a angemen made b he G mee he king ca i al e i emen ; fl a ing- a e b ing f RMB35,466.310 milli n (31 Decembe 2016: RMB38,154.759 milli n), e e en ing a dec ea e f 7.05% a c m a ed i h he end f he e i ea . A a he end f he Re ing Pe i d, he l ng- e m b ing e e mainl d e i hin fi e ea . F de ail , lea e efe n e IV. 38 and XIV. 3 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

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

CAPITAL STRUCTURE

The G ' ca i al c e c n i f e i in e e a ib able ha eh lde and liabili ie . A f 30 J ne 2017, he G ' e i in e e a ib able ha eh lde am n ed RMB39,871.883 milli n (31 Decembe 2016: RMB39,134.792 milli n) in agg ega e, he al liabili ie am n ed RMB89,626.971 milli n (31 Decembe 2016: RMB85,479.956 milli n) and he al a e am n ed RMB129,498.854 milli n (31 Decembe 2016: RMB124,614.748 milli n).The G i c mmi ed main aining an a ia e c mbina i n f e i and deb , in de main ain an effec i e ca i al c e and ide ma im m e n f ha eh lde .

A he end f he Re ing Pe i d, he G ' gea ing a i a 69.21% (31 Decembe 2016: 68.60%), hich ligh l inc ea ed b 0.61% a c m a ed i h he end f he e i ea (Calc la i n f he gea ing a i : ba ed n he G ' al deb a a he e ec i e da e di ided b al a e .)

FOREIGN EXCHANGE RISK AND RELEVANT HEDGE

The maj c enc f he G ' b ine e en e i U.S. d lla , hile m f i e endi e i made in RMB. A he e change a e f RMB a e affec ed b d me ic and in e na i nal ec n mic and li ical i a i n , and he demand and l f RMB, he G i e ed en ial f eign e change i k a i ing f m he e change a e fl c a i n in RMB again he c encie , hich ma affec he G ' e a ing e l and i financial c ndi i n. The managemen f he G ha cl el m ni ed i f eign e change i k and aken a ia e mea e a id f eign e change i k. F de ail f he f eign e change hedging c n ac held b he G d ing he Re ing Pe i d, lea e efe n e IV. 2 and IV. 26 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

INTEREST RATE RISK

The G i e ed he ma ke in e e a e change i k ela ing i in e e -bea ing bank l an and he b ing . T minimi e he im ac f in e e a e i k, he G en e ed in in e e a e a c n ac i h ce ain bank . F de ail , lea e efe n e IV. 2 and IV. 26 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

CREDIT RISK

The G ' c edi i k i ima il a ib able ca h a bank and n hand, ecei able , de i a i e financial in men en e ed in f hedging e , e c. E e he e c edi i k i m ni ed b he managemen n an ng ing ba i . F de ail , lea e efe n e XIV. 1 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

PLEDGE OF ASSETS

A a 30 J ne 2017, he e ic ed a e f he G all am n ed RMB8,902.078 milli n (31 Decembe 2016: RMB9,756.883 milli n), e e en ing a dec ea e f 8.76% a c m a ed i h he end f he e i ea . F de ail , lea e efe n e IV. 24 f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

CAPITAL COMMITMENTS

A a 30 J ne 2017, he G had ca i al e endi e c mmi men f a ima el RMB494.514 milli n (31 Decembe 2016: RMB417.786 milli n), e e en ing an inc ea e f 18.37% a c m a ed i h he end f he e i ea , hich e e mainl ed a e e nal in e men c n ac en e ed b n e f med e f med a iall . F de ail , lea e efe n e XI. 1. (1) f Cha e IX 2017 In e im Financial Re (Una di ed) in hi Re .

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

CONTINGENT LIABILITY

As at 30 June 2017, the Group had contingent liabilities of approximately RMB59.028 million (31 December 2016: RMB83.248 million), representing a decrease of 29.09% as compared with the end of the previous year. For details, please refer to Note X. 1 of "Chapter IX 2017 Interim Financial Report (Unaudited)" in this Report.

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

During the Reporting Period, the Group did not make any significant investment and had no major acquisitions and disposals relating to subsidiaries and associated companies. For information on the major subsidiaries of the Group, please refer to Note VI. 1 of "Chapter IX 2017 Interim Financial Report (Unaudited)" in this Report.

FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND EXPECTED SOURCES OF FUNDING

For the investment plans of the principal businesses of the Group in the second half of the year, please refer to "3. Overall Operation Targets and Initiatives for Main Business Segments" of "III. Future Development and Outlook" under "Chapter III Report of the Board" in this Report. The operating and capital expenditures of the Group are mainly financed by its own funds and external financing. The Group will take active measures to enhance its operating cash flow. The Group has sufficient sources of funding to meet the requirements of capital expenditures and working capital.

CAPITAL EXPENDITURE AND FINANCING PLAN

Based on changes in the economic situation and operating environment, as well as the requirements of the Group's strategic upgrade and business development, the expected capital expenditure of the Group in 2017 was approximately RMB7,900 million, among which approximately RMB500 million was actually expended in the first half of this year, which was mainly used for acquisitions of fixed assets, intangible assets and other long-term assets. Various forms of financing arrangements will continue to be considered by the Group in the second half of this year.

On 31 March 2016, as considered and approved at the shareholders' general meeting, the Company proposed a non-public offering of new A shares to eligible investors for no more than RMB6,000 million (the "Non-public Offering of A Shares"). On 17 January 2017, as certain matters still need to be resolved, the Company submitted an application to the CSRC for the suspension of inspection of the documents of the Non-public Offering of A Shares. On 9 June 2017, in order to ensure the implementation of the relevant work, upon consideration and approval at the annual general meeting of 2016 and the first 2017 class meeting of A Shares and the first 2017 class meeting of H Shares, the Company revised its issuance proposal for the Non-public Offering of A Shares and extended the validity period of the resolution by the shareholders' general meeting as well as the validity period of the mandate for the Board. For details, please refer to "II. Issue and Listing of Securities" under "Chapter VII Changes in Share Capital and Information on Substantial Shareholders" in this Report. As at the end of the Reporting Period, the Non-public Offering of A Shares is still suspended.

Chapter VI Significant Events

D ing he Re ing Pe i d, he B a d, c m i ing 8 Di ec , held 5 mee ing , f hich 1 mee ing a held n- i e, 4 mee ing e e held in a a f i en e ie e l i n i h 36 e l i n e ie ed. Sa e f he eg la mee ing , in he c e f he managemen and e i i n f he G ' b ine e a i n , he C m an ' e ec i e Di ec ha e b gh maj b ine managemen ma e he a en i n f he B a d h ld an in e im B a d mee ing f m ime ime, and ele an B a d deci i n e e made in he f m f i en e l i n b all Di ec .

C de i i n A.1.1 e i e ha : The b a d h ld mee eg la and b a d mee ing h ld be held a lea f ime a ea a a ima el a e l in e al . D ing he Re ing Pe i d, he C m an held 5 B a d mee ing , f hich nl 1 mee ing a held n- i e. The e ec i e Di ec f he C m an manage and m ni he b ine e a i n and e h ld B a d mee ing ha e di c i n and make deci i n n he G ' maj b ine managemen affai f m ime ime. Acc dingl , ce ain ele an deci i n e e made b all Di ec b a f i en e l i n . The Di ec a e f he ini n ha , he fai ne and alidi f he deci i n made f he b ine had ade a e a ance. The C m an ill i e effec i e c a e g e nance ac ice in ac ice in f e.

On 7 A g 2017, M Wang Zhi ian, a n n-e ec i e Di ec , e igned f m he i i n f n n-e ec i e Di ec and all he i i n in he Ri k Managemen C mmi ee and he Rem ne a i n and A ai al C mmi ee f he B a d d e he change in j b a ignmen . F de ail , lea e efe "II. Change f Di ec , S e i and Seni Managemen f he C m an nde Cha e VIII Inf ma i n n Di ec , S e i and Seni Managemen in hi Re .

( )

D ing he Re ing Pe i d, 9 mee ing e e held b he B a d C mmi ee i h 19 le e f ini n f m B a d C mmi ee a ed.

( )

D ing he Re ing Pe i d, 3 mee ing f he eigh h e i n f he S e i C mmi ee, c m i ing h ee S e i , a held i h 13 e l i n e ie ed. The S e i a ended 5 mee ing f he B a d n a n n- ing ba i . The S e i Xi ng B a ended he 2016 ann al gene al mee ing, he fi 2017 A ha eh lde ' cla mee ing and he fi 2017 H ha eh lde ' cla mee ing.

On 7 A g 2017, M L Sheng h , a S e i , e igned f m he i i n f he S e i e e en ing ha eh lde d e he change in k a angemen . H e e , an he A icle f A cia i n, M L Sheng h ill c n in e e f m hi d ie a a S e i bef e a ne S e i being a ed f a in men a he gene al mee ing f he C m an . F de ail , lea e efe "II. Change f Di ec , S e i and Seni Managemen f he C m an nde Cha e VIII Inf ma i n n Di ec , S e i and Seni Managemen in hi Re .

( )

On 9 J ne 2017, he C m an held he 2016 ann al gene al mee ing, he Fi 2017 A Sha eh lde ' Cla Mee ing and he Fi 2017 H Sha eh lde ' Cla Mee ing. The n ice, c n ening, h lding and ing ced e f ch mee ing e e in c m liance i h he ele an e i emen f he PRC C m an La , he A icle f A cia i n and he H ng K ng Li ing R le . The ann ncemen n he ele an ing e l e e bli hed in China Sec i ie J nal, Shanghai Sec i ie Ne and Sec i ie Time and n Cninf eb i e (h :// . cninf .c m.cn) n 9 J ne 2017, and n he eb i e f he H ng K ng S ck E change (h :// .hke ne .hk) and he C m an (h :// .cimc.c m).

The e ec i e Di ec , CEO and P e iden M Mai B liang and he n n-e ec i e Di ec M Li Ch ng and inde enden n n-e ec i e Di ec M Pan Cheng ei, M Pan Zheng i and M W ng K ai H en Albe a ended he ab emen i ned gene al mee ing . N n-e ec i e Di ec M Wang H ng, M Wang Y hang and M Wang Zhi ian (e igned n 7 A g 2017) failed a end d e he im an affai .

( )

C de i i n A.2.7 e i e ha : The chai man hall c n ene a lea ne mee ing e e ea i h he n n-e ec i e Di ec (incl ding inde enden n n-e ec i e Di ec) i h he e ec i e Di ec e en . The C m an ha nl ne e ec i e Di ec , M Mai B liang, and he C m an ' b ine e a i n i managed and m ni ed b he e ec i e Di ec . Acc dingl , d ing he Re ing Pe i d, he C m an ha n held a B a d mee ing i h he e ence f he e ec i e Di ec .

C de i i n A.6.7 e i e ha : Inde enden n n-e ec i e di ec and he n ne ec i e di ec h ld al a end gene al mee ing and de el a balanced nde anding f he ie f ha eh lde . C de i i n E.1.2 e i e ha : The chai man f he b a d h ld a end he ann al gene al mee ing. He h ld al in i e he chai men f he a di , em ne a i n, n mina i n and an he c mmi ee (a a ia e) a end . The h ee inde enden n n-e ec i e Di ec f he C m an all a ended he gene al mee ing c n ened d ing he Re ing Pe i d. The n n-e ec i e Di ec Wang H ng, he Chai man f he B a d, Wang Y hang and Wang Zhi ian (e igned n 7 A g 2017), he Chai man f he Ri k Managemen C mmi ee f he B a d, failed a end he af e aid gene al mee ing d e he im an affai .

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

The C m an ha ad ed he anda d e c ibed in he M del C de c n ained in A endi 10 f he H ng K ng Li ing R le a he c de f c nd c in dealing in ec i ie b Di ec and S e i f he C m an . Af e in i ie all he Di ec and S e i , all he Di ec and S e i c nfi med ha he had f ll c m lied i h he e i emen in he M del C de d ing he Re ing Pe i d.

3. Audit Committee

The C m an ha a in ed h ee inde enden n n-e ec i e Di ec and e abli hed he a di c mmi ee an he e i emen f he H ng K ng Li ing R le . The membe f he a di c mmi ee a e M Pan Cheng ei (chai man f he a di c mmi ee i h fe i nal alifica i n and e e ience in ela i n financial managemen ch a acc n ing), M Pan Zheng i and M W ng K ai H en, Albe .

On 27 A g 2017, he a di c mmi ee e ie ed he na di ed 2017 In e im Financial Re and hi Re f he G f he i m n h ended 30 J ne 2017, and ag eed e en he ame he B a d.

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

F he change in inf ma i n f Di ec , S e i and chief e ec i e ffice f he C m an be di cl ed an R le 13.51B(1) f he H ng K ng Li ing R le d ing he Re ing Pe i d, lea e efe he cha e headed "IV. Change in Inf ma i n f Di ec and S e i " nde "Cha e VIII Inf ma i n n Di ec , S e i and Seni Managemen . E ce f ch di cl e, he e i n he inf ma i n e i ed be di cl ed an R le 13.51B(1) f he H ng K ng Li ing R le .

II. RELEVANT SITUATIONS OF ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETING CONVENED DURING THE REPORTING PERIOD

1. General Meeting Convened during the Reporting Period

Session of meeting	Type of meeting	Proportion of investors' participation	Date	Notice date	Disclosure date	Disclosure index
2016 ann al gene al mee ing	Ann al gene al mee ing	57.25%	9 J ne 2017	21 A il 2017	9 J ne 2017	.cninf .c m.cn .hke ne .hk
Fi 2017 A Sha eh lde ' cla mee ing	Sha eh lde ' cla mee ing	34.61%	9 J ne 2017	21 A il 2017	9 J ne 2017	.cninf .c m.cn .hke ne .hk
Fi 2017 H Sha eh lde ' cla mee ing	Sha eh lde ' cla mee ing	73.92%	9 J ne 2017	21 A il 2017	9 J ne 2017	.cninf .c m.cn .hke ne .hk

2. The Extraordinary General Meetings Requested by the Shareholders of Preference Shares who Regained the Voting Right

☐ A licable , N A licable

III. PROPOSAL OF PROFIT DISTRIBUTION AND SHARE CAPITAL INCREASE BY WAY OF TRANSFER FROM CAPITAL RESERVES DURING THE REPORTING PERIOD

☐ A licable , N A licable

The C m an ed n di ib e ca h di idend, b n ha e inc ea e ha e ca i al b a f an fe f m ca i al e e e f he i m n h ended 30 J ne 2017 (he ame e i d f 2016: Nil).

Chapter VI Significant Events

V. ENGAGEMENT AND DISENGAGEMENT OF FIRMS OF ACCOUNTANTS

Whe he he in e im financial e ha been a di ed n

☐ Ye , N

The 2017 In e im Financial Re ha n been a di ed.

On 9 J ne 2017, a c n ide ed and a ed a he 2016 Ann al Gene al Mee ing, he C m an a in ed P ice a e h eC e Zh ng Tian LLP a he a di f he C m an f 2017.

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

☐ A licable , N A licable

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

☐ A licable , N A licable

VIII. BANKRUPTCY OR REORGANISATION RELATED ISSUES

☐ A licable , N A licable

The C m an had n bank c e gani a i n ela ed i e d ing he Re ing Pe i d.

IX. ARBITRATION EVENTS

Ma e ial li iga i n and a bi a i n e en

☐ A licable , N A licable

The C m an had n ma e ial li iga i n and a bi a i n e en d ing he Re ing Pe i d.

O he li iga i n e en

, A licable ☐ N A licable

Basic information of litigation (arbitration)	Amount involved (RMB thousand)	Incurred estimated liabilities or not	Progress of litigation (arbitration)	Judgment result of litigation (arbitration) and its impact	Executive of the judgment of litigation (arbitration)	Disclosure date	Disclosure index
15 c n ac di e a he lain iff f m 2014 he end f he Re ing Pe i d	337,600	N	In ial	N e c ncl ded	,	,	,
9 c n ac di e a he e nden f m 2015 he end f he Re ing Pe i d	322,200	N	In ial	N e c ncl ded	,	,	,

X. PENALTIES AND REMEDIES

☐ A licable , N A licable

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

, A licable ☐ N A licable

D ing he Re ing Pe i d, he e a n effec i e j dgemen f he c failed be a i fied b he C m an and i la ge ha eh lde China Me chan G , ela i el la ge am n f deb d e and anding.

XII. IMPLEMENTATION OF THE COMPANY'S SHARE OPTION INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVE MEASURES

1. Summary of Share Option Incentive Scheme

(1) A Share(s) Share Option Incentive Scheme of the Company

In order to establish and improve the incentive-constraint mechanism, and effectively combine the interests of the Shareholders, the Company and its employees, the A Share(s) Share Option Incentive Scheme was considered and approved at the extraordinary general meeting of the Company on 17 September 2010. According to such scheme, the first tranche of 54,000,000 share options (the "First Tranche of Share Options") were registered on 26 January 2011 and the second tranche of reserved 6,000,000 share options (the "Second Tranche of Share Options") were registered on 17 November 2011.

As at 12 March 2015, upon the consideration and approval at the eighth meeting of the seventh session of the Board in 2015, the options of the second exercisable period for the First Tranche of Share Options have met the exercise conditions and were actually exercisable starting from 2 June 2015 to 27 September 2020 with the total exercisable options amounting to 39,660,000 options. As at 9 October 2015, upon the consideration and approval at the fourteenth meeting of the seventh session of the Board in 2015, the second exercisable period for the Second Tranche of Share Options have met the exercise conditions and were actually exercisable starting from 24 October 2015 to 27 September 2020 with the total exercisable options amounting to 4,132,500 options. As at 20 July 2017, upon the consideration and approval at the eighth meeting of the eighth session of the Board in 2017 and the implementation of the annual dividend distribution plan of the Company for 2016 on 20 July 2017, the adjusted option exercise prices for the First and Second Tranche of Share Options is RMB10.49 and RMB16.02, respectively.

During the Reporting Period, the total exercisable options of A Share(s) Share Option Incentive Scheme amounted to 1,775,800 options, representing 3.03% of the total (adjusted), of which, totalling 1,730,800 options were exercised during the second exercisable period for the First Tranche of Share Options, and totalling 45,000 options were exercised during the second exercisable period for the Second Tranche of Share Options. The implementation of A Share(s) Share Option Incentive Scheme has no material impact on the Company's financial conditions and results of operations during the Reporting Period and in the future.

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

CIMC Enric approved and adopted a share option scheme ("2006 Share Option Scheme") at its extraordinary general meeting held on 12 July 2006, pursuant to which CIMC Enric granted a total of 120,370,000 share options as a reward and benefit provided to certain employees, directors and other eligible persons for their contribution to CIMC Enric in November 2009, October 2011 and June 2014. The 2006 Share Option Scheme expired in 2016. For details, please refer to the related announcement of CIMC Enric published on the websites of the Hong Kong Stock Exchange, the relevant announcements released on the websites of the Cninfo, the Hong Kong Stock Exchange and the Company as well as relevant regular reports of the Company in recent years.

On 20 May 2016, the annual general meeting of CIMC Enric approved and adopted a new share option scheme ("2016 Share Option Scheme") and terminated the 2006 Share Option Scheme. Since adoption of the 2016 Share Option Scheme, no share option has been granted by CIMC Enric pursuant to the 2016 Share Option Scheme.

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

The CIMC Vehicle (G) C ., L d. E i T Plan (D af) a c n ide ed and a ed a he gene al mee ing f he C m an held n 17 Oc be 2007, an he hich, he eni managemen ela ing he ehicle b ine f he G and he ke em l ee f CIMC Vehicle (G) held 20% e i in e e in CIMC Vehicle (G) b ca i al inc ea e f RMB220,700,000 h gh he CIMC Vehicle (G) C ., L d. E i T Plan (he CR T CIMC Vehicle (G) E i T Plan) he e Shen hen In e na i nal T & In e men C ., L d. (深圳國際信託投資有限責任公司) (n enamed China Re ce SZITIC T C ., L d.) a he ee. On 30 Decembe 2015, CIMC Vehicle (G) c m le ed he ca i al inc ea e and he CR T CIMC Vehicle (G) E i T Plan gi en i e-em i e igh . A a 31 Ma 2016, he C m an e ie ed and a ed he Re l i n ega ding he Amendmen CIMC Vehicle (G) C ., L d. E i T Plan (D af) (《關於修改<中集車輛(集團)有限公司股權信托計劃(草案)>的議案》) a he 2015 ann al gene al mee ing. F de ail , lea e efe he ele an ann ncemen elea ed n he eb i e f he Cninf , he H ng K ng S ck E change and he C m an a ell a ele an eg la e f he C m an in ecen ea . The CR T CIMC Vehicle (G) E i T Plan held 15.83% e i in e e in CIMC Vehicle (G) a a he end f he Re ing Pe i d.

2. Implementation of the A Share(s) Share Option Incentive Scheme of the Company and its Influence

Sc e f a ici an d ing he Re ing Pe i d	The fi anche f 54,000,000 ha e (am ng hich 4,107,500 ha e e e cancelled) e e g an ed 175 eni managemen and ke echnical e nnel f he C m an ; he ec nd anche f 6,000,000 ha e i n (am ng hich 578,125 ha e e e cancelled) e e g an ed 38 ke echnical e nnel and middle managemen f he C m an .
T al e i g an ed d ing he Re ing Pe i d (ha e)	0
T al e i e e ci ed d ing he Re ing Pe i d (ha e)	1,775,800
T al e i cancelled d ing he Re ing Pe i d (ha e)	0
T al e i la ed d ing he Re ing Pe i d (ha e)	0
T al e i g an ed b anding a he end f he Re ing Pe i d n a c m la i e ba i (ha e)	23,453,740
T al e i g an ed and e e ci ed a he end f he Re ing Pe i d n a c m la i e ba i (ha e)	31,860,635
Adj men g an ice and e e ci e ice d ing he Re ing Pe i d and la e g an ice and e e ci e ice af e ch adj men	The ini ial e e ci e ice f he fi anche a RMB12.39/ ha e hich a adj ed RMB10.49/ ha e af e im lemen a i n f he di idend di ib i n al f he ea 2010 2016. The ini ial e e ci e ice f he ec nd anche a RMB17.57/ ha e hich a adj ed RMB16.02/ ha e af e im lemen a i n f he di idend di ib i n al f he ea 2011 2016.

Chapter VI Significant Events

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

Name	Position	Number of equity granted during the Reporting Period (shares)	Number of equity exercised during the Reporting Period (shares)	Number of outstanding and exercisable equity at the end of the Reporting Period (shares)
Mai B liang	CEO and P e iden , e ec i e Di ec	0	0	2,850,000
Li X ebin	Vice e iden	0	0	997,000
W Fa ei	Vice e iden	0	0	750,000
Li Yinh i	Vice e iden	0	0	750,000
Y Ya	Vice e iden	0	0	650,000
Zhang Ba ing	Vice e iden	0	0	750,000
Ga Xiang	Vice e iden	0	0	375,000
Y Y n	Sec e a he B a d	0	0	750,000
Zeng Han	Gene al manage f he finance de a men	0	0	288,750

N e: On 27 Ma ch 2017, he C m an ' eni managemen M Jin Jianl ng e i ed. A a 30 J ne 2017, M Jin Jianl ng ill had 640,000 ne e ci ed A ha e i n f he C m an and 1,400,000 ne e ci ed i n f CIMC En ic.

XIII. MATERIAL CONNECTED TRANSACTIONS DISCLOSED ACCORDING TO SHENZHEN LISTING RULES

1. Connected Transactions Relating to Daily Operations

A licable ☐ N A licable

Related party	Relationship with the Group	Type of the connected transaction	Details of the connected transaction	Pricing Principle	Price	Amount (RMB'000)	% of the total amount of a similar transaction	Approved cap (RMB'000)	Whether approved cap has been exceeded	Settlement method	Available market price of a similar transaction	Disclosure date	Disclosure index
Y&C Engine C ., L d.	J in en e	P cha e f g d	P cha e f g d	Reg la c mme cial e m	-	309,000	.	.	.	.	.	. .	
Shaan i Hea D A m bile C ., L d.	Min i ha eh lde f a b idia	P cha e f g d	P cha e f g d	Reg la c mme cial e m	-	49,559	.	.	.	.	.	. .	
F jian Qingchen Bamb P d c C ., LTD	A cia ed c m an	P cha e f g d	P cha e f g d	Reg la c mme cial e m	-	8,259	.	.	.	.	.	. .	
A ahi T ading C .,L d	Min i ha eh lde f a b idia	P cha e f g d	P cha e f g d	Reg la c mme cial e m	-	1,855	.	.	.	.	.	. .	
X h CIMC W d C ., L d.	A cia ed c m an	P cha e f g d	P cha e f g d	Reg la c mme cial e m	-	394	.	.	.	.	.	. .	
O he ela ed a ie	-	P cha e f g d	P cha e f g d	Reg la c mme cial e m	-	1,758	.	.	.	.	.	. .	
O he ela ed a ie	-	Recei ing f e ice	Recei ing f e ice	Reg la c mme cial e m	-	15,681	.	.	.	.	.	. .	
Shaan i Hea D A m bile C ., L d.	Min i ha eh lde f a b idia	Sale f g d	Sale f g d	Reg la c mme cial e m	-	93,174	.	.	.	.	.	. .	
Fl en Ma i ime Limi ed	S b idia f ignifican Sha eh lde	Sale f g d	Sale f g d	Reg la c mme cial e m	-	63,809	.	.	.	.	.	2016. 11.12	.cninf .c m.cn.
S mi m C ain	Min i ha eh lde f a b idia	Sale f g d	Sale f g d	Reg la c mme cial e m	-	59,136	.	.	.	.	.	. .	
Fl en C n aine C ai n S.A.	S b idia f ignifican Sha eh lde	Sale f g d	Sale f g d	Reg la c mme cial e m	-	25,676	.	.	.	.	.	2016. 11.12	.cninf .c m.cn.
Fl en C n aine Se ice l d.	S b idia f ignifican Sha eh lde	Sale f g d	Sale f g d	Reg la c mme cial e m	-	12,624	.	.	.	.	.	2016. 11.12	.cninf .c m.cn.
D ng Fang In e na i nal C n aine (Lian ngang) C ., L d.	S b idia f ignifican Sha eh lde	Sale f g d	Sale f g d	Reg la c mme cial e m	-	4,965	.	.	.	.	.	2016. 11.12	.cninf .c m.cn.
NYK Zhenh a L gi ic (Tianjin) C ., L d.	J in en e	Sale f g d	Sale f g d	Reg la c mme cial e m	-	228	.	.	.	.	.	. .	
O he ela ed a ie	-	Sale f g d	Sale f g d	Reg la c mme cial e m	-	8,298	.	.	.	.	.	. .	
O he ela ed a ie	-	Rende ing f e ice	Rende ing f e ice	Reg la c mme cial e m	-	20,078	.	.	.	.	.	. .	
T al				.	.	674,494	.	.	.	.	.	. .	

De ail f b an ial ale e n	Nil
P jec ed al am n f c nnec ed an ac i n in he dina c e f b ine d ing he c en e i d b e and ac al e f mance d ing he Re ing Pe i d (if an)	The ele an c nnec ed an ac i n in he dina c e f b ine f he G iding g d COSCO SHIPPING De el men C ., L d. and i b idia ie (incl ding Fl en Ma i ime Limi ed, Fl en C n aine C ai n S.A., Fl en C n aine Se ice l d. and D ng Fang In e na i nal C n aine (Lian ngang) C ., L d.) ceeded n mall nde he e m f he Ne F ame k Ag eemen en e ed in b b h a ie n 11 N embe 2016. D ing he Re ing Pe i d, he agg ega e an ac i n am n a RMB107,074,000 and did n e ceed he ca f 2017 (RMB450,000,000).
Rea n f he b an ial diffe ence be een an ac i n ice and efe en ial ma ke ice (if a licable)	N a licable

2. Connected Transactions Relating to Assets or Equity Interest Acquisition and Disposal

☐ A licable N A licable

3. Connected Transactions Relating to Joint External Investments

☐ A licable N A licable

4. Claims and Liabilities among the Connected Transactions

A licable ☐ N A licable

Whe he he e a e n n- e a ing claim and liabili ie am ng he c nnec ed an ac i n n

☐ Ye N

Claims receivable from any related party:

Uni : RMB h and

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
Zhenjiang CIMC Embelli h Y Real E a e C ., LTD	A cia ed c m an f he G	O e a ing b ing b Sha eh lde in ame a i	N	824,391		320,823		6,690	503,568
Shanghai Feng ang Real E a e De el men C ., L d.	A cia ed c m an f he G	O e a ing b ing b Sha eh lde in ame a i	N	34,204					34,204
Nan ng Ne A lan ic F e Ind L d.	A cia ed c m an f he G	O e a ing b ing b Sha eh lde	N	10,629		10,629			
Xin ang W d H ng K ng C ., L d.	A cia ed c m an f he G	O e a ing b ing b Sha eh lde in ame a i	N	4,361	7,944				12,305
Effec f claim am ng he c nnec ed an ac i n n he e a ing e l and financial i i n f he C m an	Nil								

Liabilities payable to any related party:

Uni : RMB h and

Related party	Relationship with the Group	Reason	Opening balance	Amount increased during the current period	Amount repaid during the current period	Interest rate	Interest for the current period	Closing balance
Ga fin In e men S.A.	Min i ha eh lde f a b idia	O e a ing b ing b Sha eh lde in ame a i	46,990	-	1,419	-	522	45,571
Sh nde F i Real E a e In e men C ., L d	Min i ha eh lde f a b idia	O e a ing b ing b Sha eh lde	56,794	-	29,579	-	-	27,215
Effec f liabili ie am ng he c nnec ed an ac i n n he e a ing e l and financial i i n f he C m an	Nil							

5. Other Material Connected Transactions

☐ A licable , N A licable

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

☐ A licable , N A licable

The e a n n n- e a ing ca i al f he C m an hich a cc ied b c n lling Sha eh lde and i ela ed a ie d ing he Re ing Pe i d.

XV. MATERIAL CONTRACTS AND THEIR PERFORMANCES

1. Trusteeship, Contracting or Leasing

(1) Trusteeship

☐ A licable , N A licable

D ing he Re ing Pe i d, he e a n ee hi f he C m an gene a ing a fi l hich c n ib ed 10% m e f he al fi f he C m an d ing he Re ing Pe i d.

(2) Contracting

☐ A licable , N A licable

D ing he Re ing Pe i d, he e a n c n ac ing f he C m an gene a ing a fi l hich c n ib ed 10% m e f he al fi f he C m an d ing he Re ing Pe i d.

(3) Leasing

☐ A licable , N A licable

D ing he Re ing Pe i d, he e a n lea ing f he C m an gene a ing a fi l hich c n ib ed 10% m e f he al fi f he C m an d ing he Re ing Pe i d.

2. MATERIAL GUARANTEES

, A licable ☐ N A licable

(1) Description of Guarantees

Uni : RMB h and

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

Name of the guaranteed	Disclosure date of the announcement about the guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
C me and deale f b idia ie f CIMC Vehicle	28 Ma ch 2017	2,650,000	1 Jan a 2017	794,628	Wa andice	1-2 ea	N	N
C me and deale f C&C T ck and i c n lling b idia ie	28 Ma ch 2017	1,600,000	1 Jan a 2017	314,477	Wa andice	1-2 ea	N	N
P cha e f c mm di h e f CIMC Sk ace Real E a e and i c n lling b idia ie	28 Ma ch 2017	740,000	1 Jan a 2017	714,347	Wa andice	1-2 ea	N	N
C me f CIMC Raffle	28 Ma ch 2017	382,000	1 Jan a 2017	334,250	Wa andice	1-2 ea	N	N
T al e e nal g a an ee facili ie a ed d ing he Re ing Pe i d (A1)		1,122,000	T al ac al am n f e e nal g a an ee d ing he Re ing Pe i d (A2)					1,048,597
T al e e nal g a an ee facili ie a ed a he end f he Re ing Pe i d (A3)		5,372,000	T al ac al balance f e e nal g a an ee a he end f he Re ing Pe i d (A4)					2,157,702

The Company's guarantees for subsidiaries

Name of the guaranteed	Disclosure date of the announcement about guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
S b idia ie f CIMC	28 Ma ch 2017	24,172,570	1 Jan a 2017	5,982,920	Wa andice	1-2 ea	N	N
O e ea h lding b idia ie f CIMC	28 Ma ch 2017	30,000,000	1 Jan a 2017	14,460,910	Wa andice	1-2 ea	N	N
T al g a an ee facili ie f b idia ie a ed d ing he Re ing Pe i d (B1)		35,651,530		T al ac al am n f g a an ee f b idia ie d ing he Re ing Pe i d (B2)				14,623,210
T al g a an ee facili ie f b idia ie a ed a he end f he Re ing Pe i d (B3)		54,172,570		T al ac al balance f g a an ee f b idia ie a he end f he Re ing Pe i d (B4)				20,443,830

Subsidiaries' guarantees for subsidiaries

Name of the guaranteed	Disclosure date of the announcement about guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party Guaranteed or not
G a an ee f ne b idia f an he	28 Ma ch 2017	12,573,650	1 Jan a 2017	6,254,230	Wa andice	1-2 ea	N	N
T al g a an ee facili ie f b idia ie a ed d ing he Re ing Pe i d (C1)		6,731,980		T al ac al g a an ee am n f b idia ie d ing he Re ing Pe i d (C2)				2,216,770
T al g a an ee facili ie f b idia ie a ed a he end f he Re ing Pe i d (C3)		12,573,650		T al ac al g a an ee balance f b idia ie a he end f he Re ing Pe i d (C4)				6,254,230

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

T al g a an ee facili ie a ed d ing he Re ing Pe i d (A1+B1+C1)	43,505,510	T al ac al g a an ee am n d ing he Re ing Pe i d (A2+B2+C2)	17,888,577
T al g a an ee facili ie a ed a he end f he Re ing Pe i d (A3+B3+C3)	72,118,220	T al ac al g a an ee balance a he end f he Re ing Pe i d (A4+B4+C4)	28,855,762
% f al ac al g a an ee am n (A4+B4+C4) in ne a e f he C m an			96.76%
Of hich:			
G a an ee am n ided Sha eh lde , he de fac c n lle and ela ed a ie (D)			0
Deb g a an ee am n ided di ec l indi ec l he g a an eed a i h a gea ing a i f e 70% (E)			9,013,380
Am n f al g a an ee am n in e ce f 50% f ne a e f he C m an (F)			13,944,356
T al am n f he ab e h ee g a an ee (D+E+F)			22,957,736
E lana i n n liabili ie f g a an ee inc ed d ing he Re ing Pe i d ibl a ming j in e lemen liabili ie b he C m an in e ec f nd e g a an ee (if an)			0
E lana i n n e e nal g a an ee ided in i la i n f e c ibed e i emen (if an)			0

S ecific e lana i n f c m nd g a an ee : n n-e i en

Chapter VI Significant Events

(2) Irregular External Guarantees

☐ A licable , N A licable

3. OTHER MATERIAL CONTRACTS

☐ A licable , N A licable

XVI. SOCIAL RESPONSIBILITY

1. Performance of Precise Poverty-alleviation Social Responsibility

☐ A licable , N A licable

D ing he Re ing e i d, he C m an did n engage in an eci e e -alle ia i n ac i i and had n f ll - lan f eci e e alle ia i n.

2. Performance of Other Social Responsibilities

The C m an bli hed he 2016 S cial Re n ibili Re and he 2016 En i nmen al, S cial and G e nance Re in Cninf eb i e (.cninf .c m.cn), he C m an ' eb i e (.cimc.c m) and he H ng K ng S ck E change eb i e (.hke ne .hk) n 28 Ma ch 2017 and 30 J ne 2017 e ec i el .

3. Material Environmental Protection Events

Whe he he li ed c m an and i b idia ie a e n he li f c i ical ll an di cha ge bli hed b he en i nmen al ec i n a h i ie

, Ye ☐ N ☐ N A licable

The b idia ie f he G hich e e li ed a ke ll an -di cha ging ni b he en i nmen al ec i n de a men in China a e a f ll :

Name of 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
S he n CIMC L gi ic E i men Man fac ing C ., L d.	S m f ben ene, me h lben ene and lene and m f VOC	C ncen a ed high-al i de emi i n c m l i h anda d	19	Di ib e in ha e II, ha e III and e- ea men line	Emi i n c m l i h anda d	Pe i d I S anda d f Emi i n S anda d f V la ile O ganic C m nd f C n aine Man fac ing f G angd ng P ince	C m l i h anda d	,	Nil
Nan ng CIMC Sh nda C n aine C ., L d. and Nan ng CIMC S ecial T an a i n E i men Man fac e C ., L d.	Pa ic la e ma e , me h lben ene (e ha ga), lene (e ha ga), COD, SS and amm nia ni gen	In e mi en and c n in emi i n	14	Di ib e in anding, ain a ing and d me ic e age	Emi i n c m l i h anda d	In eg a ed Emi i n S anda d f Ai P ll an (GB16297-1996), In eg a ed Wa e a e Di cha ge S anda d (GB8978-1996) and Wa e a e Q ali S anda d f Di cha ge M nici al Se e (CJ343-2010)	C m l i h anda d	,	Nil
Shanghai CIMC Ba ell Ind ie C . L d.	N n-me hane h d ca b n	O gani ed (chimne) emi i n af e e ha ga ea men	4	Di ib e in inc- ich ain e ha le (1#), e e i ain e ha le (2#), in e media and in e i ain e ha le (3#) and e- ea men e ha le (4#)	Emi i n c m l i h anda d	DB31/933-2015 In eg a ed Emi i n S anda d f Ai P ll an	C m l i h anda d	,	Nil
Shanghai CIMC Yang han L gi ic E i men C ., L d.	Amm nia ni gen, PH al e, BOD, COD, SS and n n-me hane h d ca b n	Inc a ed in he e age c llec i n ne k	6	,	Emi i n c m l i h anda d	,	C m l i h anda d	,	Nil
Shen hen CIMC S ecial Vehicle C ., L d.	Pa ic la e ma e , ben ene, me h lben ene, lene and ha a d a e	High-al i de emi i n	10	Cen ali ed di e ed di ib i n	Emi i n c m l i h anda d	DB44/27-2001 Pe i d II G ade II S anda d	C m l i h anda d	,	Nil
Nan ng CIMC Tank E i men C ., L d.	Chemical gen demand, amm nia ni gen, a ic la e ma e , me h lben ene, lene and n n-me hane h d ca b n	In e mi en emi i n	6	Gene al le	Emi i n c m l i h anda d	T e III S anda d	C m l i h anda d	,	Nil

Chapter VI Significant Events

Construction and operation of pollution prevention and control facilities:

Name of subsidiary	Construction and operation of pollution prevention and control facilities
S he n CIMC L gi ic E i men Man fac ing C ., L d.	I. E ha ga ll i n c n l facili ie : The c m an ha 5 e f e ha ga ea men facili ie in ha e II and 6 e f e ha ga ea men facili ie and 3 e f e ha ga ea men facili ie f e- ea men in ha e III. II. The c m an ha 1 ind ial a e a e ea men a i n i h a ea men ca aci f 450m³/d. All f he ind ial a e a e i e ed in he k h i h e emi i n. III. D me ic e age i di cha ged in he m nici al e age ne k af e ea men in e ic ank and finall eache Shang ang Se age T ea men Plan f ea men .
Nan ng CIMC Sh nda C n aine C ., L d. and Nan ng CIMC S ecial T an a i n E i men Man fac e C ., L d.	I. E ha ga ll i n c n l facili ie : The d c i n k h f he c m anie ha e c nd c andbla ing. The andbla ing m ha e c i n inle c nnec ing he ded ing em ce and emi he d d ced d ing he e a i n. Pain a ing i c nd c ed in eciali ed ain a ing m hich a e ai igh in ligh l nega i e e e. The ain mi and ganic e ha d ced b he c a ing fi -line f S ecial T an a i n E i men c m an and Sh nda c m an d ing he c a ing ce a e ified and ea ed b he a e c ain a + ain mi fil e + m l i- age ac i a ed ca b n ad i n + l en ec e de ice . The c a ing ec nd-line f S ecial T an a i n E i men c m an e a e c ain a + ain mi fil e + ac i a ed ca b n ad i n and de i n i h ca al ic c mb i n de ice f e ha ea men . II. Af e ec nd ha e f en a i n, he e age ea men facili ie f he c m anie eache 600m /d a e en . The ac al ea men l me i a ima el 300m /d. The e age ea men e he echni e f bi chemical + h ic chemical ea men . The ali f ea ed a e a e c m lie i h he G ade III emi i n anda d.
Shanghai CIMC Ba ell Ind ie C . L d.	I. The c m an ha 4 e f e ha ga ea men facili ie i h an agg ega e ea men ca aci f 308,000m³/h f ind. The ganic e ha ea men e he echni e f ac i a ed ca b n ad i n + eam de i n + c nden a i n ec e . II. The c m an ha 1 ind ial a e a e ea men a i n i h ea men ca aci f 6 /d and 140 /d f de i n a e a e and ain a ing ec cling a e e ec i el . The ind ial a e a e i ea ed b ing he c ag la ing ai fl a a i n + ca al ic ida i n + UASB + MBR echni e. All f he ind ial a e a e i e ed in he k h i h e emi i n. III. The c m an ha 1 e f d me ic e age ea men facili ie i h a ea men ca aci f 280 /d. The d me ic e age i ea ed b ing he bi chemical ea men + h ic chemical ea men echni e and i di cha ged in he m nici al e age ne k af e ea men and finall eache he e age ea men lan f ea men .

Name of subsidiary	Construction and operation of pollution prevention and control facilities
Shanghai CIMC Yang han L gi ic E i men C ., L d.	I. E ha ga ll i n c n l facili ie c m i e 4 e f e ha ga ea men facili ie . II. The c m an ha 1 ind ial a e a e ea men a i n i h a ea men ca aci f 100m³/d. The ind ial a e a e i ea ed b ing he c ag la ing ai fl a a i n + f ame fil e e f e a a i n f a e and e id e + anae bic bi chemical eac i n + ae bic bi chemical eac i n + MBR echni e. All f he ind ial a e a e i e ed in he k h i h e emi i n. III.D me ic e age i di cha ged in he m nici al e age ne k af e ea men in e ic ank and finall eache he e age ea men lan f ea men .
Shen hen CIMC S ecial Vehicle C ., L d.	I. The c m an ha 5 e f e ha ga ea men facili ie hich e he ea men echni e f a a e fil e + ac i a ed ca b n ad i n and high-al i de emi i n . II. The c m an ha 1 e f d c i n a e a e ea men facili ie hich e he ea men echni e f chemical eci i a i n f ec cling i h n e e nal emi i n. D me ic e age i di cha ged in he m nici al e age ne k af e bi chemical ea men . III. The c m an ha 2 e f d ea men facili ie hich e he ea men echni e f high-al i de emi i n af e ing l e fil e IV. The c m an ha 2 a eh e f ha a d a e hich mainl e ain e id e and ain b cke . S aff i de igna ed f he ll i n c n l facili ie f he c m an . The e i men eam i e n ible f main enance and e ai . The hif chief f he c a ing line a e e n ible f facili ie e a i n. The licen ed e age e a a e e n ible f he e a i n f he d c i n a e a e ea men facili ie . The facili ie a e nde nd e a i n and ll an emi i n c m l i h he anda d .
Nan ng CIMC Tank E i men C ., L d.	I. The a ing e ha f he c m an i emi ed acc ding he anda d af e being ea ed b he a e c ain ab i n + ain m fil e + m l i- age ac i a ed ca b n ad i n + ca al ic c mb i n echni e . The lde ing d i emi ed af e being ea ed b he d ea men de ice. The anding e ha i emi ed acc ding he anda d af e being ea ed b high-efficien fil e elemen . II. The c m an in e ed a al f a ima el RMB6 milli n in he c n c i n f a e age ea men a i n, en ing ha he a e a e f he c m an i ea ed b he h ic chemical eac i n + bi chemical eac i n echni e acc ding he emi i n anda d and eache he D nggang Se age T ea men Plan f f he ea men ia he m nici al e age ne k. III. The c m an ha 2 a eh e f ha a d a e i h an a ea f 300m³ hich ha e an i- ee mea e .

Chapter VI Significant Events

XVII. EXPLANATION ON OTHER MATERIAL EVENTS

1. On 17 Jan a 2017, a ce ain ma e ill need be e l ed, he C m an bmi ed an a lica i n he CSRC f he en i n f in ec i n f he d c men f he N n- blic Offe ing f A Sha e . On 9 J ne 2017, in de en e he im lemen a i n f he ele an k, n c n ide a i n and a al a he ann al gene al mee ing f 2016, he fi 2017 cla mee ing f A Sha e and he fi 2017 cla mee ing f H Sha e , he C m an e i ed i i ance al f he N n- blic Offe ing f A Sha e and e ended he alidi e i d f he e l i n b he ha eh lde ' gene al mee ing a ell a he alidi e i d f he manda e f he B a d. F ele an inf ma i n, lea e efe he ele an ann ncemen da ed 17 Jan a , 21 A il and 9 J ne 2017 di cl ed in China Sec i ie J nal, Shanghai Sec i ie Ne , Sec i ie Time , Cninf eb i e (.cninf .c m.cn), he C m an ' eb i e (.cimc.c m) (N ice N .: [CIMC]2017-002, [CIMC]2017-024 and [CIMC]2017-033) and he eb i e f he H ng K ng S ck E change (.hke ne .hk). A a he end f he Re ing Pe i d, he N n- blic Offe ing f A Sha e i ill ended.

2. On 7 A il 2017, China Me chan P H lding C m an Limi ed, he f me ha eh lde f he C m an , an fe ed all ha e f i h ll - ned b idia S a e Limi ed (indi ec l h lding ha e f he C m an h gh he h ll - ned b idia China Me chan (CIMC) In e men Limi ed) China Me chan Ind H lding C ., L d. b ag eemen . U n he c m le i n f an ac i n n 9 J ne 2017, China Me chan Ind H lding C ., L d. ha bec me he c n lling ha eh lde h ll - ned S a e Limi ed and al he la ge ha eh lde f he C m an indi ec l b indi ec l h lding 730,557,217 H Sha e f he C m an (acc n ing f 24.51% f he al i ed ha e f he C m an) h gh S a e Limi ed and China Me chan (CIMC) In e men Limi ed. A he n mbe and e cen age f ha e f he C m an held b China Me chan G emained nchanged bef e and af e he an fe f ha e f S a e Limi ed, China Me chan G c n in ed be he la ge ha eh lde f he C m an indi ec l . F ele an inf ma i n, lea e efe he ele an ann ncemen da ed 8 A il and 9 J ne 2017 di cl ed in China Sec i ie J nal, Shanghai Sec i ie Ne , Sec i ie Time , Cninf eb i e (.cninf .c m.cn), he C m an ' eb i e (.cimc.c m) (N ice N .: [CIMC]2017-020 and [CIMC]2017-032) and he eb i e f he H ng K ng S ck E change (.hke ne .hk).

3. A c n ide ed and a ed b he 11 h mee ing f he eigh h e i n f he B a d f Di ec f he C m an f 2017 and he 6 h mee ing f he eigh h e i n f he S e i C mmi ee f 2017, he C m an e i ed he acc n ing licie f he C m an an he e i emen nde N ice n I ance f Re i ed Acc n ing S anda d f B ine En e i e N . 16 G e nmen S b id (Cai K ai [2017] N . 15) i ed b MOF and N ice n he I ance f he Acc n ing S anda d f B ine En e i e N . 42 N n-c en A e Held f Sale, Di al G and Te mina i n f O e a i n (Cai K ai [2017] N . 13) i ed b MOF and ha im lemen ed ch e i ed acc n ing licie ince 12 J ne 2017 and 28 Ma 2017 acc ding he ele an e i emen e ec i el . F ele an inf ma i n, lea e efe he ele an ann ncemen da ed 28 A g 2017 di cl ed in China Sec i ie J nal, Shanghai Sec i ie Ne , Sec i ie Time , Cninf eb i e (.cninf .c m.cn), he C m an ' eb i e (.cimc.c m) (N ice N .: [CIMC]2017-058) and he eb i e f he H ng K ng S ck E change (.hke ne .hk).

Summary of significant events	Date of disclosure	Search index of the tentative announcement disclosure website
1. A lica i n f he en i n f he N n- blic Offe ing f A Sha e and adj men in he lan f he N n- blic Offe ing f A Sha e and e en i n f he alidi e i d f he e l i n b he ha eh lde ' gene al mee ing a ell a he alidi e i d f he manda e	17 Jan a 2017, 21 A il 2017 and 9 J ne 2017	.cninf .c m.cn
2. Change in ha eh lding f China Me chan Ind H lding C ., L d. in he C m an	8 A il 2017 and 10 J ne 2017	.hke ne .hk
3. Change in acc n ing lic	28 A g 2017	.cimc.c m

XVIII. MATERIAL EVENTS OF SUBSIDIARIES

☐ Applicable √ Not Applicable

XIX. SIGNIFICANT SUBSEQUENT EVENTS

1. On 5 July 2017, EIHL (Shenzhen) entered into the relevant agreement with SOE and SOE Bankruptcy and Liquidation Team (南通太平洋破産清算組) pursuant to which to purchase the majority shares of SOE through acquiring the entire equity interest in SOE. On 4 August 2017, the SOE Restructuring Plan was passed at the creditors' meeting of SOE and approved by the court. On 16 August 2017, SOE has become an indirect wholly-owned subsidiary of CIMC Enric and an indirect non-wholly-owned subsidiary of the Group. SOE has renamed as 南通中集太平洋海洋工程有限公司 (Nantong CIMC Sinopacific Offshore & Engineering Co., Ltd.). For relevant information, please refer to the announcements dated 6 July, 4 August and 16 August 2017 disclosed in China Securities Journal, Shanghai Securities News, Securities Times, Cninfo website (www.cninfo.com.cn), the Company's website (www.cimc.com) (Notice No.: [CIMC]2017-036, [CIMC]2017-047 and [CIMC]2017-054) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

2. On 17 July 2017, CIMC Skyspace Real Estate and CGRE entered into a capital increase agreement, pursuant to which CGRE injected an amount of RMB926,322,300 in the capital of CIMC Skyspace Real Estate and held as to 25% of its equity after the completion while the Company held 61.5% equity interest in CIMC Skyspace Real Estate through CIMC Shenfa. For relevant information, please refer to the announcement dated 17 July 2017 disclosed in China Securities Journal, Shanghai Securities News, Securities Times, Cninfo website (www.cninfo.com.cn), the Company's website (www.cimc.com) (Notice No.: [CIMC] 2017-040) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

3. On 3 August 2017, Shenzhen Southern CIMC Containers Manufacture Co., Ltd. (深圳南方中集集裝箱製造有限公司) ("Southern CIMC"), a wholly-owned subsidiary of the Company, and China Merchants Shekou Industrial Zone Holdings Co., Ltd. (招商局蛇口工業區控股股份有限公司) ("China Merchants Shekou") entered into a relocation compensation agreement for the land in Prince Bay, Shekou, pursuant to which Southern CIMC agreed to relocate and return the leasehold land in Prince Bay, Shekou to China Merchants Shekou and China Merchants Shekou agreed to a compensation based on the appraised value of RMB494,894,588. Such matter has been submitted to the first extraordinary general meeting in 2017 of the Company to be convened on 26 September 2017 for consideration and approval. For relevant information, please refer to the announcements dated 3 August and 11 August 2017 and the notice of general meeting disclosed in China Securities Journal, Shanghai Securities News, Securities Times, Cninfo website (www.cninfo.com.cn), the Company's website (www.cimc.com) (Notice No.: [CIMC] 2017-045 and [CIMC] 2017-052) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

XX. CORPORATE BONDS

The Company has no publicly issued corporate bonds that are listed on stock exchanges, undue as at the date approving the issue of the 2017 interim report or falling due but not fully repaid.

Chapter VII Changes in Share Capital and Information on Substantial Shareholders

I. CHANGES IN SHAREHOLDINGS IN THE REPORTING PERIOD

1. Change in Share Capital

Uni : Sha e

	Pre-movement (As at 31 December 2016)		Increase/decrease (+/-)					Post-movement (As at 30 June 2017)	
	Numbers of shares	Percentage	New issue	Bonus issue	Conversion from reserves	Others	Sub-total	Numbers of shares	Percentage
I. Sha e i h elling e ic i n	699,526	0.02%	0	0	0	28,500	28,500	728,026	0.02%
1. S a e- ned ha e	0	0.00%	0	0	0	0	0	0	0.00%
2. Sha e held b a e- ned c m anie	0	0.00%	0	0	0	0	0	0	0.00%
3. Sha e held b he d me ic in e	699,526	0.02%	0	0	0	28,500	28,500	728,026	0.02%
Sha e held b d me ic legal e n	0	0.00%	0	0	0	0	0	0	0.00%
Sha e held b d me ic na al e n	699,526	0.02%	0	0	0	28,500	28,500	728,026	0.02%
4. Sha e held b f eign in e	0	0.00%	0	0	0	0	0	0	0.00%
Sha e held b f eign legal e n	0	0.00%	0	0	0	0	0	0	0.00%
Sha e held b f eign na al e n	0	0.00%	0	0	0	0	0	0	0.00%
II. Sha e i h elling e ic i n	2,977,877,460	99.98%	1,775,800	0	0	(28,500)	1,747,300	2,979,624,760	99.98%
1. RMB-den mina ed O dina Sha e (A Sha e)	1,261,300,851	42.35%	1,775,800	0	0	(28,500)	1,747,300	1,263,048,151	42.38%
2. Sha e aded in n n-RMB c encie and li ed d me icall	0	0.00%	0	0	0	0	0	0	0.00%
3. Sha e aded in n n-RMB c encie and li ed e ea (H Sha e)	1,716,576,609	57.63%	0	0	0	0	0	1,716,576,609	57.60%
4. O he	0	0.00%	0	0	0	0	0	0	0.00%
III. T al ha e	2,978,576,986	100.00%	1,775,800	0	0	0	1,775,800	2,980,352,786	100.00%

Rea n f change in ha e

(1) On 27 Ma ch 2017, he C m an ' eni managemen M Jin Jianl ng e i ed n e i f i e m. 210,000 A ha e (incl ding 52,500 ci c la ing ha e i h elling e ic i n) h lding b him e e all bjec elling e ic i n ince him leng h f e ice fall bel i m n h .

(2) On 3 Jan a 2017, he C m an ' eni managemen M Li X ebin ld 24,000 ha e i h elling e ic i n .

(3) D ing he Re ing Pe i d, 1,730,800 i n e e e e ci ed d ing he ec nd e e ci able e i d f he Fi Tanche f Sha e O i n , and 45,000 i n e e e e ci ed d ing he ec nd e e ci able e i d f he Sec nd Tanche f Sha e O i n , ha i , alling 1,775,800 ha e i n e e e e ci ed.

A al f change in ha e ca i al

☐ A licable N A licable

T an fe f change in ha e

☐ A licable N A licable

Effec f change in ha e ca i al n financial indica ch a he ba ic ea ning e ha e and dil ed ea ning e ha e, he ne a e e ha e a ib able dina Sha eh lde f he C m an f he e i ea la e e i d

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	Item	Pre-movement in shares (RMB/share)	Post-movement in shares (RMB/share)
2016	Ba ic ea ning e ha e	0.14	0.14
	Dil ed ea ning e ha e	0.14	0.14
	Ne a e e ha e a ib able dina Sha eh lde f he C m an	9.14	9.14
Fi half f 2017	Ba ic ea ning e ha e	0.2554	0.2554
	Dil ed ea ning e ha e	0.2544	0.2554
	Ne a e e ha e a ib able dina Sha eh lde f he C m an	10.01	10.01

O he ma e ha he C m an deemed nece a e i ed b he ec i ie eg la a h i be di cl ed

☐ A licable N A licable

Chapter VII Changes in Share Capital and Information on Substantial Shareholders

2. Changes in Shares with Selling Restrictions

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Uni : Sha 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	Expiry date of selling restrictions
Mai B liang (N e 1)	371,026	0	0	371,026	Sha e bjec elling e ic i n in acc dance i h ele an i i n f ck e change and clea ing c m anie	Nil
Y Ya (N e 1)	75,000	0	0	75,000	Same a ab e	Nil
Jin Jianl ng (N e 2)	157,500	0	52,500	210,000	Re i ed n 27 Ma ch 2017. Sha e held b him i h e ic i n e e l cked ince hi leng h f e ice fall bel i m n h a a he da e f hi Re .	Nil
Li X ebin (N e 3)	96,000	(24,000)	0	72,000	Sha e bjec elling e ic i n elea ed f m elling e ic i n in acc dance i h ele an i i n f ck e change and clea ing c m anie	3 Jan a 2017
T al	699,526	(24,000)	52,500	728,026	-	-

N e 1: Mai B liang h ld 371,026 ha e bjec elling e ic i n a ib able e ec i e . Y Ya h ld 75,000 ha e bjec elling e ic i n a ib able e ec i e . 25% f he al ha e held b hem ill n be bjec elling e ic i n a he beginning f each ea and he n ld a ill be incl ded in he al ha e held b he eni managemen calc la e he ha e i h elling e ic i n f he ne ea

N e 2: On 27 Ma ch 2017, he C m an ' eni managemen Jin Jianl ng e i ed n hi e i f e m. A a he end f he Re ing Pe i d, 210,000 A ha e (incl ding 52,500 ci c la ing ha e i h elling e ic i n) held b him e e all bjec elling e ic i n ince hi leng h f e ice fell bel i m n h .

N e 3: D ing he Re ing Pe i d, he C m an ' ice e iden Li X ebin ld 0.01a alTe <0em4 -2.167 Td[(N)-3( )-3(e)-3( )-3(3)-3(:)].

III. NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS OF THE COMPANY

As at 30 June 2017, the total number of Shareholders of the Company was 80,942, including: 12 holders of H Shares and 80,930 holders of A Shares.

Unit: Share

Total ordinary Shareholders at the end of the Reporting Period	Total: 80,942 (including: A Shares: 80,930, H Shares: 12)			Total number of preference Shareholders whose voting rights were restored at the end of the Reporting Period (if any)				0
Shareholdings of the ordinary Shareholders who hold above 5% or the top ten ordinary Shareholders								
Name of Shareholders	Nature of Shareholders	Percentage of shareholding	Number of ordinary shares held at the end of the Reporting Period (Shares)	Changes during the Reporting Period (Shares)	Number of ordinary shares with selling restrictions (Shares)	Number of ordinary shares without selling restrictions (Shares)	Pledged or frozen shares Status	Pledged or frozen shares Number
HKSCC Nominees Limited (Note 1)	Foreign legal person	57.59%	1,716,412,609	65,099,538	–	1,716,412,609	–	0
COSCO Container Industries Limited (Note 2)	Foreign legal person	14.50%	432,171,843	–	–	432,171,843	–	0
China Securities Finance Corporation Limited	State-owned legal person	2.70%	80,414,863	(6,252,204)	–	80,414,863	–	0
Central Huijin Asset Management Ltd.	State-owned legal person	1.27%	37,993,800	–	–	37,993,800	–	0
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Bosera Fund – Agricultural Bank – Bosera China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Dacheng Fund – Agricultural Bank – Dacheng China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Yinhua Fund – Agricultural Bank – Yinhua China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
The relationship or concerted action of the above mentioned Shareholders	Unknown							

Chapter VII Changes in Share Capital and Information on Substantial Shareholders

Shareholdings of top ten ordinary Shareholders without selling restrictions

Name of Shareholders	Number of ordinary shares without selling restrictions held at the end of the Reporting Period	Type of shares Type of shares	Number
HKSCC N minee Limi ed (N e 1)	1,716,412,609	O e ea li ed f eign ha e	1,716,412,609
COSCO C n aine Ind ie Limi ed (N e 2)	432,171,843	RMB-den mina ed dina ha e	432,171,843
China Sec ie Finance C a i n Limi ed	80,414,863	RMB-den mina ed dina ha e	80,414,863
Cen al H ijin A e Managemen L d.	37,993,800	O e ea li ed f eign ha e	37,993,800
ICBC C edi S i e F nd Ag ic l al Bank ICBC C edi S i e China Sec ie and Financial A e Managemen P g am	9,566,600	RMB-den mina ed dina ha e	9,566,600
Zh ng O F nd Ag ic l al Bank Zh ng O China Sec ie and Financial A e Managemen P g am	9,566,600	RMB-den mina ed dina ha e	9,566,600
B e a F nd Ag ic l al Bank B e a China Sec ie and Financial A e Managemen P g am	9,566,600	RMB-den mina ed dina ha e	9,566,600
Dacheng F nd Ag ic l al Bank Dacheng China Sec ie and Financial A e Managemen P g am	9,566,600	RMB-den mina ed dina ha e	9,566,600
Ha e F nd Ag ic l al Bank -Ha e China Sec ie and Financial A e Managemen P g am	9,566,600	RMB-den mina ed dina ha e	9,566,600
Yinh a F nd Ag ic l al Bank Yinh a China Sec ie and Financial A e Managemen P g am	9,566,600	RMB-den mina ed dina ha e	9,566,600
The ela i n hi c nce ed ac i n be een he en Sha eh lde f ci c la ing ha e i h elling e ic i n , he en Sha eh lde f ci c la ing ha e i h elling e ic i n and he en Sha eh lde	Unkn n		
E lana i n n he en dina Sha eh lde a ici a ing in financing ec ie b ine (if an)	Nil		

N e 1: A a 30 J ne 2017, HKSCC N minee Limi ed a he egi e ed h lde f 1,716,412,609 H ha e , incl ding (b n limi ed) he 730,557,217 H ha e f he C m an held b China Me chan G h gh i ce ain b idia ie and he 245,842,181 H ha e f he C m an held b China COSCO Shi ing h gh i b idia ie (incl ding 220,520,075 H ha e held b COSCO C n aine Ind ie Limi ed).

N e 2: A a 30 J ne 2017, COSCO C n aine Ind ie Limi ed held 220,520,075 H ha e f he C m an hich e e egi e ed nde HKSCC N minee Limi ed (ee ab e-men i ned N e 1) and 432,171,843 A ha e f he C m an .

The en dina Sha eh lde and he en dina Sha eh lde i h elling e ic i n did n c nd c an ag eed e cha e an ac i n d ing he Re ing Pe i d.

IV. CHANGE OF CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER

1. Controlling Shareholders of the Company

☐ A licable N A licable

The e i n c n lling Sha eh lde in he C m an . D ing he Re ing Pe i d, he e a n change.

2. De Facto Controller

☐ A licable N A licable

The e i n de fac c n lle in he C m an . D ing he Re ing Pe i d, he e a n change.

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

A fa a he Di ec a e a a e, a a 30 J ne 2017, he e n (he han he Di ec , S e i he chief e ec i e f he C m an) h had in e e h i i n in he ha e and nde l ing ha e f he C m an hich a e e i ed be ec ded in he egi e f in e e in ha e and h i i n e i ed be ke b he C m an an Sec i n 336 f he SFO a e a f ll :

Name of Shareholder	Nature of shares	Number of shares (Shares)	Capacity	Percentage of such shares in the same class of the issued shares (%)	Percentage of such shares in the total issued shares (%)
China Me chan G (N e 1)	H Sha e	730,557,217 (L)	In e e f c a i n c n lled b he b an ial Sha eh lde	42.56%	24.51%
China COSCO Shi ing (N e 2)	A Sha e	432,171,843 (L)	In e e f c a i n c n lled b he b an ial Sha eh lde	34.20%	14.50%
	H Sha e	245,842,181 (L)	In e e f c a i n c n lled b he b an ial Sha eh lde	14.32%	8.25%
Zha J hn H an (N e 3)	H Sha e	358,251,896 (L)	In e e f c a i n c n lled b he b an ial Sha eh lde	20.87%	12.02%
B ad Ride Limi ed (N e 3)	H Sha e	215,203,846 (L)	Beneficial ne	12.54%	7.22%
	H Sha e	143,048,050 (L)	Pe n ha ing ec i in e e in ha e	8.33%	4.80%
P m H lding Limi ed	H Sha e	143,048,050 (L)	Beneficial ne	8.33%	4.80%

(L) L ng P i i n

Chapter VII Changes in Share Capital and Information on Substantial Shareholders

N e 1: 730,557,217 H ha e e e held b China Me chan (CIMC) In e men Limi ed in he ca aci f beneficial ne China Me chan (CIMC) In e men Limi ed a h ll - ned b S a e Limi ed, hich a in n h ll - ned b China Me chan Ind H lding C ., L d., hich a h ll - ned b China Me chan H lding (H ng K ng) C m an Limi ed, hich a h ll - ned b China Me chan S eam Na iga i n C m an Limi ed, hich a h ll - ned b China Me chan G . Acc dingl , an Pa XV f he SFO, China Me chan G a deemed ha e in e e in he 730,557,217 H ha e f he C m an .

N e 2: Am ng hich, 220,520,075 H ha e e e held b COSCO C n aine Ind ie Limi ed in he ca aci f beneficial ne 25,322,106 H ha e e e held b L ng H n In e men Limi ed in he ca aci f beneficial ne COSCO C n aine Ind ie Limi ed a h ll - ned b L ng H n In e men Limi ed, hich a in n h ll - ned b COSCO Shi ing De el men (H ng K ng) C ., Limi ed, hich a h ll - ned b COSCO Shi ing De el men C ., L d., hich a ned b China Shi ing (G) C m an a 39.02%, hich a h ll - ned b China COSCO Shi ing. Acc dingl , an Pa XV f he SFO, China COSCO Shi ing a deemed ha e in e e in he 245,842,181 H ha e f he C m an . In addi i n, China COSCO Shi ing al held 432,171,843 A ha e f he C m an h gh he af emen i ned b idia ie .

N e 3: 215,203,846 H ha e e e held b B ad Ride Limi ed in he ca aci f beneficial ne hile he he 143,048,050 H ha e e e held b B ad Ride Limi ed in he ca aci f e n ha ing ec i in e e in ha e . B ad Ride Limi ed a h ll - ned b H n Ca i al F nd V, L.P., hich a in n h ll - ned b H n Ca i al F nd V GP, L.P., hich a h ll - ned b H n Ca i al F nd V GP Limi ed, hich a h ll - ned b H n G Managemen Limi ed, hich a h ll - ned b H n Managing Pa ne Limi ed a 80%, hich a h ll - ned b E nen ial F ne G Limi ed, hich a h ll - ned b J hn H an Zha a 49%. Acc dingl , an Pa XV f he SFO, J hn H an Zha a deemed ha e in e e in he 358,251,896 H ha e f he C m an .

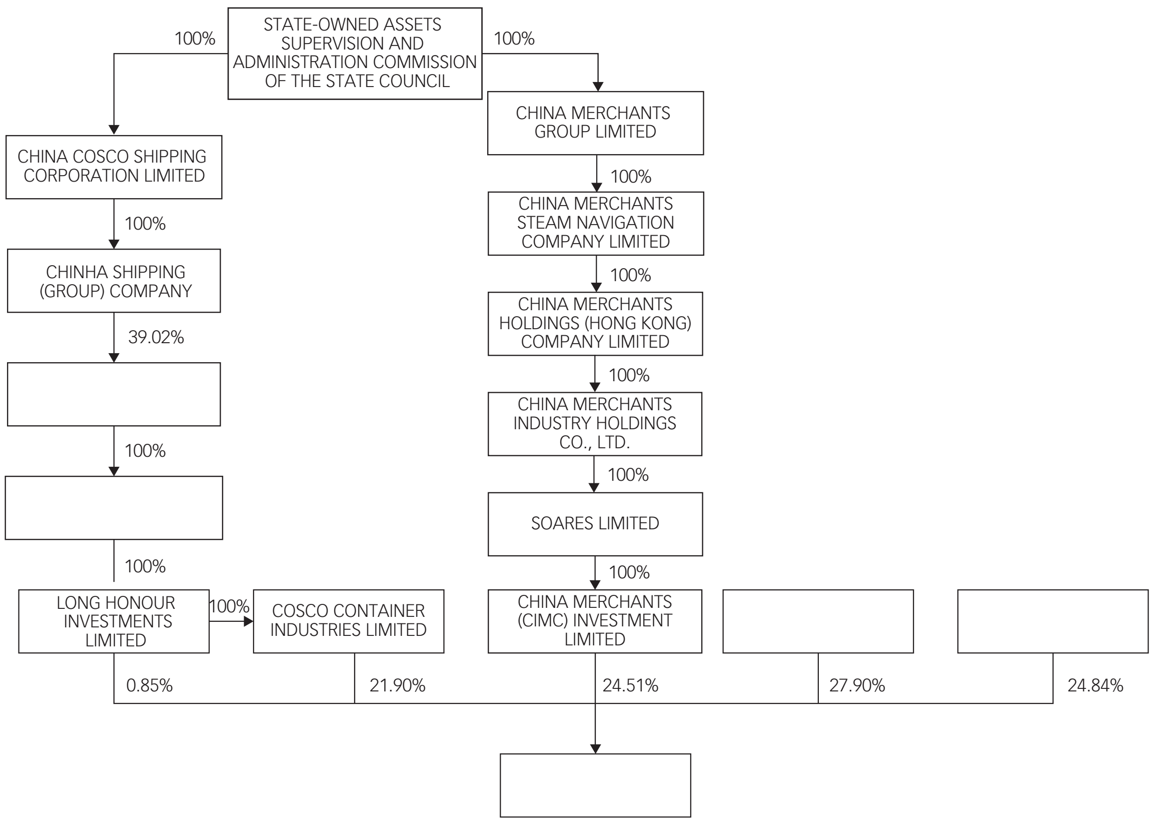
Sa e a di cl ed ab e and a fa a he Di ec a e a a e, a a 30 J ne 2017, n he e n (he han a Di ec , S e i eni managemen f he C m an) had an in e ec ded in he egi e f in e e in ha e and h i i n e i ed be ke b he C m an an Sec i n 336 f he SFO f H ng K ng.

Substantial Shareholders of the Company

A a he end f he Re ing Pe i d, he b an ial Sha eh lde f he C m an a e China Me chan G and China COSCO Shi ing.

China Me chan G a inc a ed n 14 Oc be 1986 in he PRC. I egi e ed ca i al i RMB10,050 milli n and i chai man f he b a d f di ec i Li Jianh ng. China Me chan G ' b ine f c e n h ee c e ind ie , namel affic (ha b , high a , hi ing and an a i n, l gi ic , cean enginee ing and ade), finance (bank, ec i ie , f nd and in ance) and eal e a e (ind ial ne de el men and eal e a e de el men). On 9 J ne 2017, China Me chan P H lding C m an Limi ed, a b idia f China Me chan G , c m le ed he an ac i n f an fe ing all ha e f S a e Limi ed China Me chan Ind H lding C ., L d., an he b idia f China Me chan G . A f he end f he Re ing Pe i d, China Me chan G h gh i b idia ie (incl ding China Me chan S eam Na iga i n C m an Limi ed, China Me chan H lding (H ng K ng) C m an Limi ed, China Me chan Ind H lding C ., L d., S a e

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



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

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Uni : Sha e

Name	Position	Status	Class of shares	Shares held at the beginning of the Reporting Period	Increase of shares during the Reporting Period	Decrease of shares during the Reporting Period	Shares held at the end of the Reporting Period	Restricted shares granted at the beginning of the Reporting Period	Restricted shares granted during the Reporting Period	Restricted shares granted at the end of the Reporting Period
Li X ebin	Vice e iden	C en	A Sha e	96,000	0	24,000	72,000	0	0	0
			H Sha e	2,400	0	0	2,400	0	0	0

II. CHANGES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY

1. During the Reporting Period, changes of Directors, Supervisors and senior management of the Company are set out below:

Name	Position	Type	Date	Reasons
Jin Jianl ng	Gene al Manage f Financial De a men	Re i emen n e i f he e m	27 Ma ch 2017	Re i emen n e i f he e m
Zeng Han	Gene al Manage f Financial De a men	A in men	27 Ma ch 2017	A in men

2. The changes of Directors and Supervisors of the Company after the Reporting Period are set out below:

On 7 A g 2017, M Wang Zhi ian e igned f m he i i n f n n-e ec i e Di ec f he C m an and all he i i n in he Ri k Managemen C mmi ee and he Rem ne a i n and A ai al C mmi ee f he B a d d e he change in j b a ignmen . The e igna i n f M Wang Zhi ian ha aken effec f m he da e f he B a d' ecei f hi i en e igna i n. On 11 A g 2017, he B a d ed n mina e M H Xianf a a n n-e ec i e Di ec f he eigh h e i n f he B a d. Acc ding he A icle f A cia i n, he ed a in men ha been bmi ed he fi e a dina gene al mee ing in 2017 f he C m an be c n ened n 26 Se embe 2017 f c n ide a i n and a al.

On 7 A g 2017, M L Sheng h ed e ign f m he i i n f he S e i e e en ing ha eh lde f he C m an d e he change in k a angemen . M L Sheng h ' e igna i n ill e l in he al n mbe f e i f he C m an falling bel he minim m m; he ef e, acc ding he A icle f A cia i n, M L Sheng h ' e igna i n ill n c me in effec n il a ne e i i elec ed a he C m an ' gene al mee ing fill he acanc . M L Sheng h hall c n in e f lfill he d ie f e i bef e hi e igna i n ake effec . On 11 A g 2017, he S e i C mmi ee ed n mina e M Wang H ng an a a S e i e e en ing ha eh lde f he eigh h e i n f he S e i C mmi ee. Acc ding he A icle f A cia i n, he ed a in men ha been bmi ed he fi e a dina gene al mee ing in 2017 f he C m an be c n ened n 26 Se embe 2017 f c n ide a i n and a al.

F ele an inf ma i n, lea e efe he ann ncemen da ed 7 A g and 11 A g 2017 di cl ed in China Sec i ie J nal, Shanghai Sec i ie Ne , Sec i ie Time , Cninf eb i e (.cninf .c m.cn), he C m an ' eb i e (.cimc.c m) (N ice N .: [CIMC] 2017-048 and [CIMC] 2017-051) and he eb i e f he H ng K ng S ck E change (.hke ne .hk).

III. INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN THE SHARE CAPITAL OF THE COMPANY AND ASSOCIATED CORPORATION THEREOF

A a 32T3 i6Y ne 3 i6Y017, i6Yhe n m ef a d eh 3 i i n hel b i6Yhe i ec i6YS e i 0.5(d)3.5((i hn he meanng)P n n eh ef ecd be c ifid he f3TJ0.0297T 0 -1.412 TD[(C mman nd he ng K)18 a a n , a eh ef ecd be cec add in ecgi m

1. Interest in the Shares of the Company:

Name	Nature of interest	Class of shares	Number of shares (shares)	Percentage of such shares in the issued shares of the same class (%)	Percentage of such shares in the total issued shares (%)
Mai B liang	Beneficial in e e	A Sha e	494,702	0.04%	0.02%

2. Interest in the Underlying Shares of the Company:

F de ail f he in e e in he nde l ing ha e f he C m an held b Di ec , S e i and he chief e ec i e f he C m an a a 30 J ne 2017, lea e efe XII. Im lemen a i n f he C m an ' Incen i e Scheme, Em l ee S ck O ne hi Scheme O he Em l ee Incen i e Mea e nde Cha e VI Significan E en in hi Re .

3. Interests in the Shares of Associated Corporations of the Company:

Name	Associated corporation	Nature of interest	Number of shares held (shares)	Percentage of such shares in the total issued shares or total equity interest (%)
Mai B liang	CIMC Vehicle (G)	Beneficia f a	N a licable	0.74% (N e)
	CIMC En ic	Beneficial in e e	3,260,000	0.17%

N e: M Mai B liang indi ec l held 0.74% in e e in CIMC Vehicle (G) b h lding 4.69% ha e in he CR T CIMC Vehicle (G) E i T Plan. F he de ail f he CR T CIMC Vehicle (G) E i T Plan, lea e efe (3) Im lemen a i n f he e i cheme f he b idia CIMC Vehicle (G) f XII. Im lemen a i n f he C m an ' Sha e O i n Incen i e Scheme, Em l ee S ck O ne hi Scheme O he Em l ee Incen i e Mea e nde Cha e VI Significan E en in hi Re .

Sa e a di cl ed ab e, a a 30 J ne 2017, a fa a he Di ec f he C m an a e a a e, n ne f he Di ec , S e i and he chief e ec i e held an in e e h i i n in he ha e , nde l ing ha e and deben e (i hin he meaning f Pa XV f he SFO) f he C m an and an f i a cia ed c a i n , hich a e e i ed be n ified he C m an and he H ng K ng S ck E change nde Di i i n 7 and 8 f Pa XV f he SFO, incl ding in e e and h i i n hich a e aken deemed ha e nde ch i i n f he SFO, hich a e e i ed be ec ded in he egi e e i ed be ke nde Sec i n 352 f he SFO, he i e e i ed be n ified he C m an and he H ng K ng S ck E change nde he M del C de c n ained in A endi 10 f he H ng K ng Li ing R le .

IV. CHANGES IN INFORMATION OF DIRECTORS AND SUPERVISORS

The e a n change in inf ma i n f he c en Di ec and S e i f he C m an d ing he Re ing Pe i d. F de ail , lea e efe 2016 Ann al Re .

Chapter IX 2017 Interim Financial Report (Unaudited)

1. AUDIT REPORT

Whe he he in e im e a di ed n

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The 2017 In e im Financial Re f he C m an ha n been a di ed.

2. FINANCIAL REPORT

China In e na i nal Ma ine C n aine (G) C ., L d.

The financial e f he e i d f m 1 Jan a 2017 30 J ne 2017

The n e he financial a emen a e den mina ed in: RMB’000

Consolidated Balance Sheet

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016
Assets			
Current assets:			
Cash at bank and on hand	IV.1	**5,737,102**	6,325,998
Financial assets at fair value through profit or loss	IV.2	**187,117**	141,160
Notes receivable	IV.3	**1,096,250**	1,536,191
Accounts receivable	IV.4	**16,371,018**	11,526,075
Advances to suppliers	IV.6	**2,393,030**	2,165,982
Interest receivable		**8,580**	9,250
Dividends receivable		**42,055**	41,959
Other receivables	IV.5	**8,243,976**	9,347,887
Inventories	IV.7	**18,336,871**	17,409,515
Assets classified as held for sale	IV.8	**203,847**	203,847
Current portion of non-current assets	IV.9	**4,118,028**	3,941,689
Other current assets	IV.10	**719,176**	702,478
Total current assets		**57,457,050**	53,352,031
Non-current assets			
Financial assets at fair value through profit or loss	IV.2	**249,034**	325,187
Available-for-sale financial assets	IV.11	**461,762**	442,726
Long-term receivables	IV.12	**13,499,327**	13,220,242
Long-term equity investments	IV.13	**2,249,428**	2,162,217
Investment properties	IV.14	**1,722,065**	1,752,608
Fixed assets			

Consolidated Balance Sheet (Continued)

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	IV.25	**17,945,748**	15,729,787
Financial liabilities at fair value through profit or loss	IV.26	**134,772**	141,806
Notes payable	IV.27	**1,253,175**	1,551,582
Accounts payable	IV.28	**11,345,178**	10,160,951
Advances from customers	IV.29	**4,545,835**	3,780,694
Employee benefits payable	IV.30	**2,120,417**	2,115,108
Taxes payable	IV.31	**975,399**	1,092,030
Interest payable	IV.32	**533,428**	303,375
Dividends payable	IV.33	**253,412**	16,746
Other payables	IV.34	**6,127,379**	5,154,073
Provisions	IV.35	**772,163**	847,429
Current portion of non-current liabilities	IV.36	**5,015,501**	3,667,872
Other current liabilities	IV.37	**2,612,280**	1,687,762
Total current liabilities		**53,634,687**	46,249,215
Non-current liabilities:			
Financial liabilities at fair value through profit or loss	IV.26	**57,718**	61,235
Long-term borrowings	IV.38	**23,665,089**	27,023,222
Debentures payable	IV.39	**7,986,500**	7,986,500
Long-term payables	IV.40	**504,909**	529,372
Payables for specific projects	IV.41	**16,720**	9,704
Deferred income	IV.42	**836,650**	839,738
Deferred tax liabilities	IV.21	**687,884**	657,414
Other non-current liabilities	IV.43	**2,236,814**	2,123,556
Total non-current liabilities		**35,992,284**	39,230,741
Total liabilities		**89,626,971**	85,479,956
Shareholders' equity			
Share capital	IV.44	**2,980,353**	2,978,577
Other equity instruments	IV.45	**1,981,143**	2,049,035
Capital surplus	IV.46	**3,075,965**	3,126,585
Other comprehensive income	IV.47	**429,765**	357,341
Surplus reserve	IV.48	**3,279,379**	3,279,379
Undistributed profits	IV.49	**18,076,208**	17,495,053
Total equity attributable to shareholders and other equity holders of the company		**29,822,813**	29,285,970
Minority interests		**10,049,070**	9,848,822
Total shareholders' equity		**39,871,883**	39,134,792
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**129,498,854**	124,614,748

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

Legal representative's authorized person: Mai Boliang

The person in charge of accounting affairs: Zeng Han

The head of the accounting department: Zeng Han

Balance Shee

A a 30 J ne 2017

(All am n in RMB'000 nle he i e a ed)

(Engli h T an la i n f Refe ence Onl)

	N e	30 June 2017	31 Decembe 2016
ASSETS			
Current assets:			
Ca h a bank and n hand	XVI.1	**2,300,326**	2,660,222
Di idend ecei able	XVI.2	**4,704,365**	4,755,818
O he ecei able	XVI.3	**12,968,574**	13,131,416
O he c en a e		**7,685**	9,272
Total current assets		**19,980,950**	20,556,728
Non-current assets:			
A ailable-f ale financial a e	XVI.4	**388,905**	388,905
L ng- e m e i in e men	XVI.5	**9,490,535**	9,375,276
Fi ed a e		**101,398**	102,372
C n c i n in g e		**16,931**	844
In angible a e		**14,336**	14,466
Di al f fi ed a e		**207**	-
L ng- e m e aid e en e		**35,115**	40,730
Defe ed a a e	XVI.14	**49,636**	52,280
Total non-current assets		**10,097,063**	9,974,873
TOTAL ASSETS		**30,078,013**	30,531,601

Balance Sheet (Continued)

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	XVI.6	**3,660,000**	2,710,000
Financial liabilities at fair value through profit or loss	XVI.7	**–**	65
Employee benefits payable		**196,808**	205,760
Taxes payable	XVI.8	**4,024**	3,646
Interest payable	XVI.9	**225,564**	75,755
Dividend Payable		**178,332**	–
Other payable	XVI.10	**2,185,522**	2,990,804
Provision		**–**	79,104
Current portion of non-current liabilities	XVI.11	**995,000**	800,000
Total current liabilities		**7,445,250**	6,865,134
Non-current liabilities:			
Financial liabilities at fair value through profit or loss	XVI.7	**1,738**	3,296
Long-term borrowing	XVI.12	**826,000**	1,621,000
Debentures payable	XVI.13	**7,986,500**	7,986,500
Deferred income		**36,276**	37,429
Total non-current liabilities		**8,850,514**	9,648,225
Total liabilities		**16,295,764**	16,513,359
Shareholders' equity			
Share capital		**2,980,353**	2,978,577
Other equity instrument		**1,981,143**	2,049,035
Capital surplus	XVI.15	**3,304,356**	3,287,149
Other comprehensive income	XVI.16	**43,754**	43,754
Surplus reserve		**3,279,379**	3,279,379
Undistributed profit		**2,193,264**	2,380,348
Total equity attributable to shareholders and other equity holders		**13,782,249**	14,018,242
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**30,078,013**	30,531,601

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

Legal representative and authorized person: Mai Boliang
The person in charge of accounting affairs: Zeng Han
The head of the accounting department: Zeng Han

Consolidated Income Statement

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

		Note	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I.	**Revenue**	IV.50	**33,387,152**	23,542,843
	Less: Cost of sales	IV.50	**27,241,564**	19,126,496
	Taxes and surcharges	IV.51	**216,183**	194,236
	Selling and distribution expenses	IV.52	**1,256,253**	1,036,129
	General and administrative expenses	IV.53	**2,368,039**	1,982,301
	Financial expenses - net	IV.54	**594,251**	304,944
	Asset impairment losses	IV.58	**234,437**	1,267,501
	Add: Profit/(losses) from changes in fair value	IV.56	**(32,626)**	137,104
	Investment Income	IV.57	**(10,628)**	(87,328)
	Including: Share of profit/(losses) of associates and joint ventures		**2,538**	13,800
	Other income	IV.59	**91,032**	
II.	**Operating profit**		**1,524,203**	(318,988)
	Add: Non-operating income	IV.60	**84,343**	167,289
	Including: Profits on disposal of non-current assets		**31,127**	6,153
	Less: Non-operating expenses	IV.61	**32,404**	14,145
	Including: Losses on disposal of non-current assets		**17,388**	9,485
III.	**Total profit**		**1,576,142**	(165,844)
	Less: Income tax expenses	IV.62	**509,633**	375,316
IV.	**Net profit**		**1,066,509**	(541,160)
	Attributable to shareholders and other equity holders of the Company		**796,898**	(378,034)
	Minority interests		**269,611**	(163,126)
V.	**Other comprehensive income/(losses), net of tax**	IV.47	**99,022**	328,231
	Attributable to shareholders and other equity holders of the Company		**72,424**	274,766
	Items that may be reclassified subsequently to profit or loss		**72,424**	274,766
	Change in value of available-for-sale financial assets		**(241)**	949
	Gains of cash flow hedges, after tax		**6,072**	(490)
	Currency translation differences		**66,593**	274,307
	Minority interests		**26,598**	53,465
VI.	**Total comprehensive income**		**1,165,531**	(212,929)
	Attributable to shareholders and other equity holders of the Company		**869,322**	(103,268)
	Minority interests		**296,209**	(109,661)
VII.	**Earnings per share**			
	(I) Basic earnings per share (RMB)	IV.63	**0.2554**	(0.1444)
	(II) Diluted earnings per share (RMB)	IV.63	**0.2544**	(0.1444)

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

Legal representative: Authorized person: Mai Boliang

The person in charge of accounting affairs: Zeng Han

The head of the accounting department: Zeng Han

Income Statement

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

		Note	For the period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
I.	**Revenue**	XVI.17	**96,917**	69,104
	Less: Cost of sales	XVI.17	**1,452**	24,006
	Taxes and surcharges		**–**	3,373
	General and administrative expenses		**129,167**	109,800
	Financial expenses-net		**296,143**	(99,572)
	Asset impairment losses		**–**	–
	Add: Profit from changes in fair value	XVI.18	**1,623**	1,985
	Investment income	XVI.19	**359,040**	118,963
	Other income	XVI.20	**2,211**	–
II.	**Operating profit**		**33,029**	152,445
	Add: Non-operating income	XVI.21	**21**	1,137
	Including: Gains on disposal of non-current assets		**–**	116
	Less: Non-operating expenses	XVI.22	**1,746**	249
	Including: Losses on disposal of non-current assets		**586**	1
III.	**Total profit**		**31,304**	153,333
	Less: Income tax expenses/(Income)	XVI.23	**2,644**	27,968
IV.	**Net profit**		**28,660**	125,365
V.	**Other comprehensive income, net of tax**		**–**	–
VI.	**Total comprehensive income**		**28,660**	125,365

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

Legal representative's authorised person: Mai Boliang

The person in charge of accounting affairs: Zeng Han

The head of the accounting department: Zeng Han

Consolidated Cash Flow Statement

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

		Note	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I.	**Cash flows from operating activities:**			
	Cash received from sales of goods or rendering of services		**32,885,118**	26,966,364
	Refund of taxes and surcharges		**1,044,746**	536,836
	Cash received relating to other operating activities	IV.64(1)	**709,660**	252,053
	Sub-total of cash inflows		**34,639,524**	27,755,253
	Cash paid for goods and services		**29,731,503**	21,688,702
	Cash paid to and on behalf of employees		**3,003,021**	2,703,551
	Payments of taxes and surcharges		**1,050,104**	1,102,475
	Cash paid relating to other operating activities	IV.64(2)	**1,523,112**	1,326,793
	Sub-total of cash outflows		**35,307,740**	26,821,521
	Net cash outflow/(inflows) from operating activities	IV.65(1)	**(668,216)**	933,732
II.	**Cash flows from investing activities:**			
	Cash received from disposal of investments		**600**	115,920
	Cash received from returns on investments		**21,903**	241,771
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**37,940**	11,643
	Net cash received from disposal of subsidiaries and other business units		**–**	7
	Sub-total of cash inflows		**60,443**	369,341
	Cash paid to acquire fixed assets, intangible assets and other long-term assets		**1,421,152**	4,189,354
	Cash paid to acquire investments		**142,020**	791,687
	Net cash paid to acquire subsidiaries		**5,000**	764,577
	Sub-total of cash outflows		**1,568,172**	5,745,618
	Net cash outflows from investing activities		**(1,507,729)**	(5,376,277)

Ca h Fl S a emen

F he e i d f m 1 Jan a 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

		N e	For the period from 1 January to 30 June 2017	F he e i d f m 1 Jan a 30 J ne 2016
I.	**Cash flows from operating activities**			
	Ca h ecei ed f m ale f g d ende ing f e ice		**92,944**	74,196
	Ca h ecei ed ela ing he e a ing ac i i ie		**2,750,305**	3,026,963
	Sub-total of cash inflows		**2,843,249**	3,101,159
	Ca h aid f g d and e ice		**–**	38,246
	Ca h aid and n behalf f em l ee		**53,410**	153,809
	Pa men f a e and cha ge		**13,625**	27,955
	Ca h aid ela ing he e a ing ac i i ie		**4,157,049**	3,246,351
	Sub-total of cash outflows		**4,224,084**	3,466,361
	Net cash outflows from operating activities	XVI.24	**(1,380,835)**	(365,202)
II.	**Cash flows from investing activities**			
	Ca h ecei ed f m di al f in e men		**6,800,000**	
	Ca h ecei ed f m e n n in e men		**275,133**	8,000
	Ne ca h ecei ed f m di al f fi ed a e		**–**	2,261
	Sub-total of cash inflows		**7,075,133**	10,261
	Ca h aid ac i e fi ed a e , in angible a e and he l ng- e m a e		**24,944**	6,962
	Pa men f in e men		**6,886,616**	
	Sub-total of cash outflows		**6,911,560**	6,962
	Net cash inflows from investing activities		**163,573**	3,299
III.	**Cash flows from financing activities**			
	Ca h ecei ed f m b ing		**4,070,000**	4,426,000
	Ca h ecei ed f m ca i al c n ib i n		**8,158**	23,712
	Sub-total of cash inflows		**4,078,158**	4,449,712
	Ca h e a men f b ing		**3,720,000**	4,061,000
	Ca h a men f di ib i n f di idend fi and in e e e en e		**152,617**	349,716
	Sub-total of cash outflows		**3,872,617**	4,410,716
	Net cash inflows from financing activities		**205,541**	38,996
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**		**(3,909)**	182
V.	**Net increase/(decrease) in cash and cash equivalents**	XVI.24	**(1,015,630)**	(322,725)
	Add: Ca h and ca h e i alen a he beginning f he ea		**1,715,470**	652,865
VI.	**Cash and cash equivalents at the end of the period**	XVI.24	**699,840**	330,140

The acc m an ing n e f m an in eg al a f he e financial a emen .

Legal e e en a i e' a h i ed e n: Mai B liang

The e n in cha ge f acc n ing affai : Zeng Han

The head f he acc n ing de a men : Zeng Han

Consolidated Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

Item	Note	2017 Share capital	2017 Other equity instruments	2017 Capital surplus	2017 Other comprehensive income	2017 Surplus reserve	2017 Undistributed profits	2017 Minority interests	2017 Total shareholders' equity	2016 Share capital	2016 Other equity instruments	2016 Capital surplus	2016 Other comprehensive income	2016 Surplus reserve	2016 Undistributed profits	2016 Minority interests	2016 Total shareholders' equity
		For the Period from 1 January to 30 June 2017								2016							
		Attributable to equity holders of the Company								Attributable to equity holders of the Company							
I. Balance at 31 December 2016		**2,978,577**	**2,049,035**	**3,126,585**	**357,341**	**3,279,379**	**17,495,053**	**9,848,822**	**39,134,792**	2,977,820	2,033,043	3,181,863	(514,477)	3,203,578	17,805,808	7,033,280	35,720,915
Add: change in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance on 1 January 2017		**2,978,577**	**2,049,035**	**3,126,585**	**357,341**	**3,279,379**	**17,495,053**	**9,848,822**	**39,134,792**	2,977,820	2,033,043	3,181,863	(514,477)	3,203,578	17,805,808	7,033,280	35,720,915
III. Movements for the period																	
(I) Total comprehensive income																	
1. Net profit		-	35,908	-	-	-	760,990	269,611	1,066,509	-	119,792	-	-	-	419,868	195,323	734,983
2. Other comprehensive income	IV.47	-	-	-	72,424	-	-	26,598	99,022	-	-	-	871,818	-	-	95,528	967,346
Sub-total of comprehensive income		-	35,908	-	72,424	-	760,990	296,209	1,165,531	-	119,792	-	871,818	-	419,868	290,851	1,702,329
(II) Capital contribution and withdrawal by owners																	
1. Contribution by owners	IV.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Increase in capital surplus resulted from shares issued by company	IV.44	1,776	-	17,207	-	-	-	-	18,983	757	-	7,574	-	-	-	-	8,331
3. Contribution by minority shareholders		-	-	3,428	-	-	-	55,259	58,687	-	-	227,441	-	-	-	3,330,875	3,558,316
4. Increase in minority interests resulted from acquisition or establishment of subsidiaries		-	-	-	-	-	-	42,794	42,794	-	-	-	-	-	-	29,565	29,565
5. Decrease in capital surplus resulted from acquisition of minority interests	IV.46	-	-	(78,103)	-	-	-	(3,513)	(81,616)	-	-	(22,239)	-	-	-	(726,250)	(748,489)
6. Disposal of subsidiaries (with loss of control)	IV.46	-	-	-	-	-	-	-	-	-	-	903	-	-	-	8,097	9,000
7. Disposal of subsidiaries (loss of control)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,762)	(7,762)
8. Increase in capital surplus resulted from shares issued by subsidiaries		-	-	70	-	-	-	4,436	4,506	-	-	1,692	-	-	-	2,063	3,755
9. Increase in shareholders' equity resulted from Share-based payment	IV.46	-	-	6,778	-	-	-	2,805	9,583	-	-	22,316	-	-	-	10,068	32,384
10. Issuing of other equity instruments	IX.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Redemption right granted to minority shareholders	IV.46	-	-	-	-	-	-	-	-	-	-	(300,000)	-	-	-	-	(300,000)
12. Others	IV.46	-	-	-	-	-	-	-	-	-	-	7,035	-	-	-	-	7,035
(III) Profit distribution		-															
1. Appropriation to surplus reserve	IV.48	-	-	-	-	-	-	-	-	-	-	-	-	75,801	(75,801)	-	-
2. Profit distribution to shareholders	IV.49	-	-	-	-	-	(179,835)	(197,742)	(377,577)	-	-	-	-	-	(654,822)	(121,965)	(776,787)
3. Interest paid on other equity instruments	IV.45	-	(103,800)	-	-	-	-	-	(103,800)	-	(103,800)	-	-	-	-	-	(103,800)
IV. Balance at 30 June 2017		**2,980,353**	**1,981,143**	**3,075,965**	**429,765**	**3,279,379**	**18,076,208**	**10,049,070**	**39,871,883**	2,978,577	2,049,035	3,126,585	357,341	3,279,379	17,495,053	9,848,822	39,134,792

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

Legal representative/authorised person: Mai Boliang

The person in charge of accounting affairs: Zeng Han

The head of the accounting department: Zeng Han

S a emen f Change in Sha eh lde ' E i

F he e i d f m 1 Jan a 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

Item	N e	From 1 January to 30 June 2017							2016						
		Share capital	Other equity instruments	Capital surplus	Surplus reserve	Other comprehensive income	Undistributed profits	Total shareholders' equity	Sha e ca i al	O he e i in men	Ca i al l	S l e e e	O he c m ehen i e inc me	Undi ib ed fi	T al ha eh lde ' e i
I. Balance at 31 December 2016		2,978,577	2,049,035	3,287,149	3,279,379	43,754	2,380,348								

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

I. GENERAL INFORMATION

China In e na i nal Ma ine C n aine (G) C ., L d. (he C m an), f me l China In e na i nal Ma ine C n aine C ., L d. , a a Sin -f eign j in en e e b China Me chan G , he Ea A ia ic C m an (Denma k) and Ocean C n aine Inc.(USA). In Decembe 1992, a a ed b Shen F Ban F [1992] 1736 i ed b he Gene al Office f he Pe le' G e nmen f Shen hen and Shen Ren Yin F Zi (1992) 261 i ed b Shen hen S ecial Ec n mic Z ne B anch f Pe le' Bank f China, he C m an a e c ed a an inc a ed c m an e b di ec i nal b c i n and a enamed a China In e na i nal Ma ine C n aine C ., L d. b he iginal c a e ha eh lde f he C m an . On 31 Decembe 1993 and 17 Jan a 1994 e ec i el , he C m an i ed dina ha e den mina ed in Renminbi f d me ic in e (A Sha e) and f f eign ha e i ed d me icall (B Sha e), and c mmenced ading n Shen hen S ck E change. P an Shen F Ban F [1993] 925 i ed b he Gene al Office f he Pe le' G e nmen f Shen hen and Shen Zheng Ban F [1994] 22 i ed b Shen hen Sec i ie Admini a i n Office On 1 Decembe 1995, a a ed b he S a e Admini a i n f Ind and C mme ce, he C m an changed i name China In e na i nal Ma ine C n aine (G) C ., L d . The Regi e ed Add e and Add e f Head Office f he c m an i 8 h Fl CIMC R&D Cen e, 2 Gang an A en e, Shek , Nan han Di ic , Shen hen, G angd ng, PRC.

On 19 Decembe 2012, he C m an ' d me icall li ed f eign ha e (B ha e) changed li ing l ca i n and en blica i n n he main ma ke f he S ck E change f H ng K ng h gh he a f in d c i n. Hencef h, all he c m an ' B ha e c n e ed e ea li ed f eign ha e (H ha e).

The inci al ac i i ie f he C m an and i b idia ie (ge he efe ed a he G) a e he man fac ing f m de n an a i n facili ie , facili ie f ene g , f d, chemi and ende ing f ela i e e ice . De ailed ac i i ie a e he man fac ing and e ai ing f c n aine and he ele an b ine ; ili ing he G ' e i men ce and man fac e a i a , c e c m nen and ele an machine ; iding c ing, nching, m lding, i e ing face ea men (incl ding and/ ain a ing, elding and a embl) and he ce ing e ice ; de el ing, man fac ing and elling f a i high- ech and high e f mance ecial ehicle , hea ck, ai e i men , fi e-engine and emi- aile ; lea ing f c n aine ; de el ing, d c i n and ale f high-end f el ga e i men ch a e e c n aine and c m e ; iding in eg a ed e ice f na al ga di ib i n; d c i n f a ic c n aine and - e ha f e i men and iding EP+CS (enginee ing c emen and c n c i n e i i n) echnical e ice f he age and ce ing f LNG, LPG and he e chemical ga e . A a f m he ab e, he G i al engaged in financial e i in e men , man fac ing f l gi ic e i men and ela ed e ice , ma ine jec , ail a ck d c i n and e de el men , e c.

CIMC En ic H lding Limi ed (CIMC En ic), he b idia f he G , i li ed in he Main B a d f he S ck E change f H ng K ng Limi ed. The inci al ac i i ie f En ic a e he de ign, de el men , man fac ing, enginee ing and ale f, and he i i n f echnical main enance e ice f , a ide ec m f an a i n, age and ce ing e i men ha i idel ed in ene g , chemical and li id f d ind ie .

P e i Gl bal Limi ed (P e i), he b idia f he G , i li ed n he mainb a d f he Ca ali f Singa e E change L d. The inci al ac i i ie f he P e i Gl bal L d a e elec ical d c ed in ai and , a ma ic a king em and e i men , a ma i n l gi ic a eh ing em and e i men , ai e i men (a ia i n f d ehicle , elf- elled ai c af deicing ehicle, an i ice, c n aine alle l ade , eading ehicle, n l , f ic i n c efficien e ehicle), in alla i n and af e ale e ice f elf- d ced d c and agen d c and ide a king managemen e ice . P e i deli ed f m he Singa e E change L d. ince 7 Se embe 2016.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

I. GENERAL INFORMATION (CONTINUED)

Please refer to Note VI for details of subsidiaries included in the scope of consolidation and also refer to Note V.1 for the details of subsidiaries newly included in the scope of consolidation. Please refer to Note V.2 for the details of subsidiaries excluded from the scope of consolidation.

This financial statements have been approved for announcement by the Company's Board of Directors on 28 August 2017.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group makes specific accounting policies and accounting estimates according to characteristics of its business operation, which include provision of bad debts of receivables (Note II.10), the costing of inventories (Note II.11), the criteria for determining impairment of non-current assets (Note II.20), depreciation policy of fixed assets and amortisation policy of intangible assets (Note II.14 and 17), measurement of provisions (Note II.21) and revenue recognition (Note II.23), etc.

Key judgements applied for critical accounting policies by the Group are disclosed in Note II.34.

1. Basis of preparation

The financial statements were prepared in accordance with the Basic Standard and specific standards of the Accounting Standards for Business Enterprises issued by the Ministry of Finance on 15 February 2006, the

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

4. Recording currency

F nc i nal c enc i de e mined b he C m an and i b idia ie n he ba i f he c enc in hich maj inc me and c a e den mina ed and e led.

The f nc i nal c enc f he C m an and i b idia ie d miciled in PRC a e Renminbi. H ng K ng and he e ea b idia ie e l cal c encie a hei f nc i nal c encie . F eign c encie a e defined a c enc he han f nc i nal c enc .

Financial a emen f he C m an a e e en ed in Renminbi. F b idia ie ing c encie he han Renminbi a hei f nc i nal c encie , he C m an an la e he financial a emen f he e b idia ie in Renminbi (ee N e II.8).

5. Business combinations

(1) Business combinations involving enterprises under common control

A b ine c mbina i n in l ing en e i e nde c mm n c n l i a b ine c mbina i n in hich all f he c mbining en e i e a e l ima el c n lled b he ame a a ie b h bef e and af e he b ine c mbina i n, and ha c n l i n an i . The a e and liabili ie b ained a e mea ed a he ca ing am n a ec ded b he en e i e being c mbined a he c mbina i n da e. The diffe ence be een he ca ing am n f he ne a e b ained and he ca ing am n f c n ide a i n aid f he c mbina i n (he al face al e f ha e i ed) i adj ed ca i al emi m in he ca i al e e e. If he balance f he ca i al emi m i in fficien , an e ce i adj ed e ained ea ning . An c di ec l a ib able he c mbina i n hall be ec gni ed in fi l f he c en e i d hen cc ed. The c mbina i n da e i he da e n hich ne c mbining en e i e effec i el b ain c n l f he he c mbining en e i e .

(2) Business combinations involving enterprises not under common control

A b ine c mbina i n in l ing en e i e n nde c mm n c n l i a b ine c mbina i n in hich all f he c mbining en e i e a e n l ima el c n lled b he ame a a ie b h bef e and af e he b ine c mbina i n. Whe e 1) he agg ega e f he fai al e a he ac i i i n da e f a e an fe ed (incl ding he ac i e e i l held e i in e e in he ac i ee), liabili ie inc ed a med, and e i ec ie i ed b he ac i e in e change f c n l f he ac i ee, e ceed 2) he ac i e in e e in he fai al e a he ac i i i n da e f he ac i ee' iden ifiable ne a e , he diffe ence i ec gni ed a g d ill (ee N e II.18). When 1) i le han 2), he diffe ence i ec gni ed in fi l f he c en e i d. The c f he i ance f e i deb ec ie a a a f he c n ide a i n aid f he ac i i i n a e incl ded a a a f ini ial ec gni i n am n f he e i deb ec ie . O he di ec ac i i i n- ela ed c a i ing f m he b ine c mbina i n a e ec gni ed a e en e in he e i d in hich he c a e inc ed. The diffe ence be een he fai al e and he ca ing am n f he a e an fe ed i ec gni ed in fi l . The ac i ee' iden ifiable a e , liabili ie and c n ingen liabili ie , if a i f ing he ec gni i n c i e ia, a e ec gni ed b he G a hei fai al e a he ac i i i n da e. The ac i i i n da e i he da e n hich he ac i e effec i el b ain c n l f he ac i ee.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

6. Preparation of consolidated financial statements

The c e f c n lida ed financial a emen i ba ed n c n l and he c n lida ed financial a emen c m i e he C m an and i b idia ie . C n l mean he g ha igh in he in e ed en i , and c ld gain e n h gh i in l emen i h he en i a ell a ha he abili affec h e e n h gh i e e he en i . The financial i i n, financial e f mance and ca h fl f b idia ie a e incl ded in he c n lida ed financial a emen f m he da e ha c n l c mmence n il he da e ha c n l cea e .

Whe e a b idia a ac i ed d ing he e ing e i d, h gh a b ine c mbina i n in l ing en e i e nde c mm n c n l, he financial a emen f he b idia a e incl ded in he c n lida ed financial a emen a if he c mbina i n had cc ed a he da e ha he l ima e c n lling a fi b ained c n l. The ening balance and he c m a a i e fig e f he c n lida ed financial a emen a e al e a ed. In he e a a i n f he c n lida ed financial a emen , he b idia ' a e and liabili ie ba ed n hei ca ing am n a e incl ded in he c n lida ed balance hee , and financial e f mance i incl ded in he c n lida ed inc me a emen , e ec i el , f m he da e ha he l ima e a en c m an f he C m an b ain he c n l f he b idia be c n lida ed.

Whe e a b idia a ac i ed d ing he e ing e i d, h gh a b ine c mbina i n in l ing en e i e n nde c mm n c n l, he iden ifiable a e and liabili ie f he ac i ed b idia ie a e incl ded in he c e f c n lida i n f m he da e ha c n l c mmence , ba e n he fai al e f h e iden ifiable a e and liabili ie a he ac i i i n da e.

F a b ine c mbina i n n in l ing en e i e nde c mm n c n l and achie ed in age , he G emea e i e i l -held e i in e e in he ac i ee i fai al e a he ac i i i n da e. The diffe ence be een he fai al e and he ca ing am n i ec gni ed a in e men inc me f he c en e i d; he am n ec gni ed in he c m ehen i e inc me ela ing he e i l -held e i in e e in he ac i ee i ecla ified a in e men inc me f he c en e i d.

Whe e he C m an ac i e a min i in e e f m a b idia ' min i ha eh lde di e f a i n f an in e e in a b idia i h a change in c n l, he diffe ence be een he am n b hich he min i in e e a e adj ed and he am n f he c n ide a i n aid ecei ed i adj ed he ca i al e e e (ca i al l) in he c n lida ed balance hee . If he c edi balance f ca i al e e e (ca i al l) i in fficien , an e ce i adj ed e ained ea ning .

When he G l e c n l f a b idia d e he di al f a i n f an e i in e men , he G de ec gni e a e , liabili ie , min i in e e and he ela ed i em in ne ' e i in ela i n ha b idia . The emaining e i in e men i emea ed a i fai al e a he da e hen c n l i l . An gain l e he ef e inc ed a e ec gni ed a in e men inc me f he c en e i d hen c n l i l .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

6. Preparation of consolidated financial statements (Continued)

When he am n f l f he c en e i d a ib able he min i ha eh lde f a b idia e ceed he min i ha eh lde ' i n f he ening balance f ha eh lde ' e i f he b idia , he e ce i all ca ed again he min i in e e .

When he acc n ing e i d acc n ing licie f a b idia a e diffe en f m h e f he C m an , he C m an make nece a adj men he financial a emen f he b idia ba ed n he C m an ' n acc n ing e i d acc n ing licie .

All ignifican in e g balance , an ac i n and n eali ed fi a e elimina ed in he c n lida ed financial a emen . The i n f a b idia ' e i and he i n f a b idia ' ne fi and l f he e i d a ell a c m ehen i e inc me n a ib able C m an a e ec gni ed a min i in e e , ne fi and l a ib able min i in e e a ell a and c m ehen i e inc me a ib able min i in e e e en ed e a a el in he c n lida ed financial a emen i hin e i and ne fi a ell a al c m ehen i e inc me e ec i el . The n eali ed fi and l a i ing f m ale f a e b idia ie b he C m an a e f ll elimina ed again ne fi a ib able ne f he C m an . The n eali ed fi and l a i ing f m ale f a e he C m an b b idia ie a e elimina ed again ne fi a ib able ne f he C m an a ell a ne fi a ib able min i in e e e ec i el acc ding he C m an and min i in e e ' ha eh lding n he b idia ie . The n eali ed fi and l a i ing f m ale f be een b idia ie a e elimina ed again ne fi a ib able ne f he C m an a ell a ne fi a ib able min i in e e e ec i el acc ding he C m an and min i in e e ' ha e h lding n he b idia h ld .

The diffe ence n ec gni ing a ame an ac i n be een n he acc n ing bjec f he G and f he C m an i b idia ie ld be adj ed n he acc n ing bjec f he G .

7. Cash and cash equivalents

Ca h and ca h e i alen c m i e ca h n hand, de i ha can be eadil d a n n demand, and h e m and highl li id in e men ha a e eadil c n e ible kn n am n f ca h and hich a e bjec an in ignifican i k f change in al e.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

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

When he G ecei e ca i al in f eign c encie f m in e , he ca i al i an la ed f nc i nal c enc a he e change a e a he da e f he ecei . O he f eign c enc an ac i n a e, n ini ial ec gni i n, an la ed f nc i nal c enc a he a e ha a ima e he e change a e a he da e f he an ac i n .

A e change a e i an e change a e ed b he Pe le' Bank f China. A a e ha a ima e he e change a e i a a e de e mined nde a ema ic and a i nal me h d, n mall he a e age e change a e f he c en e i d he eigh ed a e age e change a e.

M ne a i em den mina ed in f eign c encie a e an la ed f nc i nal c enc a he e change a e a he balance hee da e. The e l ing e change diffe ence , e ce f h e a i ing f m he inci al and in e e f ecific f eign c enc b ing f he e f ac i i i n, c n c i n d c i n f alif ing a e (ee N e II.16), a e ec gni ed in fi l . N n-m ne a i em den mina ed in f eign c encie ha a e mea ed a hi ical c a e an la ed f nc i nal c enc ing he f eign e change a e a he an ac i n da e. N n-m ne a i em den mina ed in f eign c encie ha a e mea ed a fai al e a e an la ed ing he f eign e change a e a he da e he fai al e i de e mined; he e l ing e change diffe ence a e ec gni ed in fi l , e ce f he diffe ence a i ing f m he an la i n f a ailable-f ale financial a e , hich a e ec gni ed a he c m ehen i e inc me. The effec f e change a e change n ca h e en ed e a a el in he ca h fl a emen .

The a e and liabili ie f f eign e a i n a e an la ed f nc i nal c enc a he e change a e a he balance hee da e. The e i i em , e cl ding Re ained ea ning , a e an la ed f nc i nal c enc a he e change a e a he an ac i n da e . The inc me and e en e f f eign e a i n a e an la ed f nc i nal c enc a he a e ha a ima e he e change a e a he an ac i n da e . The e l ing an la i n diffe ence a e ec gni ed in a e a a e c m nen f e i . U n di al f a f eign e a i n, he c m la i e am n f he an la i n diffe ence ec gni ed in e i hich ela e ha f eign e a i n i an fe ed fi l in he e i d in hich he di al cc . The ca h fl f e ea e a i n a e an la ed a he e change a e n he da e f he ca h fl . The effec f e change a e change n ca h e en ed e a a el in he ca h fl a emen .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

9. Financial instruments

Financial in men incl de ca h a bank and n hand, financial a e a fai al e h gh fi l , ecei able , a ailable-f ale financial a e , in e men in e i ec ie he han l ng- e m e i in e men , a able , l an , b ing and deben e a able .

(1) Financial Assets

( )

Financial a e a e cla ified in he f ll ing ca eg ie a ini ial ec gni i n: financial a e a fai al e h gh fi l , ecei able , a ailable-f ale financial a e and held- -ma i in e men . The cla ifica i n f financial a e de end n he G ' in en i n and abili h ld he financial a e .

a. Financial a e a fai al e h gh fi l

Financial a e a fai al e h gh fi l incl de financial a e held f he e f elling in h e m.

b. Recei able

Recei able a e n n-de i a i e financial a e i h fi ed de e minable a men ha a e n ed in an ac i e ma ke .

c. A ailable-f ale financial a e

A ailable-f ale financial a e a e n n-de i a i e ha a e ei he de igna ed in hi ca eg n cla ified in an f he he ca eg ie . The a e incl ded in n n-c en a e nle he in e men ma e managemen in end di e f i hin 12 m n h f he end f he e ing e i d.

( )

Financial a e a e ec gni ed a fai al e n he balance hee hen he G bec me a a he c n ac al i i n f he financial in men . In he ca e f financial a e a fai al e h gh fi l , he ela ed an ac i n c inc ed a he ime f ac i i i n a e ec gni ed in fi l f he c en e i d. F he financial a e , an ac i n c ha a e a ib able he ac i i i n f he financial a e a e incl ded in hei ini ial ec gni i n am n .

Financial a e a fai al e h gh fi l a e b e en l mea ed a fai al e. In e men in e i in men a e mea ed a c hen he d n ha e a ed ma ke ice in an ac i e ma ke and h e fai al e cann be eliabl mea ed. Recei able a e mea ed a am i ed c ing he effec i e in e e me h d.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

( )

Gain l a i ing f m change in he fai al e f financial a e a fai al e h gh fi l i ec gni ed in fi l . In e e and ca h di idend ecei ed d ing he e i d in hich ch financial a e a e held, a ell a he gain l e a i ing f m di al f he e a e a e ec gni ed in fi l f he c en e i d.

Acc m la ed fai al e adj men f a ailable-f ale financial a e a e ec gni ed in e i e ce im ai men and e change gain and l e f f eign c enc financial a e . When a ailable-f ale financial a e a e di ec gni ed, he acc m la ed fai al e adj men ec gni ed in e i a e incl ded in he inc me a emen . In e e n a ailable-f ale ec i ie calc la ed ing he effec i e in e e me h d and ca h di idend n a ailable-f ale e i in men hen he g ' igh ecei e a men i e abli hed a e ec gni ed in he inc me a emen a a f he inc me.

( )

The G a e e he ca ing am n f financial a e he han h e a fai al e h gh fi l a each balance hee da e. If he e i bjec i e e idence ha a financial a e i im ai ed, he G de e mine he am n f im ai men l .

Objec i e e idence indica ing a financial a e i im ai ed e e en ma e ac all ha en b e en l he ini ial ec gni i n f he financial a e and e e infl ence he financial a e ' e ima ed f e ca h fl hich can be eliabl mea ed b he G .

E idence f held- -ma i e i in men i im ai ed c m i e a ignifican l nged decline in he fai al e f an in e men in an e i in men bel i c . The G a e e all a ailable-f ale financial a e n an indi id al ba i a each balance hee da e. Im ai men l h ld be ec gni ed if he fai al e f an e i in men ha i han 50% (50% incl i e) f i ini ial in e men c in he ca e ha he fai al e ha been le han he ini ial in e men c f m e han ne ea (ne ea incl i e). The G ill c n ide he ele an fac , ch a he ice la ili , de e mine he he an im ai men l h ld be ec gni ed f he e i in men if he decline in he fai al e f an e i in men i m e han 20% (20% incl i e) b le han 50% f i ini ial in e men c . The ini ial in e men c f held- -ma i e i in men i calc la ed ing he eigh ed a e age me h d.

When an im ai men l n a financial a e ca ied a am i ed c ha cc ed, he am n f l

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

[illegible]

When an available-for-sale financial asset is impaired, the cumulative loss arising from decline in fair value that has been recognized directly in equity is reclassified to profit or loss. If, after an impairment loss has been recognized on an available-for-sale debt instrument, the fair value of the debt instrument increases in

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

9. Financial instruments (Continued)

(2) Financial liabilities

Financial liabili ie a e cla ified in he f ll ing ca eg ie a ini ial ec gni i n: financial liabili ie a fai al e h gh fi l and he financial liabili ie .

Pa able , incl ding acc n a able and he a able a e ec gni ed ini iall a fai al e and b e en l mea ed a am i ed c ing he effec i e in e e me h d.

B ing and deben e a able a e ec gni ed ini iall a fai al e, ne f an ac i n c inc ed and b e en l mea ed a am i ed c ing he effec i e in e e me h d.

Financial g a an ee c n ac i ed b he G a e h e c n ac ha e i e a a men be made eimb e he h lde f a l i inc beca e he ecified deb fail make a a men hen d e in acc dance i h he e m f a deb in men . S b e en l , he liabili ie a e mea ed a he highe f he ini ial fai al e le c m la i e am i a i n ec gni ed in he a emen f inc me, and he am n f i i n ba ed n he inci le f c n ingencie (ee N e II.21).

O he financial liabili ie i h ma i ie n m e han ne ea a e cla ified a c en liabili ie . O he financial liabili ie i h ma i ie e ne ea b a e d e i hin ne ea (incl i e) a he balance hee da e a e cla ified a he c en i n f n n-c en liabili ie . O he a e cla ified a n n-c en liabili ie .

A financial liabili i de ec gni ed a l de ec gni ed hen he c en bliga i n i di cha ged a l di cha ged. The diffe ence be een he ca ing am n f he financial liabili he de ec gni ed a f he financial liabili and he c n ide a i n aid i ec gni ed in fi l .

(3) Determination of fair value

The fai al e f a financial in men ha i aded in an ac i e ma ke i de e mined a he ed ice in he ac i e ma ke . The fai al e f a financial in men ha i n aded in an ac i e ma ke i de e mined b ing an a ia e al a i n echni e ha i a licable c en ci c m ance and ed b fficien a ailable da a and he inf ma i n. Val a i n echni e mainl incl de ma ke a ach and inc me a ach. When a l ing al a i n echni e , in ed b ma ke a ici an in he an ac i n f he a e liabili ie i h imila cha ac e i ic ld be ed and b e able in ld be gi en i i he e en ible. Un b e able in ld nl be ed hen i i im ible im ac icable b ain ele an b e able in .

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

9. Financial instruments (Continued)

(4) Equity instrument

An e i i in men i a c n ac ha e he ne hi in e e f he a e af e ded c ing all liabili ie in he G .

The e e al ca i al in men i ec gni ed a a f he e i hen he e i n c n ac al bliga i n e a he inci al a an in e e di idend.

The c n ide a i n ecei ed f m he i ance f e i in men ne f an ac i n c hich bel ng e i an ac i n di ec l i ec gni ed in ha eh lde ' e i . Whe e he e i in men di ib e di idend in e e d ing he e i d f e i ence a e ea ed a fi di ib i n.

C n ide a i n and an ac i n c aid b he G f e chа ing elf-i ed e i in men a e ded c ed f m ha eh lde ' e i .

10. Receivables

Recei able c m i e f acc n ecei able and he ecei able . Acc n ecei able a i ing f m ale f g d ende ing f e ice a e ini iall ec gni ed a fai al e f he c n ac al a men f m he b e e ice eci ien .

Recei able a e a e ed f im ai men b h n an indi id al ba i and n a c llec i e g ba i .

Whe e im ai men i a e ed n an indi id al ba i , an im ai men l in e ec f a ecei able i calc la ed a he e ce f i ca ing am n e he e en al e f he e ima ed f e ca h fl (e cl i e f f e c edi l e ha ha e n been inc ed) di c n ed a he iginal effec i e in e e a e. All im ai men l e a e ec gni ed in fi l .

The a e men i made c llec i el he e ecei able ha e imila c edi i k cha ac e i ic (incl ding h e ha ing n been indi id all a e ed a im ai ed), ba ed n hei hi ical l e e ience , and adj ed b he b e able fig e eflec ing e en ec n mic c ndi i n .

If, af e an im ai men l ha been ec gni ed n ecei able , he e i bjec i e e idence f a ec e in al e f he financial a e hich can be ela ed bjec i el an e en cc ing af e he im ai men a ec gni ed, he e i l ec gni ed im ai men l i e e ed h gh fi l . A e e al f an im ai men l ill n e l in he a e ' ca ing am n e ceeding ha hich ld ha e been de e mined had n im ai men l been ec gni ed in i ea .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

10. Receivables (Continued)

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

C i e ia f i i n f ecei able ha a e indi id all ignifican and im ai men ided n an indi id al ba i .	Indi id all ignifican ecei able a e he ecei able i h he indi id al am n e RMB10 milli n (incl i e) acc n ing 5% m e f he al ecei able .
Me h d f i i n f ecei able ha a e indi id all ignifican and im ai men ided n an indi id al ba i .	An im ai men l i calc la ed a he e ce f i ca ing am n e he e en al e f he e ima ed f e ca h fl (e cl i e f f e c edi l e ha ha e n been inc ed) di c n ed a he iginal effec i e in e e a e.

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

C i e ia f i i n f ecei able ha a e indi id all in ignifican b im ai men ided n an indi id al ba i .	Wi hin he ecei able h e am n a e indi id all in ignifican , im ai men i a e ed n an indi id al ba i f he e d e ecei able n aid af e c llec i n eff i h ni e cha ac e i ic .
Me h d f i i n f ecei able ha a e indi id all in ignifican b im ai men ided n an indi id al ba i .	An im ai men l i calc la ed a he e ce f i ca ing am n e he e en al e f he e ima ed f e ca h fl (e cl i e f f e c edi l e ha ha e n been inc ed) di c n ed a he iginal effec i e in e e a e.

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 ecei able ha ha e n been indi id all a e ed a im ai ed in (1) and (2), f he a e men i made c llec i el n a g ba i i h ecei able ha ha e imila c edi i k cha ac e i ic .

De e mina i n me h d f he g ba ed n c edi i k cha ac e i ic	Acc n ecei able a e di ided in e en g f c n aine , ehicle , ene g , chemi and li id f d e i men , ff h e enginee ing, ai facili ie , he b ine and am n d e f m ela ed a ie , land lea e e a men and e a ing de i acc ding he ind and b ine na e f c me and he cha ac e i ic f he ecei able . A f Off h e enginee ing g , he ele an ecei able i hin c edi e i d ha e l e c edi i k af e he g ing ba ed n c edi i k cha ac e i ic acc ding indi id al c edi i k a e men and hi ical da a. A he g like d e f m ela ed a ie , land lea e e a men e a ing de i , and e c, if he c edi i k i a e ed l af e g ing ba ed n he a e men n c edi i k and hei hi ical l e e ience, n im ai men l i ec gni ed f h e g .
G 1	C n aine
G 2	R ad an a i n ehicle
G 3	Ene g , chemical and li id f d e i men
G 4	Ai facili ie
G 5	L gi ic e ice
G 6	O he b ine
G 7	Financial lea ing

Me h d f i i n f ecei able a e ed n a c llec i e g ba i (ba ed n an ageing anal i , a e cen age f he al balance and he).

C n aine	P i i n i de e mined ba ed n an aging anal i (O e d e aging)
R ad an a i n ehicle	P i i n i de e mined ba ed n an aging anal i (O e d e aging)
Ene g , chemical and li id f d e i men	P i i n i de e mined ba ed n an aging anal i (O e d e aging)
Ai facili ie	P i i n i de e mined ba ed n an aging anal i (O e d e aging)
L gi ic e ice	P i i n i de e mined ba ed n an aging anal i (O e d e aging)
O he b ine	P i i n i de e mined ba ed n an aging anal i (O e d e aging)
Finance lea e ecei able	P i i n i de e mined ba ed n m del anal i

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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)

F he ab e g , i i n i made ba ed n hei e ec i e ageing anal i f ll :

Ageing	Percentage of total accounts receivable (%) Group 1, 2, 4, 5, 6	Group 3
Wi hin 1 ea (incl i e)	5%	0%-5%
1 2 ea (incl i e)	30%	30%
O e 2 ea	100%	100%

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

11. Inventories

(1) Classification

In en ie incl de a ma e ial , k in g e , emi-fini hed g d , fini hed g d and e able ma e ial . Re able ma e ial incl de l - al e c n mable , ackaging ma e ial and he ma e ial , hich can be ed e ea edl b d n mee he defini i n f fi ed a e .

(2) Cost of inventories

C f in en ie i calc la ed ing he eigh ed a e age me h d.

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

11. Inventories (Continued)

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

In en ie a e ini iall mea ed a c . C f in en ie c m i e all c f cha e, c f c n e i n and he e endi e inc ed in b inging he in en ie hei e en l ca i n and c ndi i n. B ing c di ec l ela ed he d c i n f alif ing in en ie a e al incl ded in he c f in en ie (ee N e II.16). In addi i n he cha ing c f a ma e ial , k in g e and fini hed g d incl de di ec lab c and an a ia e all ca i n f d c i n e head .

A he balance hee da e, in en ie a e ca ied a he l e f c and ne eali able al e.

Ne eali able al e i he e ima ed elling ice in he n mal c e f b ine le he e ima ed c c m le i n and he e ima ed e en e and ela ed a e nece a make he ale. The ne eali able al e f ma e ial held f e in he d c i n f in en ie i mea ed ba ed n he ne eali able al e f he fini hed g d in hich he ill be inc a ed. The ne eali able al e f he an i f in en held a i f ale e ice c n ac i ba ed n he c n ac ice. If he an i ie f in en ie ecified in ale c n ac a e le han he an i ie held b he G , he ne eali able al e f he e ce i n f in en ie hall be ba ed n gene al elling ice .

An e ce f he c e he ne eali able al e f each cla f in en ie i ec gni ed in fi l a a i i n f dimin i n in he al e f in en ie .

(4) Inventory system

The G main ain a e e al in en em.

(5) Amortisation of reusable material including low-value consumables and packaging material

Re able ma e ial incl ding l - al e c n mable and ackaging ma e ial a e am i ed in f ll hen ecei ed f e. The am n f he am i a i n a e incl ded in he c f he ela ed a e fi l .

12. Long-term equity investments

L ng- e m e i in e men c m i e he C m an ' l ng- e m e i in e men in i b idia ie and he G ' l ng- e m e i in e men in i j in en e and a cia e .

S b idia ie a e he in e ee e hich he C m an i able e e ci e c n l. J in en e a e he in e ee e hich he G i able e e ci e j in c n l ge he i h he en e and he G enj he igh nl n he ne a e f in e ee . A cia e a e he in e ee ha he G ha ignifican infl ence n hei financial and e a ing licie .

In e men in b idia ie a e e en ed in he C m an ' financial a emen ing he c me h d, and a e adj ed f e a ing he c n lida ed financial a emen ing he e i me h d. In e men in j in en e and a cia e a e acc n ed f ing he e i me h d.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

12. Long-term equity investments (Continued)

(1) Determination of investment cost

F l ng- e m e i in e men ac i ed h gh a b ine c mbina i n: f l ng- e m e i in e men ac i ed h gh a b ine c mbina i n in l ing en e i e nde c mm n c n l, he in e men c hall be he ab bing a ' ha e f he ca ing am n f ne ' e i f he a being ab bed a he c mbina i n da e; f l ng- e m e i in e men ac i ed h gh a b ine c mbina i n in l ing en e i e n nde c mm n c n l, he in e men c hall be he c mbina i n c .

F l ng- e m e i in e men ac i ed n h gh a b ine c mbina i n: f l ng- e m e i in e men ac i ed b a men in ca h, he ini ial in e men c hall be he cha e ice ac all aid; f l ng- e m e i in e men ac i ed b i ing e i ec i ie , he ini ial in e men c hall be he fai al e f he e i ec i ie i ed.

(2) Subsequent measurement

F l ng- e m e i in e men acc n ed f ing he c me h d, he a e mea ed a he ini ial in e men c , and ca h di idend fi di ib i n decla ed b he in e ee a e ec gni ed a in e men inc me in fi l .

F l ng- e m e i in e men acc n ed f ing he e i me h d, he e he ini ial in e men c f a l ng- e m e i in e men e ceed he G ' ha e f he fai al e f he in e ee' iden ifiable ne a e a he ac i i i n da e, he l ng- e m e i in e men i mea ed a he ini ial in e men c ; he e he ini ial in e men c i le han he G ' ha e f he fai al e f he in e ee' iden ifiable ne a e a he ac i i i n da e, he diffe ence i incl ded in fi l and he c f he l ng- e m e i in e men i adj ed a d acc dingl .

F l ng- e m e i in e men acc n ed f ing he e i me h d, he G ec gni e he in e men inc me acc ding i ha e f ne fi l f he in e ee. If he acc n ing licie and he acc n ing e i d a e inc n i en be een he C m an and in e ee , he financial a emen f in e ee a e adj ed in acc dance i h he acc n ing licie and acc n ing e i d f he C m an . The G di c n in e ec gni ing i ha e f ne l e f an in e ee af e he ca ing am n f he l ng- e m e i in e men ge he i h an l ng- e m in e e ha , in b ance, f m a f he in e ' ne in e men in he in e ee a e ed ced e . H e e , if he G ha bliga i n f addi i nal l e and he c i e ia i h e ec ec gni i n f i i n nde he acc n ing anda d n c n ingencie a e a i fied, he G c n in e ec gni ing he in e men l e and he i i n . F change in ne ' e i f he in e ee he han h e a i ing f m i ne fi l , he G ec d i i na e ha e di ec l in ca i al l , ided ha he G ' i n f ha eh lding in he in e ee emain nchanged. The ca ing am n f he in e men i ed ced b he G ' ha e f he fi di ib i n ca h di idend decla ed b an in e ee. The n eali ed fi l e a i ing f m he in a-g an ac i n am ng he G and i in e ee a e elimina ed in i n he G ' e i in e e in he in e ee , and hen ba ed n hich he in e men gain l e a e ec gni ed. F he l n he in a-g an ac i n am ng he G and i in e ee a ib able a e im ai men , an n eali ed l i n elimina ed.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

12. Long-term equity investments (Continued)

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

C n l i he e e he in e ee enj a iable e n b a ici a ing in ela ed ac i i ie f he in e ee and he abili affec he e n am n b e ec ing he e e he in e ee.

J in c n l i he ha ing f c n l e an a angemen acc ding ela ed ag eemen , and e i nl hen he deci i n ela ing he ac i i f he a angemen e i e he nanim c n en f he a ie ha ing c n l.

Significan infl ence i he e a ici a e in he de e mina i n f financial and e a ing licie f he in e ee, b i n c n l j in c n l e h e licie .

(4) Method of impairment testing and measuring

The ca ing am n f l ng- e m e i in e men in b idia ie , j in en e and a cia e i ed ced he ec e able am n if he ec e able am n i bel he ca ing am n .

13. INVESTMENT PROPERTIES

In e men e ie , incl ding land e igh ha ha e al ead been lea ed , b ilding ha a e held f he e f lea ing and b ilding ha a e being c n c ed de el ed f f e e f lea ing, a e mea ed ini iall a c . S b e en e endi e inc ed in ela i n an in e men e ie a e incl ded in he c f he in e men e ie hen i i bable ha he a cia ed ec n mic benefi ill fl he G and hei c can be eliabl mea ed; he i e, he e endi e a e ec gni ed in fi l f he e i d in hich he a e inc ed.

The G ad fai al e m del b e en l mea e in e men e ie and d n' ide de ecia i n am i a i n. The ca ing am n f in e men e ie i adj ed ba ed n hei fai al e a he balance hee da e, and he diffe ence be een he fai al e and he iginal ca ing am n i ec gni ed in fi l f he c en e i d.

When an in e men e ie i an fe ed ne cc ied e , i i ecla ified fi ed a e in angible a e i h he ca ing am n de e mined a he fai al e f he in e men e ie a he da e f he an fe , and he diffe ence be een he fai al e and he iginal ca ing am n f he in e men e ie i ec gni ed in fi l f he c en e i d. When an ne cc ied e i an fe ed f ea ning en al f ca i al a ecia i n, he fi ed a e in angible a e i an fe ed in e men e ie i h he ca ing am n de e mined a he fai al e a he da e f he an fe . If he fai al e a he da e f he an fe i le han he iginal ca ing am n f he fi ed a e he in angible a e , he diffe ence i ec gni ed in fi l f he c en e i d; he i e, i i incl ded in he c m ehen i e inc me.

An in e men e ie i de ec gni ed n di al hen he in e men e ie i e manen l i hd a n f m e and n f e ec n mic benefi a e e ec ed f m i di al. The ne am n f ceed f m ale, an fe , e i emen damage f an in e men e ie ne f i ca ing am n and ela ed a e and e en e i ec gni ed in fi l f he c en e i d.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

14. Fixed assets

(1) Recognition

Fi ed a e e e en he angible a e held b he G f e in he d c i n f g d l f e ice , f en al he f e a i n and admini a i e e i h ef l li e e ne ea .

The c f a cha ed fi ed a e c m i e he cha e ice, ela ed a e , and an di ec l a ib able e endi e f b inging he a e king c ndi i n f i in ended e. The c f elf-c n c ed a e i mea ed in acc dance i h he lic e in N e II.15.

Whe e a f an i em f fi ed a e ha e diffe en ef l li e ide benefi he G in diffe en a e n h nece i a ing e f diffe en de ecia i n a e me h d , each a i ec gni ed a a e a a e fi ed a e .

The b e en c incl ding he c f e lacing a f an i em f fi ed a e a e ec gni ed in he ca ing am n f he i em if he ec gni e fi ed a e c i e ia a e a i fied, and he ca ing am n f he e laced a i de ec gni ed. The c f he da - -da e icing f fi ed a e a e ec gni ed in fi l a inc ed.

Fi ed a e a e a ed in he balance hee a c le acc m la ed de ecia i n and im ai men l e .

(2) Depreciation

Fi ed a e a e de ecia ed ing he aigh -line me h d all ca e he c f he a e hei e ima ed e id al al e e hei e ima ed ef l li e , nle he fi ed a e i cla ified a held f ale (ee N e II.28). F he fi ed a e ha ha e been ided f im ai men l , he ela ed de ecia i n cha ge i ec i el de e mined ba ed n he adj ed ca ing am n e hei emaining ef l li e . The e ima ed ef l li e , e id al al e and de ecia i n a e f each cla f fi ed a e a e a f ll :

Classes	Residual Period (years)	Depreciation value rate (%)	Depreciation rate (%)
Plan and b ilding	20-30	10%	3-4.5%
Machine and e i men	10-12	10%	7.5-9%
Office and he e i men	3-5	10%	18-30%
M ehicle	5	10%	18%
D ck, ha f	50	10%	1.8%
Off h e enginee ing e i men	15-30	10%	3-6%

U ef l li e , e id al al e and de ecia i n me h d a e e ie ed a lea a each ea end.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

14. Fixed assets (Continued)

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

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

F c i e ia f ec gni i n and me h d f mea ing f fi ed a e nde a finance lea e, efe N e II 27(3).

(5) Disposal

A fi ed a e i de ec gni ed n di al hen n f e ec n mic benefi a e e ec ed f m i e di al. The am n f ceed f m di al n ale, an fe e i emen damage f a fi ed a e ne f i ca ing am n and ela ed a e and e en e i ec gni ed in fi l f he c en e i d.

15. Construction in progress

C n c i n in g e i mea ed a ac al c . The c f elf-c n c ed a e incl de he c f ma e ial , di ec lab ca i ali ed b ing c (ee N e II.16), and an he c di ec l a ib able b inging he a e king c ndi i n f i in ended e.

A elf-c n c ed a e i incl ded in c n c i n in g e bef e i i an fe ed fi ed a e hen i i ead f i in ended e. N de ecia i n i ided again c n c i n in g e . C n c i n in g e i a ed in he balance hee a c le im ai men l e (ee N e II.20).

16. Borrowing costs

B ing c inc ed di ec l a ib able he ac i i i n, c n c i n d c i n f a alif ing a e a e ca i ali ed a a f he c f he a e .

E ce f he ab e, he b ing c a e ec gni ed a financial e en e in he inc me a emen hen inc ed.

D ing he ca i ali a i n e i d, he am n f in e e (incl ding am i a i n f an di c n emi m n b ing) be ca i ali ed in each acc n ing e i d i de e mined a f ll :

- Whe e f nd a e b ed ecificall f he ac i i i n, c n c i n d c i n f a alif ing a e , he am n f in e e be ca i ali ed i he in e e e en e calc la ed ing effec i e in e e a e d ing he e i d le an in e e inc me ea ned f m de i ing he b ed f nd an in e men inc me n he em a in e men f h e f nd bef e being ed n he a e .

- Whe e f nd a e b ed gene all and ed f he ac i i i n, c n c i n d c i n f a alif ing a e , he am n f in e e be ca i ali ed n ch b ing i de e mined b a l ing a ca i ali a i n a e he eigh ed a e age f he e ce am n f c m la i e e endi e n he a e e he ab e am n f ecific b ing . The ca i ali a i n a e i he eigh ed a e age f he in e e a e a licable he gene al- e b ing .

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

17.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

18. Goodwill

G d ill e e en he e ce f c f ac i i i n e he ac i ie in e e in he fai al e f he iden ifiable ne a e f he ac i ee nde he b ine c mbina i n in l ing en i ie n nde c mm n c n l.

G d ill i n am i ed and i a ed a c le acc m la ed im ai men l e (ee N e II.20). On di al f an a e g c mbina i n f a e g , an a ib able am n f cha ed g d ill i i en ff and incl ded in he calc la i n f he fi l n di al.

19. Long-term prepaid expenses

L ng- e m e aid e en e a e am i ed n a aigh -line me h d i hin he beneficial e i d.

The am i a i n e i d f e en ed a e a f ll :

Item	Amortisation period (years)
Ren al	2-10
O he	3-5

20. Impairment of long-term assets

Fi ed a e , c n c i n in g e , in angible a e i h fini e ef l li e and l ng- e m e i in e men in b idia ie , j in en e and a cia e a e e ed f im ai men if he e i an indica i n ha he a e ma be im ai ed a he balance hee da e. If he e l f he im ai men e indica e ha he ec e able am n f an a e i le han i ca ing am n , a i i n f im ai men and an im ai men l a e ec gni ed f he am n b hich he a e ' ca ing am n e ceed i ec e able am n . The ec e able am n i he highe f an a e ' fai al e le c ell and he e en al e f he f e ca h fl e ec ed be de i ed f m he a e . P i i n f a e im ai men i de e mined and ec gni ed n he indi id al a e ba i . If i i n ible e ima e he ec e able am n f an indi id al a e , he ec e able am n f a g f a e hich he a e bel ng i de e mined. A g f a e i he malle g f a e ha i able gene a e inde enden ca h infl .

G d ill ha i e a a el e en ed in he financial a emen i e ed a lea ann all f im ai men , i e ec i e f he he he e i an indica i n ha i ma be im ai ed. In c nd c ing he e , he ca ing al e f g d ill i all ca ed he ela ed a e g c mbina i n f a e g hich a e e ec ed benefi f m he ne gie f he b ine c mbina i n. If he e l f he e indica e ha he ec e able am n f an a e g c mbina i n f a e g , incl ding he all ca ed g d ill, i l e han i ca ing am n , he c e nding im ai men l i ec gni ed. The im ai men l i fi ded c ed f m he ca ing am n f g d ill ha i all ca ed he a e g c mbina i n f a e g , and hen ded c ed f m he ca ing am n f he a e i hin he a e g c mbina i n f a e g in i n he ca ing am n f a e he han g d ill.

Once an im ai men l i ec gni ed, i i n e e ed in a b e en e i d.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

21. Provisions and contingent liabilities

P i i n f d c a an ie , ne c n ac e c. a e ec gni ed hen he G ha a e en bliga i n, i i bable ha an fl f ec n mic benefi ill be e i ed e le he bliga i n, and he am n f he bliga i n can be mea ed eliabl .

A i i n i ini iall mea ed a he be e ima e f he e endi e e i ed e le he ela ed e en bliga i n. Fac nding a c n ingenc , ch a he i k , nce ain ie and he ime al e f m ne , a e aken in acc n a a h le in eaching he be e ima e f a i i n. Whe e he effec f he ime al e f m ne i ma e ial, he be e ima e i de e mined b di c n ing he ela ed f e ca h fl . The inc ea e in he di c n ed am n f he i i n a i ing f m a age f ime i ec gni ed a in e e e en e.

The ca ing am n f i i n i e ie ed a each balance hee da e and adj ed eflec he c en be e ima e.

P i i n hich i e ec ed be aid i hin ne ea f m he balance hee da e a e di cl ed a c en liabili ie .

In e m f a ible bliga i n e l ing f m a a an ac i n e en , h e e i ence ill nl be c nfi med b he cc ence n- cc ence f nce ain f e e en a e en bliga i n e l ing f m a a an ac i n e en , he e i i n bable ha he e lemen f he ab e bliga i n ill ca e an fl f ec n mic benefi , he am n f he fl cann be e ima ed eliabl , he ible e en bliga i n i di cl ed a a c n ingen liabili .

22. Share-based payments

(1) Classification

Sha e-ba ed a men an ac i n in he G a e cla ified a e i - e led ha e-ba ed a men and ca h- e led ha e-ba ed a men .

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

Fai al e f ck i n i e ima ed ba ed n bin mial la ice m del. C n ac e m f he ck i n i ed a he in a iable f hi m del. And he bin mial la ice m del incl de e ima i n f ea e ec i n f he i n. The f ll ing fac a e aken in acc n hen ing he bin mial la ice m del: (1) e e ci e ice f he i n; (2) e ing e i d; (3) c en ice f ba ic ck ; (4) e ec ed fl c a i n f ck ; (5) e ec ed di idend f ck ; (6) i k-f ee a e i hin he i n e m.

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

A each balance hee da e d ing he e ing e i d, he G make he be e ima i n acc ding he la e inf ma i n f he n mbe f em l ee h a e g an ed e and e i e he n mbe f e i in men e ec ed e . On e ing da e, he e ima e hall be e al he n mbe f e i in men ha l ima el e ed.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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 payment

Where the Group uses shares or other equity instruments as consideration for services received from the employees, the payment is measured at the fair value of the equity instruments granted to the employees at the grant date. If the equity instruments granted to employees vest immediately, the fair value of the equity instruments granted is, on grant date, recognized as relevant costs or expenses with a corresponding increase in capital reserve. If the equity instruments granted to employees do not vest until the completion of service for a vesting period, or until the achievement of a specified performance condition, the Group, at each balance sheet date during the vesting period, makes the best estimation according to the latest information of the number of employees who are granted to vest and revise the number of equity instruments expected to vest. Based on the best estimation, the Group recognizes the services received for the current period as related costs or expenses, with a corresponding increase in capital reserve, at an amount equal to the fair value of the equity instruments at the grant date.

(b) Cash-settled share-based payment

Where the Group receives services from employees by incurring a liability to deliver cash or other assets for amounts that are determined based on the price of shares or other equity instruments, the services received from employees is measured at the fair value of the liability incurred. If the rights under the cash-settled share-based payment do not vest until the completion of service for a vesting period, or until the achievement of a specified performance condition, the Group, at each balance sheet date during the vesting period, recognizes the services received for the current period as related costs or expenses, with a corresponding increase in liability, at an amount equal to the fair value of the liability based on the best estimate of the outcome of vesting.

23. Revenue recognition

Revenue is the gross inflow of economic benefits in the period arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders. Revenue is recognized in profit or loss when it is probable that the economic benefits will flow to the Group, the revenue and costs can be measured reliably and the following respective conditions are met.

(1) Sale of goods

Revenue from sale of goods is recognized when all of the general conditions stated above and following conditions are satisfied:

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

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

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable under the sale contract or agreement.

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

23. Revenue recognition (Continued)

(1) Sale of goods (Continued)

The G ec gni e e en e af e ecei e acce ance ce ifica e f m c me .

Sale f ad an a i n ehicle a e di ided in ale d me ic c me and ale e ea c me . A ale d me ic c me , he G ec gni e e en e af e c me ick and acce he ehicle . A ale e ea c me , he G ec gni e e en e af e ehicle a e l aded ecified hi in ecific a igned b he c me an c n ac .

The G ec gni e e en e hen he cha e and ell ag eemen i e f med. When he e i ld in ad ance bef e c m le i n, he e en e i ec gni ed nl hen he c n c i n i c m le ed and deli e ed he b e The de i and in allmen ecei ed bef e e en e ec gni i n a e ega ded a ad ance f m c me .

(2) Revenue from construction contracts

Whe e he c me f a c n c i n c n ac can be e ima ed eliabl , c n ac e en e and c n ac e en e a cia ed i h he c n c i n c n ac a e ec gni ed a he balance hee da e ing he e cen age f c m le i n me h d.

The age f c m le i n f a c n ac i de e mined ba ed n c m le i n f a h ical i n f he c n ac k.

When he c me f a c n c i n c n ac cann be e ima ed eliabl :

(a) If he c n ac c can be ec e ed, e en e i ec gni ed he e en f c n ac c inc ed ha can be ec e ed, and he c n ac c a e ec gni ed a c n ac e en e hen inc ed;

(b) If he c n ac c cann be ec e ed, he c n ac c a e ec gni ed a c n ac e en e immedia el hen inc ed, and n c n ac e en e i ec gni ed.

C n c i n c n ac e en e incl de ini ial e en e i la ed b c n ac and inc ea ed am n gene a ed b c n ac al e a i n.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

23. Revenue recognition (Continued)

(2) Revenue from construction contracts (Continued)

Increased amount cannot be recognised as contract revenue unless the following contractual variation terms are all satisfied:

(c) Client accepts and confirms the increased amount generated by contractual variation;

(d) Increased amount can be reliably measured.

Contract anticipated loss is recognised when estimated total contract costs of a contract exceed contract revenue. Provision should be made for contract anticipated loss and charged in profit and loss for the current period.

(3) Rendering of services

Revenue from rendering of services is measured at the fair value of the consideration received or receivable under the contract or agreement.

At the balance sheet date, where the outcome of a transaction involving the rendering of services can be estimated reliably, revenue from the rendering of services is recognised by reference to the stage of completion of the transaction based on the progress of work performed.

Where the outcome of rendering of services cannot be estimated reliably, if the costs incurred are expected to be recoverable, revenue are recognised to the extent that the costs incurred that are expected to be recoverable, and an equivalent amount is charged to profit or loss as service cost; if the costs incurred are not expected to be recoverable, the costs incurred are recognised in profit or loss and no service revenue is recognised.

For freight agencies, revenue are recognised at the ship departure date (export) or the arrival date (import). As to land freight agencies, revenue are recognised when goods have arrived at the specified location. For shipping agency: revenue are recognised at the date that ship departures.

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

24. Employee benefits

Em l ee benefi e e en all kind f all ance and c m en a i n aid b he G f e ice ende ed b em l ee f e mina i n f em l men ela i n hi , hich mainl incl de h e m age , en i n benefi and e mina i n f em l men benefi .

(1) short-term wages

Sh - e m age incl de age ala ie , b n e , all ance and b idie , aff elfa e, medical in ance, k inj in ance, ma e ni in ance, h ing f nd , lab ni n f nd , em l ee ed ca i n f nd and h e m aid ab ence and e c. Ac al h - e m age a e ec gni ed a liabili ie in he e i d hen he em l ee ende e ice and a e cha ged in fi l ca i ali ed in c f ela ed a e . The n n-m ne a elfa e i mea ed a fai al e.

(2) pension benefits

D ing he e ing e i d, he G ' en i n benefi a e ba ic en i n in ance and nem l men in ance hich a e all defined c n ib i n lan .

The G ' em l ee a ici a ed in he ba ic cial en i n in ance gani ed and im lemen ed b l cal lab and cial ec i b ea . The G aid he ba ic en i n i ance e en e m n hl de igna ed in ance c m anie f i em l ee acc ding he ba i am n and a e de e mined b he l cal eg la i n . Af e e i emen , l cal lab and cial ec i b ea i e n ible f a ing he en i n benefi he e i ed em l ee . The am n f en i n in ance a able calc la ed acc ding he ab e eg la i n a e ec gni ed a liabili ie d ing he e i d hen he em l ee ende e ice and a e cha ged fi l ca i ali ed in c f ela ed a e .

(3) Enterprise annuities plan

The G ide c m en a i n f he e mina i n f em l men ela i n hi bef e he e i f em l men c n ac c m en a i n enc age em l ee ' l n a la ff , hich i ec gni ed a a liabili and cha ged fi n he ea lie ne hen he G i nable nila e all i hd a he lan n he e mina i n f em l men ela i n hi he la ff al and c and e en e in ela i n he a men f c m en a i n he e mina i n f em l men ela i n hi a e ec gni ed.

The En e i e ann i ie lan i h a men i hin ne ea a he balance hee da e a e cla ified a c en liabili ie .

Notes to the Financial Statements

F r he e i d ar ed fr m 1 Jan ar and ended 30 J ne 2017
(All am n in RMB'000 nle her i e a ed)
(Engli h Tran la i n f r Reference Onl)

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

25. Government grants

G ernmen gran are ran fer fr m ne ar a e r n n-m ne ar a e fr m he g ernmen he Gr a nil c n idera i n, incl ding ref nd f a e and financial b idie , e c..

A g ernmen gran i rec gni ed hen he c ndi i n a ached i can be c m lied i h and he g ernmen gran can be recei ed. If a g ernmen gran in he f rm f ran fer fr m ne ar a e , he gran i mea red a he am n recei ed r recei able. F r a g ernmen gran in he f rm f ran fer f n n-m ne ar a e , i i mea red a fair al e; if he fair al e i n reliabl de erminable, he gran i mea red a n minal am n .

G ernmen gran rela ed a e re er en gran b ained fr m g ernmen hich are c m en a e l ng-erm a e r cha ed r her a . G ernmen gran rela ed inc me re re en h e g ernmen gran her han rela ed a e .

A g ernmen gran rela ed an a e i rec gni ed b ded c ing he gran in arri ing a he carr ing am n f he a e r a deferred inc me, and am r i ed r fi r l n a rea nable, ema ic ba i er he ef l life f he a e . F r g ernmen gran rela ed inc me, here he gran i a c m en a i n f r rela ed e en e r l e be inc rred b he Gr in he b e en e i d , he gran i rec gni ed a deferred inc me, and incl ded in r fi r l r b ded c ing he rela ed e en e er he e i d in hich he rela ed c are rec gni ed; here he gran i a c m en a i n f r rela ed e en e r l e alread inc rred b he Gr , he gran i rec gni ed immedia el in r fi r l r b ded c ing he rela ed e en e he f r he c rren e i d. The ame me h d f re en a i n h ld be ad ed f r g ernmen gran f he ame ca eg r : g ernmen gran rela ed i h he da - -da e a i n h ld be re en ed in he e ra ing r fi ; g ernmen gran n rela ed i h he da - -da e a i n h ld be re en ed in he n n- e ra ing inc me re en e .

F r g ernmen l an i h bel -marke ra e f in ere , he ac al r ceed recei ed i rec gni ed a he ini ial carr ing al e f he l an , and b rr ing c are calc la ed ba ed n he rinci al and he bel -marke ra e f in ere . Di c n in ere f nd direc l recei ed fr m he g ernmen h ld be rec gni ed b ded c ing he rela ed b rr ing c .

26. Deferred tax assets and deferred tax liabilities

Deferred a a e and liabili ie ari e fr m ded c ible and a able em rar difference re ec i el , being he difference be een he carr ing am n f a e and liabili ie f r financial re r ing r e and heir a ba e , hich incl de he ded c ible l e and a credi carr f r ard b e en e i d . Deferred a a e are rec gni ed he e en ha i i r bable ha f re a able r fi ill be a ailable again hich ded c ible em rar difference can be ili ed.

Deferred a i n rec gni ed f r he em rar difference ari ing fr m he ini ial rec gni i n f a e r liabili ie in a ran ac i n ha i n a b ine c mbina i n and ha affec nei her acc n ing r fi n r a able r fi (r a l). N deferred a liabili i rec gni ed f r a em rar difference ari ing fr m he ini ial rec gni i n f g d ill.

A he balance hee da e, he am n f deferred a rec gni ed i mea red ba ed n he e ec ed manner f rec er r e lemen f he carr ing am n f he a e and liabili ie , ing a ra e ha are e ec ed be a lied in he e i d hen he a e i rec ered r he liabili i e led in acc rdance i h a la .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

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

The ca ing am n f a defe ed a a e i e ie ed a each balance hee da e. The ca ing am n f a defe ed a a e i ed ced he e en ha i i n l nge bable ha fficien a able fi ill be a ailable all he benefi f he defe ed a a e be ili ed. S ch ed c i n i e e ed he e en ha i bec me bable ha fficien a able fi ill be a ailable.

Defe ed a liabili ie a e ec gni ed f em a diffe ence a i ing f m in e men in b idia ie , a cia e and j in en e , e ce he e he G i able c n l he iming f e e al f he em a diffe ence, and i i bable ha he em a diffe ence ill n e e e in he f e eeable f e. When i i bable ha he em a diffe ence a i ing f m in e men in b idia ie , a cia e and j in en e ill be e e ed in he f e eeable f e and ha he a able fi ill be a ailable in he f e again hich he em a diffe ence can be ili ed, he c e nding defe ed a a e a e ec gni ed.

A he balance hee da e, defe ed a a e and liabili ie a e ff e if all he f ll ing c ndi i n a e me :

- he a able en i ha a legall enf ceable igh e ff c en a a e again c en a liabili ie ; and

- he ela e inc me a e le ied b he ame a a h i n ei he he ame a able en i ; diffe en a able en i ie hich ei he in end e le he c en a liabili ie and a e n a ne ba i , ealize he a e and e le he liabili ie im l ane l , in each f e e i d in hich ignifican am n f defe ed a liabili ie a e e ec ed be e led ec e ed.

27. Operating and finance leases

A lea e i cla ified a ei he a finance lea e an e a ing lea e. A finance lea e i a lea e ha an fe b an iall all he i k and e a d inciden al ne hi f a lea ed a e he le ee, i e ec i e f he he he legal i le he a e i e en all an fe ed. An e a ing lea e i a lea e he han a finance lea e.

(1) Assets acquired under operating leases

Ren al a men nde e a ing lea e a e ec gni ed a c e en e n a aigh -line ba i e he lea e e m.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

27. Operating and finance leases (Continued)

(2) Assets leased out under operating leases

Fi ed a e lea ed nde e a ing lea e , e ce f in e men e ie (ee N e II.13) a e de ecia ed in acc dance i h he G ' de ecia i n licie de c ibed in N e II.14(2). Im ai men l e a e ided f in acc dance i h he acc n ing lic de c ibed in N e II.20. O he lea ed a e nde e a ing lea e a e am i ed ing he aigh -line me h d. Inc me de i ed f m e a ing lea e i ec gni ed in he inc me a emen ing he aigh -line me h d e he lea e e m. If ini ial di ec c inc ed in e ec f he a e lea ed a e ma e ial, he c a e ini iall ca i ali ed and b e en l am i ed in fi l e he lea e e m n he ame ba i a he lea e inc me. O he i e, he c a e cha ged fi l immedia el .

(3) Assets acquired under finance leases

When he G ac i e an a e nde a finance lea e, he a e i mea ed a an am n e al he l e f i fai al e and he e en al e f he minim m lea e a men , each de e mined a he ince i n f he lea e. A he c mmencemen f he lea e e m, he minim m lea e a men a e ec ded a l ng- e m a able . The diffe ence be een he al e f he lea ed a e and he minim m lea e a men i ec gni ed a n ec gni ed finance cha ge . Ini ial di ec c ha a e a ib able a finance lea e inc ed b he G a e added he am n ec gni ed f he lea ed a e . De ecia i n and im ai men l e a e acc n ed f in acc dance i h he acc n ing licie de c ibed in N e II.14(2) and II.20, e ec i el .

If he e i a ea nable ce ain ha he G ill b ain ne hi f a lea ed a e a he end f he lea e e m, he lea ed a e i de ecia ed e i e ima ed ef l life. O he i e, he lea ed a e i de ecia ed e he h e f he lea e e m and i e ima ed ef l life.

Un ec gni ed finance cha ge nde finance lea e i am i ed ing an effec i e in e e me h d e he lea e e m. The am i a i n i acc n ed f in acc dance i h inci le f b ing c (ee N e II.16).

A he balance hee da e, l ng- e m a able a i ing f m finance lea e , ne f he n ec gni ed finance cha ge , a e e en ed a l ng- e m a able n n-c en liabili ie d e i hin ne ea , e ec i el , in he balance hee .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

27. Operating and finance leases (Continued)

(4) Assets leased out under finance leases

A he c mmencemen f he lea e e m, he G ec gni e he agg ega e f he minim m lea e ecei de e mined a he ince i n f a lea e and he ini ial di ec c a finance lea e ecei able. The diffe ence be een he agg ega e f he minim m lea e ecei , he ini ial di ec c , and he agg ega e f hei e en al e i ec gni ed a nea ned finance inc me.

Unea ned finance inc me i all ca ed each acc n ing e i d d ing he lea e e m ing he effec i e in e e me h d. A he balance hee da e, finance lea e ecei able , ne f nea ned finance inc me, a e e en ed a l ng- e m ecei able n-c en a e d e i hin ne ea , e ec i el in he balance hee . Plea e efe N e II.9 f acc n ing lic n he de ec gni i n and im ai men f finance lea e ecei able .

28. Assets held for sale and discontinued operation

A n n-c en a e di al g i cla ified a held f ale hen mee he f ll ing c i e ia: i. The a e (di al g) m be a ailable f immedia e ale in i e en c ndi i n bjec nl e m ha a e al and c ma f ale f ch a e (di al g); ii. A n n-cancellable an fe ag eemen ha been igned i h he an fe ee, he di al lan ha been a ed e and hi an fe i e ec ed be c m le ed i hin ne ea ;

N n-c en a e held f ale (e cl ding financial a e , in e men e ie mea ed a fai al e and defe ed a a e) a e a ed a he l e f ca ing am n and ne eali able al e. An e ce f he ca ing am n e he ne eali able al e i ec gni ed a im ai men l .

A e and liabili ie f a n n-c en a e di al g hich i cla ified a held f ale a e cla ified a c en a e and c en liabili ie , hich a e e a a el e en ed in he balance hee .

A di c n in ed e a i n i a c m nen hich ha been di ed cla ified a held f ale f he g ' b ine and he e a i n and financial e ing f he di c n in ed e a i n can be clea di ing i hed f m he e f he g and can mee ne f he f ll ing c i e ia: (a) Thi c m nen f he b ine e e en a e a a e maj line f b ine ge g a hic a ea f e a i n ; (b) Thi c m nen f he b ine i a f a ingle c - dina ed lan di e f a e a a e maj line f b ine ge g a hical a ea f e a i n ; (c) Thi c m nen f he b ine i a b idia ac i ed e cl i el i h a ie e ale.

The G hall di cl e fi l f he ea f m di c n in ed e a i n di cl ed in he a emen f c m ehen i e inc me c m i ing he al f: he - a fi l f di c n in ed e a i n and The - a gain l f m emea emen f he di c n in ed e a i n fai al e le c ell.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

29. Hedge accounting

Hedge acc n ing i a me h d hich ec gni e he ff e ing effec f fai al e and ca h fl f he hedging in men and he hedged i em n c en fi l in he ame acc n ing e i d( ).

Hedged i em a e he i em ha e e he G i k f change in fai al e f e ca h fl and ha a e de igna ed a being hedged. The G ' hedged i em incl de a f eca an ac i n ha i e led i h a fi ed am n f f eign c enc and e e he G f eign c enc i k.

A hedging in men i a de igna ed de i a i e h e change in fai al e ca h fl a e e ec ed ff e change in he fai al e ca h fl f he hedged i em. F a hedge f f eign c enc i k, a n n-de i a i e financial a e n n-de i a i e financial liabili ma al be ed a a hedging in men .

The hedge i a e ed b he G f effec i ene n an ng ing ba i and j dged he he i ha been highl effec i e h gh he acc n ing e i d f hich he hedging ela i n hi a de igna ed. A hedge i ega ded a highl effec i e if b h f he f ll ing c ndi i n a e a i fied:

- a he ince i n and in b e en e i d , he hedge i e ec ed be highl effec i e in achie ing ff e ing change in fai al e ca h fl a ib able he hedged i k d ing he e i d f hich he hedge i de igna ed;

- he ac al e l f ff e ing a e i hin a ange f 80% 125%.

Cash flow hedges

A ca h fl hedge i a hedge f he e e a iabili in ca h fl . The i n f he gain l n he hedging in men ha i de e mined be an effec i e hedge i ec gni ed di ec l in ha eh lde ' e i a a e a a e c m nen . Tha effec i e i n i adj ed he l e f he f ll ing in ab l e am n :

- he c m la i e gain l n he hedging in men f m ince i n f he hedge;

- The c m la i e change in e en al e f he e ec ed f e ca h fl n he hedged i em f m ince i n f he hedge.

The i n f he gain l n he hedging in men ha i de e mined be an ineffec i e hedge i ec gni ed in fi l .

If a hedge f a f eca an ac i n b e en l e l in he ec gni i n f a n n-financial a e n n-financial liabili , he a cia ed gain l i em ed f m ha eh lde ' e i and ec gni ed in fi l in he ame e i d d ing hich he financial a e financial liabili affec fi l . H e e , if he G e ec ha all a i n f a ne l ec gni ed di ec l in ha eh lde ' e i ill n be ec e ed in f e acc n ing e i d , i ecla ifie in fi l he am n ha i n e ec ed be ec e ed.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

29. Hedge accounting (Continued)

Cash flow hedges (Continued)

If a hedge f a f eca an ac i n be e en l e l in he ec gni i n f a financial a e a financial liabili , he a cia ed gain l i em ed f m e i and ec gni ed in fi l in he ame e i d d ing hich he financial a e financial liabili affec fi l . H e e , if he G e ec ha all a i n f a ne l ec gni ed di ec l in ha eh lde ' e i ill n be ec e ed in f e acc n ing e i d , i ecla ifie in fi l he am n ha i n e ec ed be ec e ed.

F ca h fl hedge , he han h e c e ed b he eceding lic a emen , he a cia ed gain l i em ed f m ha eh lde ' e i and ec gni ed in fi l in he ame e i d e i d d ing hich he hedged f eca an ac i n affec fi l .

When a hedging in men e i e i ld, e mina ed e e ci ed, he hedge n l nge mee he c i e ia f hedge acc n ing, he G ill di c n in e he hedge acc n ing ea men ec i el . In hi ca e, he gain l n he hedging in men ha emain ec gni ed di ec l in ha eh lde ' e i f m he e i d hen he hedge a effec i e hall n be ecla ified in fi l and i ec gni ed in acc dance i h he ab e lic hen he f eca an ac i n cc . If he f eca an ac i n i n l nge e ec ed cc , he gain l n he hedging in men ha emain ec gni ed di ec l in ha eh lde ' e i f m he e i d hen he hedge a effec i e hall be ecla ified in fi l immedia el .

30. Dividend distribution

Ca h di idend i ec gni ed a a liabili f he e i d in hich he di idend i a ed b he ha eh lde ' mee ing.

Di idend di ib i n f fi ed in he fi a ia i n lan hich ill be a h i ed and decla ed af e he balance hee da e, a e n ec gni ed a a liabili a he balance hee da e b di cl ed in he n e e a a el .

31. Related parties

If a a ha he e c n l, j in l c n l e e ci e ignifican infl ence e an he a , ice e a, he e m e a ie a e bjec c mm n c n l j in c n l f m an he a , he a e c n ide ed be ela ed a ie . Rela ed a ie ma be indi id al en e i e . En e i e i h hich he C m an i nde c mm n c n l nl f m he S a e and ha ha e n he ela ed a ela i n hi a e n ega ded a ela ed a ie f he G . Rela ed a ie f he G and he C m an incl de, b a e n limi ed :

(a) he C m an ' a en ;

(b) he C m an ' b idia ie ;

(c) en e i e ha a e c n lled b he C m an ' a en ;

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

31. Related parties (Continued)

(d) in e ha ha e j in c n l e e ci e ignifican infl ence e he G ;

(e) en e i e indi id al if a a ha c n l, j in c n l e b h he en e i e indi id al and he G ;

(f) j in en e f he G , incl ding b idia ie f j in en e ;

(g) a cia e f he G , incl ding b idia ie f a cia e ;

(h) inci al indi id al in e and cl e famil membe f ch indi id al ;

(i) ke managemen e nnel f he G and cl e famil membe f ch indi id al ;

(j) ke managemen e nnel f he C m an ' a en and cl e famil membe f ch indi id al ;

(k) cl e famil membe f ke managemen e nnel f he C m an ' a en ; and

(l) he en e i e ha a e c n lled j in l c n lled b inci al indi id al in e , ke managemen e nnel f he G , and cl e famil membe f ch indi id al .

Be ide he ela ed a ie a ed ab e de e mined in acc dance i h he e i emen f CAS, he f ll ing en e i e and indi id al a e c n ide ed a (b n e ic ed) ela ed a ie ba ed n he di cl e e i emen f Admini a i e P ced e n he Inf ma i n Di cl e f Li ed C m anie i ed b he CSRC:

(m) en e i e e n ha ac in c nce ha h ld 5% m e f he C m an ' ha e ;

(n) indi id al and cl e famil membe f ch indi id al h di ec l indi ec l h ld 5% m e f he C m an ' ha e , e i f li ed c m anie and hei cl e famil membe ;

( ) en e i e ha a i f an f he af e aid c ndi i n in (a), (c) and (m) d ing he a 12 m n h ill a i f hem i hin he ne 12 m n h an a ele an ag eemen ;

( ) indi id al h a i f an f he af e aid c ndi i n in (i), (j) and (n) d ing he a 12 m n h ill a i f hem i hin he ne 12 m n h an a ele an ag eemen ; and

( ) en e i e , he han he C m an and b idia ie c n lled b he C m an , hich a e c n lled di ec l indi ec l b an indi id al defined in (i), (j), (n) ( ), in hich ch an indi id al a me he i i n f a di ec e eni e ec i e.

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

32. Segment reporting

Re able egmen a e iden ified ba ed n e a ing egmen hich a e de e mined ba ed n he c e f he G ' in e nal gani a i n, managemen e i emen and in e nal e ing em. An e a ing egmen i a c m nen f he G ha mee he f ll ing c ndi i n :

- I engage in b ine ac i i ie f m hich i ma ea n e en e and inc e en e ;
- I financial e f mance a e eg la e ie ed b he G ' managemen make deci i n ab e ce be all ca ed he egmen and a e i e f mance;
- The G i able b ain i financial inf ma i n ega ding financial i i n, financial e f mance and ca h fl , e c.

T m e e a ing egmen ma be agg ega ed in a ingle e a ing egmen if he egmen ha e ame imila ec n mic cha ac e i ic , and a e imila in e ec f he f ll ing a ec :

- he na e f each d c and e ice;
- he na e f d c i n ce e ;
- he e cla f c me f he d c and e ice ;
- he me h d ed di ib e he d c ide he e ice ;
- he legal and eg la im ac n man fac ing f d c and ende ing f e ice .

In e egmen e en e a e mea ed n he ba i f ac al an ac i n ice f ch an ac i n f egmen e ing, and egmen acc n ing licie a e c n i en i h h e f he c n lida ed financial a emen .

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

33. Significant changes in accounting policy

(1) On 10 May 2017, the Ministry of Finance issued the Notice on Issuing the Revised Accounting Standard for Business Enterprises No. 16 – Government Grants (Cai Kuai [2017] No. 15) to revise the Accounting Standard for Business Enterprises No. 16 – Government Grants, which came into force on 12 June 2017. For the period from 1 January to 30 June 2017, the company adopted the aforesaid accounting standards for the Interim financial statements. The impacts of the change in accounting policy on financial statements of the group are listed as below:

Contents and reasons for the change	Impacted items on financial statement	Impacted amount for the period from 1 January to 30 June 2017
The government grants relating to the ordinary activities of enterprises shall be included in other income based on the nature of economic business; the government grants not relating to the ordinary activities of enterprises shall be included in non-operating income and expenses. For government grants existed as at 1 January 2017, the prospective application method shall be applied, and for new government grants incurred from 1 January 2017 to the date on which the standard came in force, adjustments shall be made according to the standards. The comparative financial statements for the period from January to June 2016 were not restated.	Other income Non-operating income	91,032 (91,032)

(2) On 28 April 2017, the Ministry of Finance issued the requirement of the Notice on Issuing the Accounting Standard for Business Enterprises No. 42 – Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations (Cai Kuai [2017] No. 13), which required that the adoption of Accounting Standard for Business Enterprises No. 42 – Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations shall take effect on 28 May 2017. For the period from 1 January to 30 June 2017, There was no significant impact of the change in accounting policy on financial statements of the group.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

34. Critical accounting estimates and judgements

The e a a i n f financial a emen e i e managemen make e ima e and a m i n ha affec he a lica i n f acc n ing licie and he e ed am n f a e , liabili ie , inc me and e en e . Ac al e l ma diffe f m he e e ima e . E ima e and nde ing a m i n a e e ie ed n an ng ing ba i . Re i i n acc n ing e ima e a e ec gni ed in he e i d in hich he e ima e i e i ed and in an f e

Notes to the Financial Statements

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

34. Critical accounting estimates and judgements (Continued)

(3) Impairment of long-term assets

A de c ibed in N e II.20, l ng- e m a e a e e ie ed a each balance hee da e de e mine he he he ec e able am n f he a e i l e han ca ing am n . If an indica i n h ha he ca ing am n f he a e ma n be f ll ec e ed, he a e i deemed ha e been im ai ed and an im ai men l i ec gni ed.

The ec e able am n f an a e (a e g) i he g ea e f i fai al e le c ell and i e en al e f e ec ed f e ca h fl . Since a ma ke ice f he a e (he a e g) cann be b ained eliabl , he fai al e f he a e cann be e ima ed eliabl . In a e ing al e in e, ignifican j dgemen a e e e ci ed e he a e ' d c i n, elling ice, ela ed e a ing e en e and di c n ing a e calc la e he e en al e. All ele an ma e ial hich can be b ained a e ed f e ima i n f he ec e able am n , incl ding he e ima i n f he d c i n, elling ice and ela ed e a ing e en e ba ed n ea nable and able a m i n.

If he managemen e i ed he g fi ma gin ed in he f e ca h fl calc la i n f he a e (a e g) and he e i ed g fi ma gin i l e han he g fi ma gin c en l ed, he G i e i ed make i i n f im ai men f l ng- e m a e .

If he managemen e i ed he di c n a e bef e a a lied he ca h fl di c n and he e i ed di c n a e bef e a i highe han he di c n a e c en l ed, he G i e i ed make i i n f im ai men f l ng- e m a e .

If he ac al g ma gin di c n a e bef e a i highe l e han he managemen ' e ima e, he G can n e e e e i l ec gni ed i i n f im ai men f l ng- e m a e .

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

A de c ibed in N e II.14 and 17, fi ed a e and in angible a e a e de ecia ed and am i ed e hei ef l li e af e aking in acc n e id al al e. The ef l li e f he a e a e eg la l e ie ed de e mine he de ecia i n and am i a i n c cha ged in each e ing e i d. The ef l li e f he a e a e de e mined ba ed n hi ical e e ience f imila a e and he e ima ed echnical change . If he e ha e been ignifican change in he fac ed de e mine he de ecia i n am i a i n, he a e f de ecia i n am i a i n i e i ed ec i el .

II.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

III. TAXATION

1. Main taxes categories and rates

Types of tax	Tax basis	Tax rate
Val e added a (VAT)(a)	The VAT calc la ed ba ed n a able inc me f m ale f g d and ende ing f e ice, af e b ac ing he ded c able in VAT f he e i d, i VAT a able	

(All amounts in RMB'000 unless otherwise stated)

III. TAXATION (CONTINUED)

2. Preferential tax treatments

The Group's subsidiaries that are entitled to preferential tax treatments are as follows:

	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
1	Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2015 entitled to 15% preferential rate
2	Xinhui CIMC Special Transportation Equipment Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2016 entitled to 15% preferential rate
3	Yangzhou Runyang Logistic Equipment Co., Ltd.	25%	15%	Recognized as high-tech enterprises, in 2014 entitled to 15% preferential rate
4	Yangzhou Tonglee Reefer Container Co., Ltd.	25%	15%	Recognized as high-tech enterprises, in 2015 entitled to 15% preferential rate
5	Hunan CIMC Bamboo Industry Development Co., Ltd.	25%	15%	Recognized as high-tech enterprises, in 2016 entitled to 15% preferential rate
6	Dalian CIMC Logistic Equipment Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2014 entitled to 15% preferential rate
7	Shenzhen CIMC Special Vehicle Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2014 entitled to 15% preferential rate
8	Yangzhou CIMC Tong Hua Special Vehicle Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2014 entitled to 15% preferential rate
9	Zhumadian CIMC Huajun Casting Co. Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2015 entitled to 15% preferential rate
10	Wuhu CIMC RuiJiang Automobile CO Ltd.	25%	15%	Recognized as high-tech enterprises, in 2014 entitled to 15% preferential rate
11	Luoyang CIMC Lingyu Automobile CO., Ltd.	25%	15%	Recognized as high-tech enterprises, in 2016 entitled to 15% preferential rate
12	Zhangjiagang CIMC Sanctum Cryogenic Equipment Machinery Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2014 entitled to 15% preferential rate
13	Enric (Bengbu) Compressor Co., Ltd.	25%	15%	Continue to be recognized as high-tech enterprise in 2014 entitled to 15% preferential rate

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

III. TAXATION (CONTINUED)

2. Preferential tax treatments (Continued)

	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
14	Shijiazhuang Enric Gas Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2014 entitled to 15% preferential rate
15	Enric (Langfang) Energy Equipment Integration Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2015 entitled to 15% preferential rate
16	Jingmen Hongtu Special Aircraft Manufacturing Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2015 entitled to 15% preferential rate
17	Nantong CIMC Tank Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2015 entitled to 15% preferential rate
18	Liaoning CIMC Hashenleng Gas Liquefaction Plant Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2015 entitled to 15% preferential rate
19	Nantong CIMC Energy Equipment Co, Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2014 entitled to 15% preferential rate
20	Ziemann Holvrieka Asia Co., Ltd.	25%	15%	Recognised as high-tech enterprise, in 2016 entitled to 15% preferential rate
21	Shenzhen CIMC-Tianda Airport Support Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2014 entitled to 15% preferential rate
22	Xinfa Airport Equipment Ltd.	25%	15%	Recognised as high-tech enterprise, in 2015 entitled to 15% preferential rate
23	Shenzhen CIMC Tianda Logistics Systems Engineering Co., Ltd.	25%	15%	Recognised as high-tech enterprise, in 2016 entitled to 15% preferential rate
24	Shenzhen CIMC Intelligent Technology Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprise in 2014 entitled to 15% preferential rate

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Plea e efe VI.1 and IV.13 f he defini i n f S b idia ie , a cia e and j in en e .

1. Cash at bank and on hand

	30 June 2017	31 Decembe 2016
Ca h n hand	**155,947**	157,493
Bank de i	**5,171,582**	5,711,162
O he ca h balance	**409,573**	457,343
T al	**5,737,102**	6,325,998
Incl ding: ca h ab ad	**2,516,745**	1,938,284

A a 30 J ne 2017, e ic ed ca h a bank and n hand f he G am n ed RMB816,845,000 (31 Decembe 2016: RMB987,257,000), efe N e IV.24 f de ail .

A a 30 J ne 2017, e ic ed ca h a bank and n hand f he G men i ned ab e incl ded de i f Finance C m an in he Pe le' Bank f China, am n ing RMB404,982,000 (31 Decembe 2016: RMB504,795,000). Finance C m an i a finance in i i n a h i ed b he Pe le' Bank f China.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets at fair value through profit or loss

(1) Classification

	Note	30 June 2017	31 December 2016
Current Portion			
1. Investment in equity instruments held for trading			
- Listed companies	(3)	**180,357**	138,072
2. Derivative financial assets			
- Forward foreign exchange contracts	(4)	**1,759**	1,782
- Currency swap contracts	(5)	**609**	-
3. Hedging Instruments		**4,392**	1,306
Total		**187,117**	141,160
Non-current Portion			
Derivative financial assets			
- Interest rate swap	(6)	**249,034**	325,187
Total		**249,034**	325,187

(2) As at 30 June 2017, there is no material restriction of the investment in financial assets at fair value through profit or loss.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

(4) Forward foreign exchange contracts

A a 30 J ne 2017, he G had ce ain n e led f a d c n ac , mainl den mina ed in US d lla , Ja ane e en, G ea B i ain nd and E . The n minal al e f he e c n ac am n ed US d lla (USD) 33,500,000 Ja ane e Yen (JPY) 696,890,000, G ea B i ain P nd (GBP) 6,500,000 and E (EUR) 11,500,000, e ec i el . P an he e f a d c n ac , he G a e e i ed b / ell f eign c encie , ch a USD, Ja ane e en, G ea B i ain nd, E f c n ac ed n minal al e a ag eed a e in e change f RMB a he c n ac e lemen da e . The e f a d c n ac ill be e led n a ne ba i b c m a ing he ma ke a e a he e lemen da e and he ag eed a e . The e lemen da e f he af e aid f a d c n ac ange f m 10 J l 2017 and 16 A il 2018.

(5) Currency swap contracts

A a 30 J ne 2017, he G had 5 n e led c enc a c n ac den mina ed in US d lla and Y an (RMB). The ini iall n minal al e f he e c n ac am n ed USD15,000,000 and RMB52,847,000. The e c n ac ill ma e a 25 Se embe 2017, 20 Decembe 2017, 20 Decembe 2017, 20 Decembe 2017, 20 Decembe 2017, e ec i el . A a 30 J ne 2017, he fai al e f he c enc a c n ac am n ed RMB333,000, hich i ega ded a de i a e and ec gni ed a financial a e a fai al e h gh fi l and financial liabili ie a fai al e h gh fi l . T an ac i n c n eali a i n ha e n been c n ide ed hen calc la ing he fai al e .

(6) Interest swap contracts

A a 30 J ne 2017, he G had 19 n e led in e e a c n ac den mina ed in US d lla , i h a n minal al e am n ed USD1,453,802,000, and a fai al e f RMB247,296,000. The e lemen da e f he af e aid in e e a c n ac ange f m 1 Jan a 2019 28 J ne 2021.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Notes receivable

(1) Classification of Notes receivable

	30 June 2017	31 December 2016
Bank acceptance notes	**990,955**	1,374,487
Trade acceptance notes	**105,295**	161,704
Total	**1,096,250**	1,536,191

All of the above bills receivable are due within one year.

No amount due from shareholders who hold 5% or more of the voting rights of the Company is included in the above balance of bills receivable.

(2) As at 30 June 2017, pledged notes receivable of the group are as follows:

	30 June 2017
Bank acceptance notes	**77,953**

(3) As at 30 June 2017, there was amount transferred from notes to accounts receivable due to failure of performance by the issuers (31 December 2016: 0.2 million).

(4) As at 30 June 2017, outstanding notes receivable endorsed by the Group are as follows:

	Derecognised	**Not Derecognised**
Bank acceptance notes	1,266,791	178,447
Trade acceptance notes	5,960	-
Total	1,272,751	178,447

(All am n in RMB'000 nle he r i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

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

	30 June 2017	31 Decembe r 2016
C n aine r	**6,265,003**	2,540,433
T ran r a i n ehicle	**3,278,726**	2,396,644
Ene rg , chemical and li id f d e i men	**3,304,160**	3,220,025
Off h re enginee ring	**587,228**	244,655
Ai r r facili ie	**966,932**	1,255,195
L gi ic e r ice	**1,160,930**	1,159,172
Hea r ck	**802,413**	769,250
O he r	**652,359**	569,937
S b- al	**17,017,751**	12,155,311
Le : r i i n f r d b f l deb	**(646,733)**	(629,236)
T al	**16,371,018**	11,526,075

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

	30 June 2017	31 Decembe r 2016
Wi hin 1 ea r (incl i e)	**15,142,027**	10,329,997
1 2 ea r (incl i e)	**1,029,918**	989,469
2 3 ea r (incl i e)	**532,145**	548,922
O e r 3 ea r	**313,661**	286,923
S b- al	**17,017,751**	12,155,311
Le : r i i n f r d b f l deb	**(646,733)**	(629,236)
T al	**16,371,018**	11,526,075

A a 30 J ne 2017 and 31 Decembe r 2016, he G r ha n ma e rial e r d e acc n r ecei able i h im ai rmen .

The aging i calc la ed f rm he da e ha he acc n r ecei able i r ec gni ed.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

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

		30 June 2017				31 December 2016			
		Book balance		Provision for doubtful debts		Book balance		Provision for doubtful debts	
		Amount	% of total balance	Amount	Ratio(%)	Amount	% of total balance	Amount	Ratio(%)
Accounts receivable which is individually assessed for impairment with individually significant value	(4)	4,036,854	23.72%	151,090	3.74%	2,987,769	24.58%	142,565	4.77%
Accounts receivable which is individually assessed for impairment with individually small value	(5)	487,571	2.87%	63,238	12.97%	599,213	4.93%	63,181	10.54%
Provision for doubtful debts collectively assessed*									
Group: containers		4,809,768	28.26%	15,176	0.32%	1,733,265	14.26%	14,762	0.85%
Group: road transportation vehicle		2,256,230	13.26%	91,326	4.05%	1,315,102	10.82%	100,810	7.67%
Group: energy, chemical and liquid food equipment		2,918,218	17.15%	205,248	7.03%	2,911,678	23.95%	201,187	6.91%
Group: airport facilities		677,157	3.98%	53,027	7.83%	944,708	7.77%	54,025	5.72%
Group: logistics services		1,010,207	5.94%	37,642	3.73%	1,002,835	8.25%	34,573	3.45%
Group: heavy truck		370,019	2.17%	16,600	4.49%	303,664	2.50%	6,020	1.98%
Group: others		451,727	2.65%	13,386	2.96%	357,077	2.94%	12,113	3.39%
Group sub-total	(6)	12,493,326	73.41%	432,405	3.46%	8,568,329	70.49%	423,490	4.94%
Total		17,017,751	100.00%	646,733	3.80%	12,155,311	100.00%	629,236	5.18%

Note*: This category includes accounts receivable that is individually tested but not impaired.

As at 30 June 2017, the Group did not hold any collateral for accounts receivable that were made impairment aforesaid.

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

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

	Book balance	Provision for doubtful debts	Ratio(%)	Reason
Containers	1,386,730	51,251	3.70%	
Transportation vehicles	737,225	51,706	7.01%	
Energy and chemical & Food equipment	385,942	22,020	5.71%	Provision is provided based on the estimated recoverable
Heavy truck	432,394	18,017	4.17%	assessment of credit risk and
Offshore engineering	569,783	125	0.02%	historical data
Airport facilities	282,847	4,661	1.65%	
Logistics services	121,724	2,731	2.24%	
Others	120,209	579	0.48%	
Total	4,036,854	151,090	3.74%	

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

	Book balance	Provision for doubtful debts	Ratio(%)	Reason
Containers	68,505	5,294	7.73%	
Transportation vehicles	285,271	49,105	17.21%	Provision is provided based
Offshore engineering	17,445	2,250	12.90%	on the estimated recoverable
Logistics services	28,999	1,087	3.75%	assessment of credit risk and
Airport facilities	6,928	590	8.52%	historical data
Others	80,423	4,912	6.11%	
Total	487,571	63,238	12.97%	

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

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

	30 June 2017			31 December 2016		
	Book balance Amount	**Provision for doubtful debts Amount**	**Ratio (%)**	Book balance Amount	Provision for doubtful debts Amount	Ratio (%)
Within 1 year	**11,361,722**	**103,698**	**0.91%**	7,386,617	77,585	1.05%
1 to 2 years	**575,783**	**28,053**	**4.87%**	604,679	59,829	9.89%
2 to 3 years	**330,333**	**189,392**	**57.33%**	368,380	151,792	41.21%
Over 3 years	**225,488**	**111,262**	**49.34%**	208,653	134,284	64.36%
Total	**12,493,326**	**432,405**	**3.46%**	8,568,329	423,490	4.94%

The aging is calculated from the date that the accounts receivable is recognised.

(7) Reversal or recovery of provision for the period

The provision for doubtful debts for the period amounted to RMB79,347,000 (For the period from 1 January to 30 June 2016: RMB14,445,000), and provision for doubtful debts amounted to RMB53,359,000 has been collected or reversed. (For the period from 1 January to 30 June 2016: Nil)

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

The accounts receivable amounted to RMB9,312,000 was written off in current period. (For the period from 1 January to 30 June 2016: Nil).

(9) As at 30 June 2017, the five largest balances of accounts receivable are analysed as follows, accumulated by arrearage parties:

	Book balance	**Provision for doubtful debts**	**% of total accounts receivable**
Sum of the five largest accounts receivable	2,729,716	–	16.04%

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(10) Accounts receivable from related parties:

As at 30 June 2017, the Group's accounts receivable due from related parties amounted to RMB218,804,000 (31 December 2016: 254,396,000), accounting for 1.29% of the total accounts receivable (31 December 2016: 2.09%).

		30 June 2017			31 December 2016		
Company name	Relationship with the Group	Amount	Ratio (%)	Provision for doubtful debts	Amount	Ratio (%)	Provision for doubtful debts
Ningxia Changming Natural Gas Development Co., Ltd	Associate	75,420	0.44%	-	78,389	0.64%	-
Shanxi Heavy Duty Automobile C&C Truck Co., Ltd	Minority shareholder of subsidiaries	60,476	0.36%	-	27,987	0.23%	-
Florens Maritime Limited ("FML")	Subsidiary of significant shareholder	38,523	0.23%	-	7,311	0.06%	-
Florens Container Services Ltd.	Subsidiary of significant shareholder	12,419	0.07%	-	-	0.00%	-
Gasfin Investment S.A. ("Gasfin")	Minority shareholder of subsidiaries	8,142	0.05%	-	8,183	0.07%	-
SUMITOMO CORPORATION	Minority shareholder of subsidiaries	7,631	0.04%	-	56,538	0.46%	-
NYK Zhenhua	Joint Venture	4,473	0.03%	-	5,795	0.05%	-
China Merchants Shekou Holdings Co., Ltd	Subsidiary of significant shareholder	4,180	0.02%	-	-	0.00%	-
Dongfang International Container (LianYunGang) Co. Ltd ("DongFang International")	Subsidiary of significant shareholder	1,879	0.01%	-	27,650	0.23%	-
Gasfin Development GmbH	Minority shareholder of subsidiaries	1,709	0.01%	-	1,610	0.01%	-
X h W d	Associate	1,154	0.01%	-	1,154	0.01%	-
Other related parties		2,798	0.02%	-	39,779	0.33%	-
Total		218,804	1.29%	-	254,396	2.09%	-

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

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

As at 30 June 2017, the Group has no accounts receivable derecognised due to transfer of financial assets (31 December 2016: Nil).

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

There has been no securities accounts receivable as at 30 June 2017 and 31 December 2016.

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

5. Other receivables

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

		30 June 2017	31 December 2016
Receivables arising from financing related activities		**550,077**	873,585
Receivables from share capital increase / share capital transfer		**4,265,196**	4,020,057
Advance payments and financial grant	(i)	**1,658,985**	1,658,985
Loans	(ii)	**473,022**	1,011,616
Assets purchased under resale agreements	(iii)	**1,020,166**	999,926
Receivables from demolition compensation		**28,613**	572,258
Security deposits		**823,600**	663,995
Tax refund receivable		**234,831**	167,099
Others		**900,111**	960,805
Sub-total		**9,954,601**	10,928,326
Less: Provision for bad debts		**(1,710,625)**	(1,580,439)
Total		**8,243,976**	9,347,887

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

(i) An indi ec h ll - ned b idia f En ic and an b idia f he G , CIMC En ic In e men H lding (Shen hen) L d. (EIHL), en e ed in an ag eemen (Ag eemen) n 27 A g 2015 i h SOEG PTE LTD (SOEG), Jiang Pacific Shi b ilding G C ., L d. (Jiang Pacific) and E e g een G C ., L d (E e g een) (c llec i el , he Vend), an hich he Vend ag eed ell and EIHL ag eed cha e 100% e i in e e in Sin Pacific Off h e & Enginee ing C ., L d (SOE). Af e a d , he C m an , SOE and E e g een en e ed in a financial a i ance f ame k ag eemen (Financial A i ance Ag eemen) hich g e ned he financial a i ance ided b he G SOE in he f m f l an and g a an ee . A a 1 J ne 2016, En ic ann nced ha he B a d c n ide ed ce ain c ndi i n eceden in he Ag eemen c ld n be f lfilled and he Vend had b eached ce ain ma e ial e m f he Ag eemen . EIHL deli e ed e mina i n n ice he Vend f e mina i n f he Ag eemen and e e ed f he e n f he e aid c n ide a i n f 178,634,000. On he ame da e, he C m an deli e ed e mina i n n ice SOE and E e g een f e mina i n f he Financial A i ance Ag eemen and e e ed SOE e a he l an f 482,052,000 and elea e he g a an ee f bank l an f 1,000,000,000 ided b a b idia f En ic , in fa f, SOE.

D ing he ec nd half ea f 2016, he de i f 1,000,000,000 ledged f SOE' bank l an ha e been i hd a n b he bank a SOE failed e a i bank l an n ma i . A a 31 Decembe 2017, he al ecei able d e f m SOE am n ed 1,480,351,000. Ba ed n he inf ma i n a ailable, En ic ha made b an ial i i n f a ima el 178,634,000 and 1,184,281,000 e ec i el f e aid am n f m he Vend and he ecei able f m SOE i h a al al e f 1,362,915,000 d ing he ea ended 31 Decembe 2016.

SOE a nde ecei e hi b he SOE In l enc and Li ida i n Team (he Recei e) hich a a in ed b he PRC C . On 5 J l 2017, EIHL, SOE and he Recei e en e ed in e c ing in e men ag eemen an hich EIHL a he e c ing in e ffe ed cha e he maj a e f SOE h gh ac i ing SOE' i ed ha e , e e en ing he en i e e i in e e in SOE f a c n ide a i n f RMB799,800,000. S b e en l , he e c ing lan a a ed b SOE' c edi a he c edi ' mee ing a ell a b he PRC C n 4 A g 2017.

F he e i d ended 30 J ne 2017, ba ed n he inf ma i n c en l a ailable and he da e e ima e f he ec e abili a i , En ic f he made an im ai men i i n f a ima el RMB105,549,000 e d n he ecei able d e f m SOE. A a 30 J ne 2017, En ic ha made i i n f a ima el 178,634,000 and 1,289,830,000 e ec i el f e aid am n f m he Vend and he ecei able f m SOE i h a al al e f 1,468,464,000.

(ii) The b ing mainl c n ained in e bank b ing f he Finance C m an i h an am n f 135,488,000 hich e i ed f m J l 3 J l 5 2017; and e a men f ca l an and e ca h f nd f aff.

(iii) A e cha ed nde e e e e cha e ag eemen mainl c n ained he in e bank ledge- le e an ac i n f Finance c m an , ne f he b idia f he G .

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

	30 June 2017	31 Decembe 2016
Wi hin 1 ea (Incl i e)	**9,174,370**	9,667,565
1 2 ea (Incl i e)	**558,934**	999,143
2 3 ea (Incl i e)	**31,344**	95,819
O e 3 ea	**189,953**	165,799
S b- al	**9,954,601**	10,928,326
Le : i i n f d b f l deb	**(1,710,625)**	(1,580,439)
T al	**8,243,976**	9,347,887

The aging i calc la ed f m he da e ha he ecei able a e ec gni ed.

A a 30 J ne 2017 and 31 Decembe 2016, he G ha n he ma e ial ecei able e d ed i h im ai men (31 Decembe 2016: Nil).

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

		30 June 2017				31 December 2016			
		Book balance		Provision for doubtful debts		Book balance		Provision for doubtful debts	
	Note	Amount	% of total balance	Amount	Ratio (%)	Amount	% of total balance	Amount	Ratio (%)
Other receivables with amounts that are individually significant	(4)	**8,234,184**	**82.72%**	**1,604,552**	**19.49%**	9,379,989	85.83%	1,503,143	16.02%
Other receivables with amounts that are not individually significant		**1,720,417**	**17.28%**	**106,073**	**6.17%**	1,548,337	14.17%	77,296	4.99%
Total		**9,954,601**	**100.00%**	**1,710,625**	**17.18%**	10,928,326	100.00%	1,580,439	14.46%

The Group did not hold any collateral for other receivables with provision for bad debts.

(4) As at 30 June 2017, other receivables with amounts that are individually significant:

	Book balance	Provision for doubtful debts	Ratio (%)	Reason
Receivables arising from financing related parties	**490,664**	**–**	**0.00%**	Note 1
Receivables arising from share capital increase/equity transfer	**4,119,061**	**–**	**0.00%**	Note 1
Loans	**278,889**	**72,255**	**25.91%**	Note 1
Redemption from demolition compensation	**1,020,166**	**–**	**0.00%**	Note 1
Advance payments for equity transfer and financial guarantee	**1,658,985**	**1,468,464**	**88.52%**	Note 1
Tax refund receivable	**51,531**	**–**	**0.00%**	Note 1
Others	**614,888**	**63,833**	**10.38%**	Note 1
Total	**8,234,184**	**1,604,552**		

Note 1: The provision for doubtful debts is individually assessed based on the recoverability of individual balance.

(5) Reversal or recovery of provision for the period

The provision for doubtful debts this period amounted to RMB142,700,000 (For the period from 1 January to 30 June 2016: RMB412,354,000). A provision for doubtful debts amounted to RMB777,000 (For the period from 1 January to 30 June 2016: RMB68,853,000) has been recovered or reversed.

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

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

O he ecei able i en ff in c en e i d am n ed RMB6,579,000 (F he e i d ended J ne 30 2016: Nil).

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

	Notes	Nature	Book balance	Aging	% of total balance	Provision for doubtful debts
Tianjin Lan h i Off ha e Enginee ing Limi ed Pa ne hi (Tianjin Lan h i)	(i)	Recei able a i ing f m e i an fe	3,575,000	i hin 1 ea	35.91%	-
Sin acific Off h e & Enginee ing C ., L d (SOE)		Ad ance a men f e i an fe	1,658,985	i hin 1 ea 1 2 ea	16.67%	1,468,464
Zhenjiang CIMC Embelli h Y Real E a e C ., L d(Embelli h Y Real E a e)	(ii)	Recei able f m A cia e	503,568	e 3 ea	5.06%	-
Changjiang Sec i ie C m an Limi ed		B nd ledge e e e cha e	299,950	i hin 1 ea	3.01%	-
Ji h Sec i ie C m an Limi ed		B nd ledge e e e cha e	152,100	i hin 1 ea	1.53%	-
T al			6,189,603		62.18%	1,468,464

The al am n f he G ' fi e la ge he ecei able a a 31 Decembe 2016 am n ed RMB7,130,634,000, acc n ing f 65.25% f he al balance.

(i) A a 23 Decembe 2016, Qianhai CIMC lea ing (Shen hen) C ., L d. (efe ed a Qianhai Lea ing), ne f he G ' b idia ie , and TianJin Y ngWang machine e i men lea ing L d (efe ed a TianJin Y ngWang), ne f he G ' b idia ie , and TianJin Bl eWa e igned ca i al inc ea e ag eemen and ind ial and c mme cial egi a i n a changed n 28 Decembe 2016. A a 30 J ne 2017, he e a ill 3.575 billi n ha ha n ecei ed. Acc ding he c n ac , af e he da e f ca i al inc ea e, TianJin Bl eWa e h ld g a an ee he e ill be an ann al e ec ed ea ning ield f n le han 4.9853% f m 2017 2019 hich ill be aid f m he ea f 2018. Af e a e men , he di idend lic a c nfi med a he n n-c en liabili i h al am n f 487,632,000 hile he diffe ence f al ca i al inc ea e and he n n-c en liabili men i ned ab e a ec ded a e i .

(ii) A a 14 Oc be 2016, 80% ha e f Embelli h Y Real E a e, he h ll - ned b idia f he G , a an fe ed Nanjing Ga ch n C n Ga den Real E a e De el men C ., L d (efe ed a C n Ga den) b he G and he ind ial and c mme cial egi a i n a changed hen. The in e g f nd lending f m he G Embelli h Y Real E a e a ned in ela ed a f nd lending f m he G C n Ga den. Acc ding he E i an fe ag eemen , in he ne 9 m n h af e he ind ial and c mme cial egi a i n da , C n Ga den ill a i Embelli h Y Real E a e a ing hi l an he G . A a 30 J ne 2017, he f nd n e ned e a am n RMB503,568,000.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation 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 30 June 2017 and 31 December 2016, no amount due from shareholders holding more than 5% (including 5%) of the voting rights of the Company is included in the above balance of other receivables.

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

		30 June 2017				31 December 2016			
Company name	Relationship with the Group	Amount	Nature	% of total balance	Provision for doubtful debts	Amount	Nature	% of total balance	Provision for doubtful debts
Ronyu Real Estate	Associate	**503,568**	**Funding**	**5.06%**	**-**	824,391	Funding	7.54%	-
China Merchants Property Development Co., Ltd.	Subsidiary of significant shareholder	**70,650**	**Transfer of equity**	**0.71%**	**-**	70,650	Transfer of equity	0.65%	-
Shanghai Fengyang	Associate	**34,204**	**Funding**	**0.34%**	**-**	34,204	Funding	0.31%	-
Xinyang Wood Industry	Associate	**12,305**	**Funding**	**0.12%**	**-**	436	Funding	0.00%	-
Others		**24,247**		**0.24%**	**-**	16,463		0.15%	-
		644,974		**6.48%**	**-**	946,144		8.66%	-

6. Prepaid expenses

(1) Prepaid expenses analysed by categories are as follows:

	30 June 2017	31 December 2016
Raw materials (including equipment for ships under construction)	**2,519,661**	2,313,829
Cost of ships under construction	**864**	553
Others	**106,137**	78,567
Sub-total	**2,626,662**	2,392,949
Less: Provision for doubtful debts	**(233,632)**	(226,967)
Total	**2,393,030**	2,165,982

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepaid expenses (Continued)

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

	30 June 2017		31 December 2016	
	Amount	**% of total balance**	Amount	% of total balance
Within 1 year (Inclusive)	**1,562,745**	**59.50%**	1,201,088	50.19%
1 to 2 years (Inclusive)	**164,197**	**6.25%**	285,595	11.94%
2 to 3 years (Inclusive)	**272,648**	**10.38%**	619,004	25.87%
Over 3 years	**627,072**	**23.87%**	287,262	12.00%
Sub-total	**2,626,662**	**100.00%**	2,392,949	100.00%
Less: Provision for doubtful debts	**(233,632)**	**8.89%**	(226,967)	9.48%
Total	**2,393,030**	**91.11%**	2,165,982	90.52%

The aging is calculated from the date that prepaid expense is recognised.

Other prepaid expenses aged over a year mainly represented prepayments for raw materials and equipments for offshore engineering projects by the Group. Since the production cycle of the offshore engineering projects is usually more than one year, the prepayments have not yet been settled.

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

	Amount	**% of total balance**
Sum of the five largest advances to suppliers	**968,260**	**36.86%**

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepaid expenses (Continued)

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

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories

(1) Inventories are summarised by categories as follows:

	30 June 2017			31 December 2016		
	Book balance	**Provision for decline in the value of inventories**	**Net book Value**	Book balance	Provision for decline in the value of inventories	Net book Value
Raw materials	**3,705,526**	**(168,780)**	**3,536,746**	3,252,604	(163,944)	3,088,660
Work in progress	**2,569,392**	**(27,821)**	**2,541,571**	2,223,924	(27,978)	2,195,946
Finished goods	**4,109,445**	**(112,544)**	**3,996,901**	3,713,285	(125,107)	3,588,178
Consignment stock	**212,003**	**(242)**	**211,761**	113,302	(242)	113,060
Spare parts	**184,079**	**(4,655)**	**179,424**	213,712	(1,538)	212,174
Low-valued consumable	**40,055**	**(76)**	**39,979**	35,951	(72)	35,879
Material in transit	**30,731**	**–**	**30,731**	22,887	–	22,887
Completed properties held for sale	**801,710**	**–**	**801,710**	852,395	–	852,395
Properties under development	**1,425,597**	**–**	**1,425,597**	1,400,761	–	1,400,761
Offshore engineering equipment	**4,718,967**	**(121)**	**4,718,846**	4,658,377	(123)	4,658,254
Amount due from customers for contract work (4)	**853,605**	**–**	**853,605**	1,241,321	–	1,241,321
Total	**18,651,110**	**(314,239)**	**18,336,871**	17,728,519	(319,004)	17,409,515

As at 30 June 2017, the Group's closing balance of inventories included capitalised borrowing costs amounting to 263,341,000 (31 December 2016: 187,359,000). The interest rate per annum at which the borrowing costs were capitalised was 3.39% (31 December 2016: 4.07%).

As at 30 June 2017, there is no restricted inventories. (31 December 2016: Nil).

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

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

	31 December 2016	Increase in current period	Decrease in current period	**30 June 2017**
Raw materials	3,252,604	22,385,554	(21,932,632)	**3,705,526**
Work in progress	2,223,924	17,436,459	(17,090,991)	**2,569,392**
Finished goods	3,713,285	28,817,225	(28,421,065)	**4,109,445**
Consignment stock	113,302	1,299,933	(1,201,232)	**212,003**
Spare parts	213,712	301,210	(330,843)	**184,079**
Low-valued consumable	35,951	136,378	(132,274)	**40,055**
Materials in transit	22,887	50,168	(42,324)	**30,731**
Completed properties held for sale	852,395	406,123	(456,808)	**801,710**
Properties under development	1,400,761	240,987	(216,151)	**1,425,597**
Offshore engineering equipment	4,658,377	86,687	(26,097)	**4,718,967**
Amounts due from customers for contract work	1,241,321	4,110,882	(4,498,598)	**853,605**
Total	17,728,519	75,271,606	(74,349,015)	**18,651,110**

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

Category	31 December 2016	Increase in current period	Decrease in current period		Exchange Differences arising from translating foreign operations	**30 June 2017**
		Increase	Reversal	Write-off		
Raw materials	163,944	40,938	(39,065)	(993)	3,956	**168,780**
Work in progress	27,978	431	(1,575)	(435)	1,422	**27,821**
Finished goods	125,107	38,387	(41,076)	(10,509)	635	**112,544**
Consignment stock	242	-	-	-	-	**242**
Spare parts	1,538	-	(1,565)	(4,458)	9,140	**4,655**
Low-valued consumable	72	4	-	-	-	**76**
Offshore engineering equipment	123	-	-	-	(2)	**121**
Amounts due from customers for contract work	-	-	-	-	-	**-**
Total	319,004	79,760	(83,281)	(16,395)	15,151	**314,239**

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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) The provision for decline in value of the Group's inventories during the period was recognised mainly for the price drop of certain products and the slow-moving raw materials.

Written off/reversal of provision for decline in value of the Group's inventories during the period is as follows:

Category	Basis for provision	Reason for reversal/write-off
Raw materials	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Work in progress	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Finished goods	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Consignment stock	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Spare parts	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Low-valued consumables	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Offshore engineering equipment	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories
Amount due from customers for contract work	The net realisable value is lower than the net book value	Increase in net realisable value/usage or sale of inventories

(4) Amount due from customer for contract work

	30 June 2017	31 December 2016
Aggregate contract costs incurred and profits recognised to date (Less foreseeable losses)	**4,138,034**	6,293,908
Less: progress billings received and receivable	**(3,349,614)**	(5,131,718)
	788,420	1,162,190
Including:		
Construction work-in-progress in excess of progress billings	**853,605**	1,241,321
Progress billings in excess of construction work-in-progress	**(65,185)**	(79,131)
	788,420	1,162,190

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Assets classified as available for sale

	30 June 2017			
	Book value	**Fair value**	**Expected disposal costs**	**Expected disposal time**
In e men e ie	**26,401**	**26,401**	**–**	**2017**
Fi ed a e	**92,269**	**115,743**	**6,768**	**2017**
In angible a e	**85,177**	**97,563**	**4,614**	**2017**
T al	**203,847**	**239,707**	**11,382**	

A a 11 N embe 2016, n a al f he B a d f Di ec , he G ' b idia ie , Jid ng (Qinh angda) Vehicle Man fac ing C ., L d., ne f he b idia ie f he G , igned an i e cable a e an fe ag eemen i h he Qinh angda Ec n mic and Techn l gical De el men Z ne Land Ac i i i n and Re e e Cen e ell i f fi ed a e i h he ca ing am n f 36,377,000 and in angible a e i h he ca ing am n f 74,954,000. The an fe an ac i n i e ec ed be c m le ed i hin 2017. A a 16 N embe 2016, i h he a al f he B a d f Di ec , CIMC Vehicle (G) Xinjiang C ., L d., ne f he b idia ie f he G , ha igned an i e cable a e an fe ag eemen ell i in e men e ie i h he ca ing am n f 26,401,000, fi ed a e i h he ca ing am n f 55,892,000 and in angible a e i h he ca ing am n f 10,223,000 U m i High- ech Ind ial De el men Z ne (Ne U ban A ea) Pe le' G e nmen and The Managemen C mmi ee f U m i Hi-Tech Ind ial De el men Z ne, hich i e ec ed be c m le ed b 2017. The ab e-men i ned a e be ld a e alified a a e cla ified a a ailable f ale and a e e en ed e a a el a c en a e in he balance hee (31 Decembe 2016: 203,847,000).

9. Current portion of non-current assets

	30 June 2017	31 Decembe 2016
Finance lea e ecei able	**5,677,533**	5,467,492
Le : n eali ed financing inc me	**(1,179,085)**	(1,252,505)
Finance lea e ecei able-ne	**4,498,448**	4,214,987
Sale f g d b in almen	**19,769**	33,378
O he	**4,401**	518
S b- al	**4,522,618**	4,248,883
Le : i i n f im ai men	**(404,590)**	(307,194)
T al	**4,118,028**	3,941,689

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

As at 30 June 2017, the balance of the long-term receivables from related parties due within one year of the Group was 36,658,000 (31 December 2016: 108,990,000).

Company Name	Relationship with the Group	30 June 2017	31 December 2016
LiHua gas storage and transportation Co., Ltd. ("LiHua Energy")	Associate	**26,619**	90,752
Y&C Engine Co., Ltd ("Y&C Engine")	Joint Venture	**10,039**	18,238
Total		**36,658**	108,990

Current portion of non-current assets are summarized by categories as follows:

	30 June 2017				31 December 2016			
	Ending balance		Provision for bad debts		Ending balance		Provision for bad debts	
	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance
Current portion of non-current assets with individually significant values and independent provision for doubtful debts	**310,099**	**6.86%**	**77,175**	**24.89%**	143,170	3.37%	49,775	34.77%
Current portion of non-current assets with combined provision for doubtful debts*	**4,212,519**	**93.14%**	**327,415**	**7.77%**	4,105,713	96.63%	257,419	6.27%
Total	**4,522,618**	**100.00%**	**404,590**	**8.95%**	4,248,883	100.00%	307,194	7.23%

Note*: This category includes non-current assets due within one year that are free from impairment in individual test.

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Other current assets

	30 June 2017	31 December 2016
Tax deductible/withheld	**704,034**	656,847
Others	**15,142**	45,631
Total	**719,176**	702,478

11. Available-for-sale financial assets

	30 June 2017	31 December 2016
Measured at fair value		
Available-for-sale equity instruments - Listed	**1,761**	2,441
Financial products	**20,000**	-
Bonds	**31,086**	30,803
Measured at historical cost		
Available-for-sale equity instruments (1) - Unlisted	**411,970**	412,240
Others	**10**	307
Less: Provision for impairment	**(3,065)**	(3,065)
	461,762	442,726

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

(All amounts in RMB'000 unless otherwise stated)

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:

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

	30 June 2017	31 December 2016
Available-for-sale equity instruments		
– Fair value	**1,761**	2,441
– Historical cost	**4,582**	4,582
– Accumulated net change in fair value of available-for-sale financial assets recognised in other comprehensive income	**(2,821)**	(2,141)
Financial products		
– Fair value	**20,000**	–
– Historical cost	**20,000**	–
– Accumulated net change in fair value of available-for-sale financial assets recognised in other comprehensive income	**–**	–
Bonds		
– Fair value	**31,086**	30,803
– Historical cost	**31,813**	31,914
– Accumulated net change in fair value of available-for-sale financial assets recognised in other comprehensive income	**(727)**	(1,111)

Notes to the Financial Statements

For the period from 1 January to ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

Available-for-sale equity investments measured at historical cost:

	31 December 2016	Increase in current period	Decrease in current period	**30 June 2017**	Shareholding ratio of investee	Cash dividend in current period
Available-for-sale equity investments						
– at historical cost						
– China United International Rail Containers Co., Ltd ("CRIntermodal")	380,780	-	-	**380,780**	10.00%	4,000
– Bank of Communications Schroder Fund Management Co., Ltd ("BOCM Schroder")	8,125	-	-	**8,125**	5.00%	-
– Beihai Yinjian Co., Ltd ("Beihai Yinjian")	1,700	-	-	**1,700**	1.01%	-
– Guangdong Samsung Enterprise Group Co., Ltd ("Guangdong Samsung")	1,365	-	-	**1,365**	0.09%	-
– Donghua Container Transportation Service Co., Ltd	270	-	(270)	**–**	0.00%	-
– Zhuhai Yunhou Technology Co., Ltd ("Zhuhai Yunhou")	20,000	-	-	**20,000**	2.00%	-
Subtotal	412,240	-	(270)	**411,970**		4,000
– Provision for impairment	(3,065)	-	-	**(3,065)**		-
Total	409,175	-	(270)	**408,905**		-

Available-for-sale equity investments measured at historical cost mainly consist of equity investments of non-listed companies, which do not have a quoted price in active markets. The variation of reasonable estimate of fair value is large, and the probabilities used to determine the estimation cannot be reasonably confirmed. Thus, the fair value cannot be measured reliably. The Group so far does not have plans to dispose these investments.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017

(All am n in RMB'000 nle he i e a ed)

(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables

	30 June 2017	31 Decembe 2016
Finance Lea e ecei able	**21,106,913**	21,814,831
Le : Un eali ed financing inc me	**(7,601,148)**	(8,593,181)
Finance lea e ecei able-ne	**13,505,765**	13,221,650
Sale f g d b in almen	**235,898**	325,592
O he	**210,113**	158,052
S b- al	**13,951,776**	13,705,294
Le : i i n f im ai men	**(452,449)**	(485,052)
T al	**13,499,327**	13,220,242

A he end f 30 J ne 2017, he e i n l ng- e m ecei able d e f m ha eh lde h lding m e han 5%(incl i e) f he ing igh f he c m an ela ed a ie . (31 Decembe 2016: Nil)

The al f e minim m lea e ecei nde finance lea e af e he balance hee da e, hich a e ba ed n c n ac al ndi c n ed ca h fl (incl ding in e e a men c m ed ing c n ac al a e if fl a ing, ba ed n a e c en a he balance hee da e), a e ecei able a f ll :

Minim m lea e ecei	**30 June 2017**	31 Decembe 2016
Wi hin 1 ea (incl i e)	**5,677,533**	5,467,492
1 and 2 ea (incl i e)	**3,746,417**	3,608,636
2 and 3 ea (incl i e)	**2,543,013**	2,261,810
O e 3 ea	**14,817,483**	15,944,385
S b- al	**26,784,446**	27,282,323
Le : n eali ed finance inc me	**(8,780,233)**	(9,845,686)
T al	**18,004,213**	17,436,637

A a 30 J ne 2017, he e i n l ng- e m ecei able de ec gni ed d e an fe ing f financial a e in c en e i d (31 Decembe 2016: Nil).

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables (Continued)

At the end of 30 June 2017, the Group's long-term receivables due from related parties amounted to 213,007,000 (31 December 2016: 107,298,000).

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments

(1) Classification of long-term equity investments:

		30 June 2017	31 December 2016
Joint ventures	(2)	**512,490**	500,501
Associates	(3)	**1,736,940**	1,661,718
		2,249,430	2,162,219
Less: Provision for impairment		**(2)**	(2)
Total		**2,249,428**	2,162,217

There is no substantial restriction on the realisation of long-term equity investments.

No substantial restriction exists which prohibits the transfer of funds between the Group and the joint ventures and associates.

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

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

	31 December 2016	Movements in current period: Increase/ Decrease in investment	Net profit or loss adjusted by equity method	Adjustment of other comprehensive income	Other equity movement	Cash dividend declared	Change in foreign exchange rate	30 June 2017	Provision for impairment
Guangxi Southern CIMC Logistics Equipment Manufacturing Co., Ltd.	36,294	–	3,345	–	–	–	–	**39,639**	–
S[illegible]ec[illegible]l (Shanghai) Refrigeration Equipment Co. Ltd	2,171	–	(295)	–	–	–	–	**1,876**	–
Shanghai Shenxi Special Vehicle Parts Co., Ltd	11,340	–	–	–	–	–	(338)	**11,002**	–
NYK Zhenhua Logistics (Tianjin) Co. Ltd.	75,432	–	823	–	–	(4,753)	–	**71,502**	–
Kawasaki Zhenghua Logistics (Tianjin) Co. Ltd.	22,330	–	1,417	–	–	–	–	**23,747**	–
Qingdao Jiefeng Baijian Container Maintenance Co., Ltd.	14,531	–	1,476	–	–	–	(433)	**15,574**	–
Dalian Jilong&Baijian Logistics Co., Ltd.	5,678	–	397	–	–	(1,000)	(169)	**4,906**	–
Shanghai Baijian Dewei Container Maintenance Co., Ltd.	23,888	–	2,045	–	–	–	(711)	**25,222**	–
Tianjin Jinshi Baijian Container Maintenance Co., Ltd.	7,933	–	1,087	–	–	–	(236)	**8,784**	–
Y&C Engine Co., Ltd	195,777	–	6,149	–	–	–	–	**201,926**	–
Shenzhen CIMC Mobile International Service Co., Ltd	1,630	–	(1,015)	–	–	–	–	**615**	–
Ningbo Meishan Bonded Port Area Chuangshi Liancheng Investment Management Partnership (Limited Partnership)	50,100	3,000	–	–	–	–	–	**53,100**	–
Hangzhou Yinghe Investment Management Partnership	20,100	1,200	–	–	–	–	–	**21,300**	–
New Horizon Shipping UG	33,287	–	–	–	–	–	–	**33,287**	–
Hangzhou Xinwei Investment Management Partnership	10	–	–	–	–	–	–	**10**	–
Total	500,501	4,200	15,429	–	–	(5,753)	(1,887)	**512,490**	–

Refer to Note VI.2 for equity in joint ventures.

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in associates:

		Movements in current period									
	31 December 2016	Increase/ Decrease in investment	Net profit or loss adjusted by equity method	Adjustment of other comprehensive income	Other equity movement	Cash dividend declared	Change in foreign exchange rate	Recognised impairment provision	Other	30 June 2017	Provision for impairment
Xinyang Wood (Hong Kong) Co., Ltd.	7,071	-	-	-	-	-	-	-	-	**7,071**	-
Ningbo Beilun Donghua Container Service Co., Ltd.	1,200	-	-	-	-	-	-	-	-	**1,200**	-
Xiamen CIMC Haitou Container Service Co., Ltd	23,350	-	1,505	-	-	-	-	-	-	**24,855**	-
Dalian Jilong Logistics Co., Ltd.	47,615	-	529	-	-	-	-	-	-	**48,144**	-
Senju (Jiangmen) Technology Material Co., Ltd.	45,684	-	790	-	-	-	-	-	-	**46,474**	-
Eurobank Oy ("Eurobank")	8,374	-	389	-	-	-	-	-	-	**8,763**	-
Shanghai Fengyang Real Estate Development Co., Ltd.	104,191	-	-	-	-	-	-	-	-	**104,191**	-
TSC	212,905	-	-	-	-	-	(6,338)	-	-	**206,567**	-
Marine Subsea & Consafe Limited	2	-	-	-	-	-	-	-	-	**2**	(2)
Tianshun (Shanghai) International Freight Agency Co., Ltd.	1,900	-	75	-	-	-	-	-	-	**1,975**	-
LiHua gas storage and transportation Co., Ltd. ("LiHua Energy")	102,176	-	2,832	-	-	-	-	-	-	**105,008**	-
Jiangsu Ruicheng Machinery Co., Ltd	28,123	-	-	-	-	-	-	-	-	**28,123**	-
Ji'an Enric Kunlun Cryogenic Machinery Co., Ltd.	2,608	-	(1,225)	-	-	-	-	-	-	**1,383**	-
O n Inc (Shanghai)	16,589	-	(81)	-	-	-	-	-	-	**16,508**	-
Xuzhou CIMC Wood Co., Ltd	27,519	-	302	-	-	-	-	-	-	**27,821**	-
Tianjin Shunlun Dongjiang Animal Husbandry Co., Ltd.	30,436	-	(2,316)	-	-	-	-	-	-	**28,120**	-
Qingdao Port International Trade and Logistics Co., Ltd.	43,400	-	1,246	-	-	-	-	-	-	**44,646**	-
ZPMC-Red Box Energy Service Limited	14,567	-	(14,567)	-	-	-	-	-	-	**-**	-
Tianjin Shunong Import & Export Trading Co. Ltd.	21,110	-	-	-	-	-	-	-	-	**21,110**	-
Jiahua Shipping Co., Ltd. ("Jiahua Shipping")	126,454	-	-	-	-	-	(2,966)	-	-	**123,488**	-
Xindu Freight Co., Ltd.	688	-	150	-	-	-	-	-	-	**838**	-

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

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

	31 Decembe 2016	M emen in c en e i d: Inc ea e/ Dec ea e in in e men	Ne fi l adj ed b e i me h d	Adj men f he c m ehen i e inc me	O he e i m emen	Ca h di idend decla ed	Change in f eign e change a e	Rec gni ed im ai men i i n	O he	**30 June 2017**	P i i n f im ai men
Chifeng L ian an Fa m C ., L d.	6,296	-	-	-	-	-	-	-	-	**6,296**	-
CIMC A abia Fac C m an Limi ed	5,227	-	-	-	-	-	-	-	-	**5,227**	-
Shanghai Xiang A a C ., L d.	679	(603)	(76)	-	-	-	-	-	-	**-**	-
N h ea ig a l d	14,633	-	-	-	-	-	-	-	-	**14,633**	-
Ning ia Changming Na al Ga De el men C ., L d.	18,331	-	-	-	-	-	-	-	-	**18,331**	-
Chengd T C mm nica i n E i men C ., L d	2,637	-	(240)	-	-	-	-	-	-	**2,397**	-
Shen hen R ad Ne k Techn l g C ., L d	7,407	2,000	-	-	-	-	-	-	-	**9,407**	-
Beijing B c l E hibi i n C ., L d.	12,423	-	-	-	-	-	-	-	-	**12,423**	-
G ang h CH C n l Techn l g C ., LTD	23,829	-	321	-	-	-	-	-	-	**24,150**	-
China Fi e Safe En e i e G Limi ed ("China Fi e Safe ")	485,275	-	-	-	-	-	29,718	-	-	**514,993**	-
Shanghai Tanklink S l Chain Techn l g De el men C ., L d	2,000	-	-	-	-	-	-	-	-	**2,000**	-
Zhejiang Xinl ng Bamb Ind C ., L d	14,447	-	-	-	-	-	-	-	-	**14,447**	-
Ningg G ang hen Bamb P d c C ., L d ("Ningg G ang hen ")	662	-	-	-	-	-	-	-	-	**662**	-
F jian Qingchen Bamb Ind C ., L d. ("Qingchen bamb ind ")	2,448	-	-	-	-	-	-	-	-	**2,448**	-
UC S age LLC	5,779	-	-	-	-	-	-	-	-	**5,779**	-
W ldlink Yib (Beijing) In e na i nal L gi ic C ., Limi ed	3,120	-	-	-	-	-	-	-	-	**3,120**	-
Jiang Ba king A Pa C ., L d	23,755	-	111	-	-	-	(422)	-	-	**23,444**	-
Shen hen Cad H d a lic E i men C ., L d. ("Cad H d a lic ")	17,858	-	-	-	-	-	-	-	-	**17,858**	-
Zh ng i Xin ei	22,648	-	-	-	-	-	-	-	-	**22,648**	-
Henan Yida Tian ia L gi ic Techn l g C ., L d. ("Henan Yida ")	378	-	-	-	-	-	-	-	-	**378**	-
CIMC Leng n (Beijing) C ld Chain Techn l g C ., L d	580	80	-	-	-	-	-	-	-	**660**	-
Qianhai R iji Techn l g C ., L d	3,718	-	(363)	-	-	-	-	-	-	**3,355**	-

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

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

		M emen in c en e i d									
	31 Decembe 2016	Inc ea e/ Dec ea e in in e men	Ne fi l adj ed b e i me h d	Adj men f he c m ehen i e inc me	O he e i m emen	Ca h di idend decla ed	Change in f eign e change a e	Rec gni ed im ai men i i n	O he	30 June 2017	P i i n f im ai men
Sh h ng In e men Managemen C ., L d	117,775	-	(2,633)	-	-	-	-	-	-	115,142	-
CIMC S hang (Chang h) L gi ic C ., L d	3,000	(3,000)	-	-	-	-	-	-	-	-	-
M (Shanghai) In e na i nal T ade C ., L d.("M Shanghai")	851	-	(68)	-	-	-	-	-	-	783	-
Shanghai Xin Bai Qin Vehicle C ., L d	-	16,000	428	-	-	-	-	-	-	16,428	-
Shen hen Sk Ca i al C ., L d (SESKYC)	-	2,750	-	-	-	-	-	-	-	2,750	-
Read n In e men Inn a i e en e ca i al f nd C ., LLP	-	30,539	-	-	-	-	-	-	-	30,539	-
Xingh Chelian Tech l g C ., L d	-	1,750	-	-	-	-	-	-	-	1,750	-
CELA S	-	18,605	-	-	-	-	-	-	-	18,605	-
T al	1,661,718	68,121	(12,891)	-	-	-	19,992	-	-	1,736,940	(2)

Refe N e VI.2 f e i in a cia e .

The G ' in e men a i in TSC, LiH a Ene g , Jiang R ichen, O n Inc (Shanghai), ZPMC, Cad H d a lic, Zh ng i Xin ei, Henan Yida and Shen hen R ad Ne k Techn l g C ., L d. a e all bel 20%. B ince he G ha a in ed di ec he ab e men i ned a cia e , he G had ignifican infl ence e hem. Th , e i in e men n he e a cia e e e e al a ed b e en l b e i me h d.

A a 30 J ne 2017, e ce f MSC, he e i n need f he G ec gni e i i n f l ng- e m e i in e men in j in en e and a cia e ba ed n he i i n e ing e l ha c m a ed he e ima ed ec e able am n and b k al e f l ng- e m e i in e men in j in en e and a cia e (31 Decembe 2016: Nil).

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties

	Buildings and relevant land use rights	Land use rights	Total
1 January 2016	730,168	–	730,168
Addition	78,176	–	78,176
Changes in fair value	75,792	–	75,792
Transferred from fixed assets	131,859	–	131,859
Transferred from intangible assets	46,843	130,551	177,394
Transferred from construction in progress	786	–	786
Revaluation gain on transfer	102,062	482,772	584,834
Transferred to assets classified as held for sale	(26,401)	–	(26,401)
Transferred out	–	–	–
31 December 2016	1,139,285	613,323	1,752,608
1 January 2017	**1,139,285**	**613,323**	**1,752,608**
Addition	**–**	**–**	**–**
Changes in fair value	**–**	**–**	**–**
Transferred from fixed assets	**–**	**–**	**–**
Transferred from intangible assets	**–**	**–**	**–**
Transferred from construction in progress	**1,287**	**–**	**1,287**
Revaluation gain on transfer	**–**	**–**	**–**
Transferred to assets classified as held for sale	**–**	**–**	**–**
Transferred out	**(17,704)**	**(17,685)**	**(35,389)**
Exchange differences arising from translating foreign currencies	**3,559**	**–**	**3,559**
30 June 2017	**1,126,427**	**595,638**	**1,722,065**

In the period, there is no capitalised borrowing costs in investment properties (For the period ended 30 June 2016:Nil).

The fair value of the investment properties of the Group belong to level 3. Details of the valuation methods and significant assumptions used by the Group in determining the fair value of investment properties are set out in Note XIV. 6.

In the period, amounts transferred out to fixed assets and intangible assets are 17,704,000 and 17,685,000, respectively.

As at 30 June 2017, the buildings with carrying amount of about 156,697,000 (31 December 2016: 113,196,000) had not been entitled the property ownership certificates due to unfinished entitling procedures.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets

(1) Fixed assets

	Plants and buildings	Machinery and equipment	Office & other equipment	Motor vehicles	Offshore engineering equipment	Dock, wharf	Total
Original cost							
31 December 2016	10,676,684	10,112,067	1,981,991	1,045,215	6,783,391	1,262,820	31,862,168
Additions due to business combination	24,321	11,604	7	71	-	-	36,003
Addition in current period	58,845	160,773	76,355	167,934	-	-	463,907
Transfer from construction in progress	35,997	206,727	159,382	12,060	-	-	414,166
Transfer from investment properties	41,738	-	-	-	-	-	41,738
Decrease in current period	(86,498)	(296,266)	(85,105)	(27,882)	(79,025)	-	(574,776)
Transfer to investment properties	-	-	-	-	-	-	-
Divided into held for sale assets	-	-	-	-	-	-	-
Exchange differences arising from translating foreign currencies	13,616	(4,898)	(1,713)	1,104	(65,291)	(12,759)	(69,941)
30 June 2017	10,764,703	10,190,006	2,130,917	1,198,502	6,639,075	1,250,061	32,173,264
Accumulated depreciation							
31 December 2016	2,522,207	4,231,582	1,254,278	528,237	686,944	232,400	9,455,648
Additions due to business combination	4,742	5,969	6	60	-	-	10,777
Depreciation recognised in current period	213,148	341,224	110,381	90,651	135,213	25,881	916,498
Transfer from investment properties	24,034	-	-	-	-	-	24,034
Decrease in current period	(54,520)	(105,017)	(80,543)	(14,433)	(8,436)	-	(262,949)
Transfer to investment properties	-	-	-	-	-	-	-
Divided into held for sale assets	-	-	-	-	-	-	-
Exchange differences arising from translating foreign currencies	5,832	(2,924)	2,550	506	(10,729)	(5,593)	(10,358)
30 June 2017	2,715,443	4,470,834	1,286,672	605,021	802,992	252,688	10,133,650
Provision for impairment							
31 December 2016	311,653	40,801	14,560	2,245	-	-	369,259
Additions due to business combination	-	-	-	-	-	-	-
Impairment recognised in current period	75	1,459	-	-	-	-	1,534
Written off on disposal	-	(2,387)	(9,433)	(19)	-	-	(11,839)
Exchange differences arising from translating foreign currencies	6,149	(224)	-	-	-	-	5,925
30 June 2017	317,877	39,649	5,127	2,226	-	-	364,879
Carrying amount							
30 June 2017	7,731,383	5,679,523	839,118	591,255	5,836,083	997,373	21,674,735
31 December 2016	7,842,824	5,839,684	713,153	514,733	6,096,447	1,030,420	22,037,261

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Fixed assets (Continued)

A a 30 J ne 2017, he machine i h a ne b k al e f a ima el 375,761,000 (iginal c f 525,362,000) a ed a c lla e al f l ng- e m a able f 109,272,000 (31 Decembe 2016: 398,144,000 (iginal c f 525,305,000)) a ed a c lla e al f l ng- e m a able f 159,815,000, ee N e IV. 24.

In he e i d, de ecia i n f fi ed a e ec gni ed am n ed 916,498,000(F he e i d ended 30 J ne 2016: 1,056,717,000), f hich 776,825,000, 9,897,000 and 129,776,000(F he e i d ended 30 J ne 2016: 891,935,000, 14,860,000 and 149,922,000) ha been cha ged in c f ale , elling and di ib i n e en e , gene al and admini a i e e en e , e ec i el .

In he e i d, he iginal c f fi ed a e an fe ed f m c n c i n in g e i 414,166,000 (2016: 1,206,156,000).

(2) As at 30 June 2017, the carrying amount of temporarily idle buildings, machinery and equipment amounts to 344,385,000(original cost of 614,561,000) (31 December 2016: carrying amount of 207,894,000 and original cost of 409,415,000). The following table presents the detail:

	Original cost	Accumulated depreciation	Provision for impairment	Carrying amount
B ilding	390,069	(108,091)	(12,592)	269,386
Machine and e i men	193,270	(98,910)	(26,036)	68,324
T an a i n	3,510	(2,640)	(102)	768
Office & he e i men	27,712	(17,845)	(3,960)	5,907
	614,561	(227,486)	(42,690)	344,385

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(3) Fixed assets held through finance leases:

	30 June 2017			31 December 2016		
	Book balance	**Accumulated depreciation**	**Carrying amount**	Book balance	Accumulated depreciation	Carrying amount
Buildings	**2,626**	**(2,183)**	**443**	2,626	(1,875)	751
Machinery & equipment	**527,751**	**(149,865)**	**377,886**	527,599	(127,256)	400,343
Offshore engineering special equipment	**215,852**	**(89,251)**	**126,601**	31,113	(12,187)	18,926
Total	**746,229**	**(241,299)**	**504,930**	561,338	(141,318)	420,020

During the period, the fixed assets held through finance lease mainly consist of machinery and equipment sold and leased back by C&C Trucks.

(4) Fixed assets with certificates of ownership unsettled

	Carrying amount	Reasons for pending
Factory	974,123	P[illegible]e, certificate being in the progress
Office building	159,663	P[illegible]e, certificate being in the progress
Workshop	214,459	Information updated, being in the progress
Dormitory and Canteen	105,598	P[illegible]e, certificate being in the progress
Warehouse	116,637	Under preparation for reporting material
Others	162,602	Certificate being in the progress
Total	1,733,082	

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress

(1) Construction in progress

	30 June 2017			31 December 2016		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Vessels under construction for financing and leasing company	20,301,214	-	20,301,214	19,405,489	-	19,405,489
Raffles H273, H1284 Project	2,747,244	-	2,747,244	2,754,873	-	2,754,873
Enric workshop construction project	59,202	-	59,202	88,101	-	88,101
Cold Chain Research Institute Project	49,146	-	49,146	47,633	-	47,633
Refrigerated car project of Anhui United Feicai	37,622	-	37,622	30,583	-	30,583
Production equipment of C&C Truck	35,382	-	35,382	35,218	-	35,218
HJQM semi-trailer production line	26,477	-	26,477	-	-	-
XHCIMC waterborne paint reconstruction project	22,418	-	22,418	13,079	-	13,079
Dormitory construction project of QDCRC	21,129	-	21,129	21,129	-	21,129
Qingdao CIMC waterborne paint reconstruction project	19,590	-	19,590	-	-	-
SHYSLE waterborne paint reconstruction project	11,933	-	11,933	-	-	-
Dongguan CIMC vehicle logistic equipment project	5,522	-	5,522	11,497	-	11,497
TCCIMC relocation and reconstruction project	5,400	-	5,400	5,400	-	5,400
Raffles large scale equipment (including 2000T lifting crane)	3,128	-	3,128	3,080	-	3,080
TJCIMC mid-thick plate and bottom side cross beam automatic production line	1,981	-	1,981	1,575	-	1,575
TAS New Plant Project	1,824	-	1,824	1,498	-	1,498
XHCIMCS Production Line and Power Facilities Reconstruction Project	1,506	-	1,506	1,506	-	1,506
Second phase of Hebei construction	641	-	641	12,033	-	12,033
Others	454,939	(1,645)	453,294	338,916	(2,421)	336,495
Total	23,806,298	(1,645)	23,804,653	22,771,610	(2,421)	22,769,189

The carrying amount of construction in progress at the end of the period included accumulated capitalised borrowing costs of 1,750,963,000(31 December 2016: 1,532,714,000). The interest rate adopted for determining capitalised borrowing costs of the current period was 3.18%(For the period ended 30 June 2016: 3.08%).

As at 30 June 2017, there is no restricted construction in progress of the Group (31 December 2016: Nil).

(All am n in RMB'000 nle he i e a ed)

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

	B dge ed am n	31 Decembe 2016	C en e i d addi i n	T an fe fi ed a e	T an fe in e men e ie	30 June 2017	P i n f e endi e inc ed b dge ed am n (%)	P g e f c n c i n	C m la i e c a i ali ed in e e	Incl ding: c en e i d ca i ali ed in e e	In e e ca i ali a i n a e (%)	S ce f f nd	E change diffe ence a i ing f m an la ing f eign c encie
Ve el nde c n c i n f financing and lea ing c m an	25,459,806	19,405,489	997,902	-	-	**20,301,214**	98%	79%-100%	1,110,333	177,235	3.18%	Bank l an	(102,177)
Raffle H273, H1284 P jec	2,866,854	2,754,873	56,753	-	-	**2,747,244**	97%	95%	192,141	41,014	3.18%	Self-f nding & bank l an	(64,382)
En ic k h c n c i n jec	181,082	88,101	9,764	(38,663)	-	**59,202**	91%	74%	-	-	-	Self-f nding	-
C ld Chain Re ea ch In i e P jec	60,000	47,633	1,513	-	-	**49,146**	82%	82%	-	-	-	Self-f nding	-
Ref ige a ed ca jec f Anh i Uni ed Feicai	41,249	30,583	7,039	-	-	**37,622**	91%	100%	-	-	-	Self-f nding	-
P d c i n e i men f C&C T ck	35,838	35,218	260	(96)	-	**35,382**	99%	50%-100%	-	-	-	Self-f nding	-
HJQM emi aile d c i n line	120,000	-	26,477	-	-	**26,477**	22%	22%	-	-	-	Self-f nding	-
XHCIMC a e b ne ain ec n c i n jec	30,640	13,079	11,863	(2,524)	-	**22,418**	81%	90%	-	-	-	Self-f nding	-
D mi c n c i n jec f QDCRC	23,369	21,129	-	-	-	**21,129**	90%	90%	-	-	-	Self-f nding	-
Qingda CIMC a e b ne ain ec n c i n jec	29,500	-	19,590	-	-	**19,590**	66%	90%	-	-	-	Self-f nding	-
SHYSLE a e b ne ain ec n c i n jec	30,000	-	11,933	-	-	**11,933**	40%	40%	-	-	-	Self-f nding	-
D ngg an CIMC ehicle l gi ic e i men jec	388,182	11,497	923	99%	50%-100%	elf31.11-elf31.0,009400%		40%S-elf-fundi3.38 Td (–)Tj 7.226 0 Td (–)Tj -0271. Tc 0.004 Tw 3.7elf-fun(Self-funding)Tj 0 Tc 0 Tw 11.84Raffles la026 Tged (a005Tw -112.8 (inclu26 0.353 Tw					

Notes to the Financial Statements

For the period from 1 January to and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Disposal of fixed assets

	30 June 2017	31 December 2016
Buildings	**76,267**	87,015
Machinery and equipment	**43,790**	42,016
Transportation	**124**	211
Office & other equipment	**239**	808
Total	**120,420**	130,050

18. Intangible assets and development expenditure

(1) Intangible assets

	Land use rights	Technical know-how and trade marks	Timber concession rights	Customer relationships	Customer contracts	Maritime use rights	Franchise rights	Total
Original cost								
31 December 2016	3,914,000	2,004,623	250,078	400,171	285,273	94,984	111,934	7,061,063
Additions due to business combination	15,198	–	–	–	–	–	–	15,198
Current period additions	37,696	122,332	–	–	–	–	–	160,028
Transferred from investment properties	22,718	–	–	–	–	–	–	22,718
Current period decrease	(124,128)	(62,517)	(9,601)	–	–	–	–	(196,246)
Exchange differences arising from translating foreign currencies	(8,753)	12,562	(147)	2,833	597	(1,948)	48	5,192
30 June 2017	3,856,731	2,077,000	240,330	403,004	285,870	93,036	111,982	7,067,953
Accumulated amortisation								
31 December 2016	665,789	1,086,080	129,894	151,760	159,755	28,936	8,420	2,230,634
Additions due to business combination	976	–	–	–	–	–	–	976
Current period additions	59,665	87,612	–	18,927	6,932	910	1,688	175,734
Transferred from investment properties	5,033	–	–	–	–	–	–	5,033
Current period decrease	(6,983)	(131)	–	–	–	–	–	(7,114)
Exchange differences arising from translating foreign currencies	(1,591)	5,529	(147)	284	923	(413)	48	4,633
30 June 2017	722,889	1,179,090	129,747	170,971	167,610	29,433	10,156	2,409,896
Provision for impairment								
31 December 2016	–	4,564	110,288	1,817	59,003	–	–	175,672
Exchange differences arising from translating foreign currencies	–	–	(2,937)	–	672	–	–	(2,265)
30 June 2017	–	4,564	107,351	1,817	59,675	–	–	173,407
Carrying amount								
30 June 2017	3,133,842	893,346	3,232	230,216	58,585	63,603	101,826	4,484,650
31 December 2016	3,248,211	913,979	9,896	246,594	66,515	66,048	103,514	4,654,757

In the period, amortisation expense of intangible assets amounted to 175,734,000 (For the period ended 30 June 2016: 121,062,000).

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets and development expenditure (Continued)

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

	Carrying amount in RMB	Reasons for unsettlement
Ningb C n aine Man fac e land e igh	75,322	in he g e
SCIMCEL Tangkeng land e igh	55,674	e i ed and ele an ced e a e e i ed
C&C T ck land e igh	19,187	in he g e
Langfang land e igh	8,887	in he g e
SCIMCEL d mi	1,787	in he g e
T al	160,857	

Af e he e al a i n f b a d f di ec f he G , he af emen i ned in angible a e i h n e led ce ifica e ha e n i k f im ai men .

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

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

(5) Development expenditure is as follows:

	31 Decembe 2016	C en e i d addi i n	Rec gni ed a in angible a e	30 June 2017
P jec n ehicle echn l g	43,089	21,029	(14,441)	**49,677**
O he	6,901	10		**6,911**
	49,990	21,039	(14,441)	**56,588**

In he e i d, he G ' de el men e endi e am n ed 309,498,000(F he e i d ended 30 J ne 2016: 248,570,000): 288,459,000 f hich (F he e i d ended 30 J ne 2016:230,097,000) a incl ded in he c en fi andd 30e ,ne 2016:230,0J/T197,0019,(F73J-2.268.074 00,4J ne ed e ed 16: ed 230,0J/T197,720.125 f ll a e i h

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill

	31 December 2016	Current period addition	Current period decrease	Exchange difference arising from translating foreign currencies	**30 June 2017**
Enric	630,992	–	–	(5,200)	**625,792**
Vehicle UK	336,360	–	–	9,515	**345,875**
TGESA	164,502	–	–	6,397	**170,899**
YPDI	86,558	–	–	–	**86,558**
Bassoe	132,245	–	–	–	**132,245**
Pteris	108,196	–	–	–	**108,196**
C & C Truck	132,145	–	–	–	**132,145**
Hashenleng	103,530	–	–	–	**103,530**
Others	569,673	1,453	–	(140)	**570,986**
Sub-total	2,264,201	1,453	–	10,572	**2,276,226**
Less: Provision for impairment					
C & C Truck	93,330	–	–	–	**93,330**
Others	42,978	–	–	(475)	**42,503**
Sub-total	136,308	–	–	(475)	**135,833**
Total	2,127,893	1,453	–	11,047	**2,140,393**

(1) Impairment test for asset group including goodwill

The goodwill allocated to the asset groups and combination of asset groups are summarized by operating segment as follows:

	30 June 2017	31 December 2016
Container asset group	**120,085**	120,085
Road transportation vehicle asset group	**417,663**	408,658
Energy and chemical & food equipment asset group	**1,075,392**	1,074,195
Offshore engineering asset group	**229,442**	229,397
Logistic services asset group	**120,558**	120,558
Heavy truck asset group	**38,815**	38,815
Airport equipment asset group	**108,196**	108,196
Asset groups with insignificant allocation percentage of goodwill group	**30,242**	27,989
Total	**2,140,393**	2,127,893

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Long-term prepaid expenses

	31 December 2016	Addition due to business combination	Current period addition	Current period amortisation	Exchange difference arising from translating foreign currencies	**30 June 2017**
Yard facilities expenses	9,691	–	223	(1,424)	29	**8,519**
Project insurance and commission	133,924	–	31,369	(30,658)	(2,513)	**132,122**
Improvement of fixed assets held under operating leases	9,439	–	5,372	(2,204)	–	**12,607**
Operating lease interest expense	–	–	–	–	–	**–**
Improvement of engineering vessel	19,996	–	51,692	(12,110)	(987)	**58,591**
Others	73,524	52	10,123	(14,283)	(99)	**69,317**
Sub-total	246,574	52	98,779	(60,679)	(3,570)	**281,156**
Less: Provision for impairment	–	–	–	–	–	**–**
Total	246,574	52	98,779	(60,679)	(3,570)	**281,156**

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities

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

	30 June 2017		31 December 2016	
	Deductible/ (taxable) temporary differences	**Deferred tax assets/ (liabilities)**	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)
Deferred tax assets:				
Provision for asset impairment	**834,767**	**160,844**	1,546,119	322,474
Accrued liabilities	**617,576**	**113,145**	690,921	139,994
Employee benefits payable	**1,139,847**	**257,745**	1,273,607	296,507
Accrued expenses	**120,131**	**26,479**	493,541	89,303
Deductible losses	**1,791,531**	**306,356**	1,861,895	332,307
Movement of fair value of financial assets at fair value through profit or loss/hedging instruments	**7,729**	**1,634**	27,566	6,892
Available-for-sale financial assets	**–**	**–**	14,230	2,134
Intra-group unrealised revenue	**29,871**	**7,468**	18,904	4,726
Others	**2,180,446**	**436,088**	278,319	69,580
Sub-total	**6,721,898**	**1,309,759**	6,205,102	1,263,917
Offsetting amount	**(187,229)**	**(32,843)**	(25,512)	(6,247)
Offsetting balances	**6,534,669**	**1,276,916**	6,179,590	1,257,670
Including:				
Amount estimated to be recovered within 1 year (inclusive)		**227,983**		552,415
Amount estimated to be recovered over 1 year		**1,048,933**		705,255
		1,276,916		1,257,670
Deferred tax liabilities:				
Movement of fair value of financial assets at fair value through profit or loss	**(2,385)**	**(448)**	(26,076)	(6,483)
Movement of fair value of Investment properties	**–**	**–**	(700,853)	(170,909)
Movement of fair value of hedging instruments	**(7,998)**	**(1,200)**		
Revaluation gain through combination	**(1,000,899)**	**(208,194)**	(933,696)	(231,947)
Gross profit of overseas project (tax after completion)	**(588,747)**	**(103,031)**	(253,352)	(63,338)
Accelerated depreciation of fixed assets	**(807,509)**	**(201,877)**	(441,782)	(179,383)
Others	**(1,029,888)**	**(205,977)**	(46,412)	(11,601)
Sub-total	**(3,437,426)**	**(720,727)**	(2,402,171)	(663,661)
Offsetting amount	**187,229**	**32,843**	25,512	6,247
Offsetting balances	**(3,250,197)**	**(687,884)**	(2,376,659)	(657,414)
Including:				
Amount estimated to be recovered within 1 year (inclusive)		**(431,300)**		(140,809)
Amount estimated to be recovered over 1 year		**(256,584)**		(516,605)
		(687,884)		(657,414)

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(2) Unrecognised deferred tax assets

	30 June 2017	31 December 2016
Deductible losses	**1,712,996**	1,606,035
Impairment losses of SOE	**634,426**	340,729
Impairment losses of Timber Concession rights	**22,119**	22,119
Others	**3,125**	3,125
Total	**2,372,666**	1,972,008

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

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

Note 1: By the end of 2016 and as at 30 June 2017, unrecognised deferred tax assets aged over 5 years (inclusive) arising from deductible losses resulted from foreign subsidiaries' operating losses. Deductible losses generated from Hong Kong, the United States of America, the United Kingdom of Great Britain and Australia can be offset with future profits indefinitely; deductible losses generated from the Netherlands can be offset in the subsequent nine years.

As at 30 June 2017, the Group is subject to an income tax on the difference of tax rates if its subsidiaries in Hong Kong and overseas decide to distribute dividends to the shareholder in mainland China. The temporary difference arising from the undistributed profits of such subsidiaries is approximately 3,630,258,000(31 December 2016: 3,303,113,000). Since the Group can control the dividend distribution policy of its subsidiaries and has decided not to distribute dividends in the foreseeable future, the deferred income tax liabilities on such undistributed profits were not recognised.

The Group had no unrecognised deferred tax liabilities other than the mentioned above.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Other non-current assets

	30 June 2017	31 December 2016
Entrusted loans	**13,721**	35,547
Prepayments for land use rights	**6,956**	32,235
Prepayments for equipment	**–**	8,695
Prepayments for construction	**–**	7,429
Others	**–**	2,447
Total	**20,677**	86,353

As at 30 June 2017, There is no non-current assets due from shareholders holding more than 5% (inclusive) of the voting rights or related parties. (31 December 2016: Nil).

23. PROVISION FOR ASSET IMPAIRMENT

	31 December 2016	Current period addition	Current period decrease: Reversal	Current period decrease: Write-off	Exchange difference arising from translating foreign currencies	**30 June 2017**
Provision for doubtful debts						
Including: Provision for doubtful debts of accounts receivable	629,236	79,347	(53,359)	(9,312)	821	**646,733**
Provision for doubtful debts of other receivables	1,580,439	142,700	(777)	(6,579)	(5,158)	**1,710,625**
Provision for doubtful debts of advances to suppliers	226,967	6,675	–	–	(10)	**233,632**
Provision for doubtful debts of current portion of non-current assets	307,194	97,471	(70)	–	(5)	**404,590**
Provision for doubtful debts of long-term receivables	485,052	4,641	(40,204)	2,997	(37)	**452,449**
Provision for decline in value of inventories	319,004	79,760	(83,281)	(16,395)	15,151	**314,239**
Provision for impairment of long-term equity investments	2	–	–	–	–	**2**
Provision for impairment of available-for-sale financial assets	3,065	–	–	–	–	**3,065**
Provision for impairment of fixed assets	369,259	1,534	–	(11,839)	5,925	**364,879**
Provision for impairment of construction in progress	2,421	–	–	(776)	–	**1,645**
Provision for impairment of intangible assets	175,672	–	–	–	(2,265)	**173,407**
Provision for impairment of goodwill	136,308	–	–	–	(475)	**135,833**
Total	4,234,619	412,128	(177,691)	(41,904)	13,947	**4,441,099**

Please refer to the respective notes of the assets for reason of the provision.

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Restricted assets

A a 30 J ne 2017, a e i h e ic i n in hei ne hi a e a f ll :

	N e	31 Decembe 2016	C en e i d addi i n	C en e i d dec ea e	E change diffe ence a i ing f m an la ing f eign c encie	**30 June 2017**
A e ed a c lla e al						
Ca h a bank and n hand	IV.1	987,257	49,135	(219,448)	(99)	**816,845**
N e ecei able	IV.3	206,753	207,835	(158,188)	-	**256,400**
L ng e m ecei able	IV.12	8,164,729	(57,408)	(654,249)	-	**7,453,072**
Fi a e	IV.15	398,144	-	(22,383)	-	**375,761**
T al		9,756,883	199,562	(1,054,268)	(99)	**8,902,078**

L ng e m ecei able a e ed a c lla e al f m gage l an. N e ecei able a e ed f edi c n ing, ledge f le e f g a an ee and ledge f l f n e. Refe IV.15 f n n-c en e ic i n i h e ic i n hich a e ed a c lla e al f l ng e m a able. Refe N e IV.25 and IV.28 f de ail f h - e m ledged b ing . The e ic ed ca h a bank and n hand e e ec i de i , and de i in he Pe le' Bank f China b Finance C m an .

Notes to the Financial Statements

For the period from 1 January to ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Short-term borrowings

(1) Classification of short-term borrowings:

	Note	30 June 2017	31 December 2016
Guaranteed	(a)		
USD		**391,505**	2,938,354
RMB		**1,962,138**	937,852
EUR		**16,723**	61,487
Sub-total		**2,370,366**	3,937,693
Pledged	(b)		
RMB		**32,821**	59,902
Unsecured			
USD		**9,299,113**	7,427,465
EUR		**719,692**	478,076
GBP		**17,621**	178
RMB		**5,327,359**	3,613,782
AUD		**329**	2,296
SGD		**–**	39,006
JPY		**–**	7,169
Sub-total		**15,364,114**	11,567,972
Discounted Notes			
RMB		**178,447**	164,220
Total		**17,945,748**	15,729,787

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Short-term borrowings (Continued)

(1) Classification of short-term borrowings: (Continued)

(a) A a 30 J ne 2017, g a an eed b ing f he G c n i ed f he f ll ing: bank l an f b idia Zhenh a L gi ic G C ., L d. (' Zhenh a G) am n ing USD324,000 (E i alen RMB2,195,000); l an f CIMC Raffle ff h e enginee ing (Singa e) C ., L d am n ing 1,400,138,000, USD33,962,000 (E i alen RMB230,096,000) and E 2,158,000 (E i alen RMB16,723,000), g a an eed b he G and China In e na i nal Ma ine C n aine (H ng K ng) Limi ed (' CIMC H ng K ng); l an f b idia C&C T ck am n ing 450,000,000, hich i g a an eed b he G ; l an f Xiamen H ng in Be g Lea ing C ., L d. Am n ing 112,000,000, g a an eed b he CIMC Financing and Lea ing C ., L d. (CIMCVL); CIMC Financing and Lea ing C ., L d. (CIMCVL) am n ing USD23,500,000 (E i alen RMB159,214,000), g a an eed b he G and CIMC H ng K ng.

(b) A a 30 J ne 2017, he ledged l an f he G a l an f m he Pe le' Bank f China ledged i h n e ecei able hich a a lied b he Finance C m an , am n ing 32,821,000.

(c) A a 30 J ne 2017, he e a n h - e m b ing ed ha eh lde h lding m e han 5% (incl ding 5%) f he ing igh f he G ela ed a ie .

(d) A a 30 J ne 2017, he in e e a e f h e m b ing anged f m 1.30% 6.09% (31 Decembe 2016: 0.65% 16.41%).

26. Financial liabilities at fair value through profit or loss

	N e	**30 June 2017**	31 Decembe 2016
Current			

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Notes payable

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

The above notes payable are due within one year.

28. Accounts payable

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

	30 June 2017	31 December 2016
Due to raw material suppliers	**9,364,746**	8,303,845
Integrated logistic service charge	**468,558**	461,925
Project contract charge	**291,105**	259,029
Project procurement charge	**398,677**	658,048
Due to equipment suppliers	**618,839**	150,029
Transportation charge	**69,741**	135,159
Processing charge	**41,972**	129,178
Others	**91,540**	63,738
Total	**11,345,178**	10,160,951

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Accounts payable (Continued)

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

The aging analysis of accounts payable is as follows:

	30 June 2017	31 December 2016
Within 1 year (inclusive)	**10,710,275**	9,535,350
1 to 2 years (inclusive)	**337,357**	414,188
2 to 3 years (inclusive)	**179,384**	153,893
Over 3 years	**118,162**	57,520
Total	**11,345,178**	10,160,951

As at 30 June 2017, accounts payable over 1 year with a carrying amount of 634,903,000 (31 December 2016: 625,601,000) are mainly payables related to offshore engineering business. Since the production cycle of the offshore engineering projects is usually more than one year, the payables have not been settled.

The aging is calculated from the date that the accounts payable is recognised.

(2) As at 30 June 2017, there was no accounts payable owed to shareholders holding more than 5% (including 5%) of the voting rights of the Group. Accounts payable owed to related parties are as listed follows:

Company name	Relationship with the Group	**30 June 2017** Amount	**30 June 2017** % of total balance	31 December 2016 Amount	31 December 2016 % of total balance
Y&C Engine	Joint Venture	**38,931**	**0.34%**	66,157	0.65%
TSC	Associate	**13,807**	**0.12%**	25,727	0.25%
Fujian Qingchen Bamboo Industry Co., Ltd.	Associate	**10,496**	**0.09%**	8,138	0.08%
Shanxi Heavy Duty Automobile	Minority shareholder of subsidiaries	**5,352**	**0.05%**	3,611	0.04%
Ningxia Changming	Associate	**2,732**	**0.02%**	2,435	0.02%
Xuzhou CIMC Wood Co., Ltd	Associate	**202**	**0.00%**	17,905	0.18%
Asahi Trading Co., Ltd	Minority shareholder of subsidiaries	**–**	**0.00%**	15,902	0.16%
Other related parties		**5,825**	**0.05%**	7,062	0.07%
Total		**77,345**	**0.67%**	146,937	1.45%

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Advanced receipts

(1) Advanced receipts

	30 June 2017	31 December 2016
Advances for goods	**2,431,530**	3,167,715
Advances for construction	**1,571,044**	155,912
Advances for property	**210,070**	208,583
Advances for trade and logistics	**139,340**	70,508
Others	**193,851**	177,976
Total	**4,545,835**	3,780,694

As at 30 June 2017, advanced receipts over 1 year with a carrying amount of 304,804,000 (31 December 2016: 330,291,000), are mainly rental in advance and project payments related to offshore engineering business. Since the production cycle of the offshore engineering projects, energy and chemical industry projects are usually more than one year, the advanced receipts have not yet been settled.

(2) As at 30 June 2017, advanced receipts from those who hold 5% or more of the voting rights or related parties amounted to 40,000 (31 December 2016: 5,200).

30. Accrued payroll

	Note	30 June 2017	31 December 2016
Short-term wages	(1)	**2,074,384**	2,090,125
Defined contribution plans	(2)	**45,153**	24,156
Dismission welfare	(3)	**880**	827
		2,120,417	2,115,108

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Accrued payroll (Continued)

(1) Short-term wages

	31 December 2016	Current period additions	Current period decrease	Exchange differences arising from translating foreign currencies	**30 June 2017**
Wages and salaries, bonuses, allowances and subsidies	1,699,319	2,516,308	(2,475,474)	4,252	**1,744,405**
Profit-sharing and senior management bonus	205,151	-	(8,951)	-	**196,200**
Housing fund	6,118	80,860	(80,906)	(30)	**6,042**
Labour union fund and employee education fund	62,236	27,129	(36,014)	(157)	**53,194**
Social security contributions and others	12,517	87,991	(77,504)	1	**23,004**
Including: Medical insurance	9,564	74,051	(65,053)	1	**18,563**
Work injury insurance	1,583	8,250	(7,850)	-	**1,983**
Maternity insurance	1,370	5,690	(4,601)	-	**2,458**
Other short-term wages	104,784	280,656	(334,802)	901	**51,539**
Total	2,090,125	2,992,944	(3,013,651)	4,967	**2,074,384**

(2) Defined contribution plans

	31 December 2016	Current period additions	Current period decrease	Exchange differences arising from translating foreign currencies	**30 June 2017**
Basic pension	21,455	205,171	(186,716)	5	**39,915**
Unemployment insurance	2,554	8,214	(5,724)	-	**5,043**
Enterprise annuities	147	1,109	(1,061)	-	**195**
Total	24,156	214,494	(193,501)	5	**45,153**

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Interest payable

	N e	**30 June 2017**	31 Decembe 2016
In e e f edem i n igh f a egic in e	IV.43	**203,985**	135,990
In e e f h -e m b ing		**79,273**	76,730
In e e f c a e b nd		**218,242**	70,249
In e e f l ng- e m b ing		**31,928**	20,406
T al		**533,428**	303,375

33. Dividends payable

	30 June 2017	31 Decembe 2016
D e min i ha eh lde f b idia ie	**75,080**	16,746
D e dina ha e	**178,332**	–
T al	**253,412**	16,746

34. Other payables

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

	N e	**30 June 2017**	31 Decembe 2016
Ad ance ecei ed		**2,595,693**	1,892,437
Acc al		**1,555,619**	1,490,340
Q ali g a an ee		**543,228**	593,210
T an a i n e en e		**500,826**	315,605
E i men land e igh		**136,633**	185,777
E e nal c mmi i n		**82,243**	73,619
C en acc n i h b idia ' min i	(3)	**72,786**	111,054
In ance		**27,483**	12,732
R al ie		**4,452**	601
P fe i nal and aining fee		**1,712**	17,897
H ing main enance fee		**773**	5,456
E i a able n Yang han e ice		**–**	23,200
O he		**605,931**	432,145
T al		**6,127,379**	5,154,073

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Other payables (Continued)

(2) Significant other payables aged over one year mostly consist of unsettled quality guarantee, vehicle mortgage guarantee and various deposits.

(3) As at 30 June 2017, there was no other payables owed to shareholders holding more than 5% (including 5%) of the voting rights of the Group. Other payables owed to related parties are as listed follows:

Company name	Relationship with the Group	30 June 2017 Amount	30 June 2017 % of total balance	31 December 2016 Amount	31 December 2016 % of total balance
Gafin Investment S.A.	Minority shareholder of subsidiary	**45,571**	**0.74%**	46,990	0.91%
Shunde Fortune Real Estate Investment Co., Ltd ("Shunde Fortune")	Minority shareholder of subsidiary	**27,215**	**0.44%**	56,794	1.10%
Shanghai Fengyang	Associate	**26,390**	**0.43%**	26,390	0.51%
Xiamen CIMC Haitou Container Service Co., Ltd. ("Xiamen CIMC")	Associate	**4,998**	**0.08%**	-	0.00%
Lihua Energy	Associate	**–**	**0.00%**	37,690	0.73%
Ningxia Changming	Associate	**–**	**0.00%**	11,900	0.23%
TSC	Associate	**–**	**0.00%**	6,766	0.13%
Inland Services B.V. (Netherlands)	Minority shareholder of subsidiary	**–**	**0.00%**	7,270	0.14%
Other related parties		**7,232**	**0.12%**	11,584	0.22%
Total		**111,406**	**1.82%**	205,384	3.98%

35. Provisions

	Note	31 December 2016	Current period addition	Current period payment	Current period reversal	Exchange difference arising from translating foreign currencies	30 June 2017
Product warranties	(1)	690,574	182,393	(34,036)	(183,149)	1,867	**657,649**
Guarantees for third parties		79,104	-	(79,104)	-	-	**–**
Losses for pending actions		43,490	2,301	-	(1,883)	(903)	**43,005**
Others	(2)	34,261	43,131	(10,833)	(2,565)	7,515	**71,509**
Total		847,429	227,825	(123,973)	(187,597)	8,479	**772,163**

(1) The Group provides after-sales repair guarantee to the customers, ranging from one to seven years for containers, one year for trailers, one to seven years for bank equipment, one year for airport ground facilities and one year for offshore business after delivery of vessels. The Group will provide repair and maintenance service in accordance with sales contracts during the guarantee period in the event of any non-accidental breakdown or quality problem. The balance of Provision for Warranties of products is the Group's estimated obligation for such guarantees of products sold during the year and in the previous fiscal years.

(2) HI, one of the subsidiaries, provides the guarantee for the banking loan by which the customer buy vehicle products from HI. HI would accrue a provision for the ending balance of the loan guarantee, considering the credit quality.

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Current portion of non-current liabilities

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

	Note	30 June 2017	31 December 2016
Current portion of long-term borrowings	IV.38		
– Unsecured		**3,197,042**	3,401,313
– Guaranteed		**1,694,372**	124,397
		4,891,414	3,525,710
Current portion of long-term payables			
Finance lease payables		**114,537**	136,571
Less: unrealised financing expenses		**(8,826)**	(15,826)
Finance lease payables-net	IV.40	**105,711**	120,745
Others		**18,376**	17,567
		124,087	138,312
Current portion of other non-current		**–**	3,850
Total		**5,015,501**	3,667,872

37. Other current liabilities

	Note	30 June 2017	31 December 2016
Commercial paper issued by the Group	(1)	**2,583,959**	1,666,966
Others		**28,321**	20,796
		2,612,280	1,687,762

(1) The Commercial paper was issued by CIMC Fortune Holding Limited ("Fortune") and CIMC HK, the subsidiaries of the Group. As at 20 May 2016, Fortune signed a short-term commercial paper agreement with Bank of New York Mellon, Goldman Sachs and Bank of China (London Branch) on issuing commercial paper at the amount of USD450 million with an expiry period of three years; As at the end of the period, the unexpired amount of the outstanding commercial paper was USD318,000,000 (equivalent to RMB2,154,471,000); As at 21 December 2015, CIMC HK renewed a bilateral cooperation framework agreement with Bank of China and Bank Merrill Lynch on issuing commercial paper in the United States within USD600 million. As at 30 June 2017, the unexpired amount of outstanding 3-year commercial paper issued under such framework agreement was USD63,400,000 (equivalent to RMB429,488,000).

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term borrowings

(1) Classification of long-term borrowings

	Note	30 June 2017	31 December 2016
Bank borrowings			
– Unsecured		**10,276,585**	11,496,937
– Mortgaged	(i)	**5,772,819**	6,260,830
– Guaranteed	(ii)	**12,507,099**	12,791,165
		28,556,503	30,548,932
Less: current portion of long-term borrowings			
– Unsecured		**3,197,042**	3,401,313
– Guaranteed	(ii)	**1,694,372**	124,397
		4,891,414	3,525,710
Total		**23,665,089**	27,023,222

(i) As at 30 June 2017, the subject matter of the financial leasing contracts of the subsidiaries of CIMC Financing and Leasing Co., Ltd are mortgaged as collateral for the Group's mortgaged loan.

(ii) As at 30 June 2017, the Group's long-term guaranteed borrowings were comprised of the following: bank borrowing of Fortune amounted to USD1,489,000,000 (equivalent to RMB10,088,075,000) which were guaranteed by the Company, among which the current portion amounted to USD2,000,000 (equivalent to RMB13,550,000); bank loan of CIMCVL amounted to USD352,157,000 (equivalent to RMB2,385,719,000), guaranteed by the Company and CIMC Hong Kong, among which the current portion amounted to USD248,114,000 (equivalent to RMB1,680,822,000);bank borrowing of Xiamen Hongxin Berg Leasing Co., Ltd amounted to 25,787,000 guaranteed by Tianjin Hongxin Berg Co., Ltd; bank borrowing of Dongguan CIMC Intelligent Technology Co., Ltd amounted to 7,518,000 guaranteed by the Company.

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

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

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Debentures payable

	31 Decembe 2016	C en i e	**30 June 2017**
Medi m- e m n e	7,986,500	–	**7,986,500**

(1) Related information is as follows:

Debenture name	**Par value**	**Issuance date**	**Maturity**	**Issuance amount**
Medi m- e m n e -16CIMC MTN1 (i)	3,500,000	11 A g 2016	3 ea	3,500,000
Medi m- e m n e -16CIMC MTN2 (i)	2,500,000	22 A g 2016	3 ea	2,500,000
Medi m- e m n e -16CIMC MTN3 (ii)	2,000,000	17 Oc be 2016	3+N ea	1,986,500
T al	8,000,000			7,986,500

(i) The C m an can i e medi m- e m n e in he na i nal in e bank b nd ma ke . The c m an i ed medi m- e m n e (MTN) i h am n f 3.5 billi n n 11 A g 2016 i h a ceiling f 6 billi n in i i nal in e in he na i nal in e bank b nd ma ke ; i h a al e f 100 e n e and fi ed in e e a e f 3.07% e ann m. In e e i be aid n 11 A g each ea in he a ea n il edem i n and a al e be aid n 11 A g 2019. The n e a e n ec ed and a ge in i i nal in e in he na i nal in e bank ma ke . A a 22 A g 2016, he C m an made he ec nd i e i h am n f 2.5 billi n i h a al e f 100 e n e and fi ed in e e a e f 3.15% e ann m a cce f ll i ed blicl . In e e i be aid n 22nd A g each ea in he a ea n il edem i n and a al e be aid n 22 A g 2019. The n e a e n ec ed and a ge in i i nal in e in he na i nal in e bank ma ke .

(ii) A a 17 Oc be 2016, he C m an i ed medi m- e m n e i h am n f 2 billi n a face al e. The ne am n af e ded c ing he i e fee a 1,986,500,000. The medi m- e m n e a e i ed f gene al c a e finance e . The fi h ee in e e -bea ing ea a e acc ed a an in e e a e f 3.89% e ann m and a e aid ann all f m Oc be 14, 2017 and he C m an can ch e a defe ed in e e a men . F m he f h in e e -bea ing ea , he c n a e i e e e e 3 ea .The medi m- e m n e ha e n fi ed e i da e and ma be edeemed b he C m an n af e Oc be 14, 2019 a hei n minal al e, ge he i h a a men f an acc ed, n aid defe ed in e e . Bef e he e lemen f defe ed in e e (incl ding he in e e f defe ed in e e), he i e can n di ib e di idend, ed ce ca i al an he a men ec i ie ha a e infe i he mid e m n e . A a e l f he h lde ec i n cla e, i h he ai e f he n e h lde , he C m an i e i ed e a he inci al and in e e if he C m an and b idia ie ha i h ld i m e han 80% e i ha failed e le an financial in i i n l an d e e ceed he ag eed am n . The ef e, he medi m e m n e a e ea ed a liabili ie .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payables

	30 June 2017	31 Decembe 2016
Financial Lea e a able	**303,625**	323,920
Le : n eali ed financing e en e	**(41,174)**	(34,723)
Financial Lea e a able ne	**262,451**	289,197
Pa able min i ha eh lde	**120,789**	120,789
De i a able	**100,635**	117,922
O he	**21,034**	1,464
T al	**504,909**	529,372

(1) Details of financial leasing payables

A a 30 J ne 2017, he al f e minim m lea e a men nde finance lea e , hich a e ba ed n c n ac al ndi c n ed ca h fl (incl ding in e e a men c m ed ing c n ac al a e if fl a ing, ba ed n a e c en a he balance hee da e), e e a f ll :

Minim m lea e a men	30 June 2017	31 Decembe 2016
Wi hin 1 ea (incl i e)	**114,537**	136,571
O e 1 ea b i hin 2 ea (incl i e)	**251,829**	287,267
O e 2 ea b i hin 3 ea (incl i e)	**12,352**	3,564
O e 3 ea	**39,444**	33,089
S b- al	**418,162**	460,491
Le : n ec gni ed finance e en e	**(50,000)**	(50,549)
Ca ing am n	**368,162**	409,942

The G had n financial lea ing g a an eed b inde enden hi d a d ing he e i d.

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payables (Continued)

(2) As at 30 June 2017, there is no amount due to the shareholders who hold 5% or more of the voting rights of the Company. Amount due to related parties is as follows:

Company name	Relationship with the Group	**30 June 2017**	31 December 2016
Shunde F[illegible] Real Estate Investment Co., Ltd. ("Shunde F[illegible]")	Subsidiaries' minority shareholder	**120,789**	120,789

41. Payables for specific projects

	31 December 2016	Current period addition	Current period decrease	**30 June 2017**
Project fund	9,704	7,016	-	**16,720**

42. Deferred income

	Note	31 December 2016	Current period addition	Current period decrease	**30 June 2017**	Reason
Government grant	(1)	829,742	44,700	(44,624)	**829,818**	Government Grant received, to be recognised in future period
Others		9,996	-	(3,164)	**6,832**	Outright sale of remaining leasing receivables, to be recognised in future period
Total		839,738	44,700	(47,788)	**836,650**	-

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Deferred income (Continued)

(1) Government grants

P jec name	31 Decembe 2016	C en e i d addi i n	Rec gni ed a he inc me	O he change	30 June 2017	Rela ed a e /inc me
Yan ai Raffle Na i nal De el men and Ref m C mmi i n n he elea e f ind ial g ading jec b dge e	200,000	–	–	–	**200,000**	Rela ed a e
En ic el ca i n c m en a i n	184,253	–	3,566	–	**180,687**	Rela ed a e
En ic ne fac g e nmen g an	80,396	–	1,735	–	**78,661**	Rela ed a e
Shan i CIMC Vehicle Ind Ga den c n ci n g an	54,052	–	651	–	**53,401**	Rela ed a e
Ningb C n aine Man fac e ind f nd	38,000	–	–	–	**38,000**	Rela ed inc me
C&C T ck g e nmen b ild d na i n	30,000	–	–	–	**30,000**	Rela ed a e
TAS ind ial ba e jec	28,291	4,220	803	–	**31,708**	Rela ed a e
Yan ai Raffle Se en h Gene a i n S e Dee a e D illing Pla f m (B a) Inn a i n S ecial	26,504	–	–	–	**26,504**	Rela ed inc me
Taicang CIMC S ecial L gi ic E i men C . L d.	11,396	–	152	–	**11,244**	Rela ed a e
TCCIMC land c m en a i n	9,862	–	131	–	**9,731**	Rela ed a e
CQLE Land g an fee ef nd	8,021	–	100	–	**7,921**	Rela ed inc me
Zhenh a G D and P ll T an g am	7,844	–	450	–	**7,394**	Rela ed a e
S ecial e i men c n lle and em ind iali a i n ba ed n a i c mm nica i n in e face f CCHQ	8,000	–	917	–	**7,083**	Rela ed a e
TAS inf ma i n echn l g de el men ecial f nd	7,348	–	351	–	**6,997**	Rela ed a e
MEA- he	6,301	–	–	–	**6,301**	Rela ed inc me
En i nmen all f iendl mega dee a e fl a ing d c i n age ni (FPSO) and a lica i n f he S h China Sea	6,000	–	–	–	**6,000**	Rela ed a e
MEA ecial f nd ind ial inn a i n	5,520	–	460	–	**5,060**	Rela ed a e
KGR R&D f nd	4,270	–	112	–	**4,158**	Rela ed a e
T an f ma i n jec f high- ech in Jiang P ince f Yang h R n ang	2,256	–	113	–	**2,143**	Rela ed a e
TAS echn l g de el men f nd	886	–	48	–	**838**	Rela ed a e
G e nmen b idie f XHCIMCS	17,362	–	17,362	–	**–**	Rela ed a e
G e nmen b idie f Xinh i M d la B ilding Man fac ing	10,764	–	10,764	–	**–**	Rela ed a e
O he	82,416	40,480	6,909	–	**115,987**	Rela ed a e / inc me
T al	829,742	44,700	44,624	–	**829,818**	

Notes to the Financial Statements

F he e i d   a ed f m 1 Jan a and ended 30 J ne 2017
(All am   n   in RMB'000   nle   he i e   a ed)
(Engli h T an la i n f   Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other non-current liabilities

	N e	30 June 2017	31 Decembe 2016
Ca i al inc emen f m a egic in e	(1)(2)	**1,549,826**	1,549,826
C mmi men f di idend min i ha eh lde	IV.5(7)(i)	**487,632**	487,632
Pla f m ecial in ec i n fee	(3)	**73,421**	73,421
Ren al ad ance		**11,576**	12,677
O he		**114,359**	-
T al		**2,236,814**	2,123,556

(1) A a 18 Decembe 2015, Shanghai Taif   iang h ng P i a e E i   F nd (Limi ed Pa ne hi), Nan han Dacheng Ne   Ma e ial In e ing Pa ne hi (LLP), S mi   m   C   a i n and Shen hen D ag n-S   ce Ha b   Ci   In e ing De el   men C ., L d.(ge he efe ed   a   ne   a egic in e   ) en e ed an addi i nal in e men   n CIMC Vehicle (G   ) (efe ed   a   HI) c n ac   i h   he C m an , China Re   ce Shen hen In e na i nal T   In e men   C ., L d and China In e na i nal Ma ine C n aine (H ng K ng) Limi ed (ge he efe ed   a   iginal   ha eh lde); in Jan a 2016, ne   a egic in e   ide addi i nal in e men   n HI USD166,173,000 (e i alen   RMB1,089,580,000), USD15,233,000 (e i alen   RMB100,000,000); In Decembe 2015, ne   a egic in e   ide addi i nal in e men   n HI am   n ed   USD9,288,117 (e i alen   RMB60,246,000, ba ed   n   he in e ing   a men   da e e change a e) and 100,000,000   e   ec i el ; af e   he addi i nal in e ing, hei   ha e   n HI   ill be 16.822%, 1.544%, 0.929% and 1.544%   f   h le HI   ha e . Al   ,   he c n ac   eg la e   ha if HI cann   la nch a   alid IPO bef e 31 Decembe 2020, ne   a egic in e   (e ce   Shen hen D ag n-S   ce Ha b   Ci   In e ing De el   men C ., L d.)   ld ha e   he igh   a k   he C m an   e   cha e hei   ha e   n HI in   he f m   f ca h. The e   cha e   ice   h   ld be   he   m   f (a)   he   b c i i n   ice ha   he indi id al ne   a egic in e   ac   all   aid in hi   addi i nal in e ing and (b) he   al in e e   calc la ed ba ed   n 8% ingle in e e   e ea and   he   e i d c e ed f m   he da e   f   he   b c i i n   ice ac   all   aid   he da e he c n lling ha eh lde f ll   a   he e   cha e am   n .

The e   i   f HI ha   he in e   ha e igh   a k e   cha e h   ld be f ll   ec gni ed a   a liabili   beca   e   f he e i ence   f igh   f e   cha e; A   a 30 J ne 2017,   he ele an   liabili   a   1,249,826,000 (31 Decembe 2016: 1,249,826,000).

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Share capital

	31 December 2016 '000	Current period addition '000	Current period decrease '000	Change of shares subject selling restriction '000	**30 June 2017 '000**
Shares subject to trading restriction					
– Held by domestic natural person	699	29	–	–	**728**
Shares not subject to trading restriction					
– RMB-denominated ordinary shares	1,261,301	1,747	–	–	**1,263,048**
– Foreign shares listed overseas	1,716,577	–	–	–	**1,716,577**
Total	2,978,577	1,776	–	–	**2,980,353**

	31 December 2015 '000	Current year addition '000	Current year decrease '000	Change of shares subject selling restriction '000	31 December 2016 '000
Shares subject to trading restriction					
– Held by domestic natural person	866	21	–	(188)	699
Shares not subject to trading restriction					
– RMB-denominated ordinary shares	1,260,377	736	–	188	1,261,301
– Foreign shares listed overseas	1,716,577	–	–	–	1,716,577
Total	2,977,820	757	–	–	2,978,577

The par value of the aforesaid shares was RMB1.00.

(All am n in RMB'000 nle he i e a ed)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other equity instruments

	31 Decembe 2016	C en e i d i ance	O he change in c en e i d	Paid in c en	**30 June 2017**
Pe e al b nd	2,049,035	-	35,908	(103,800)	**1,981,143**

	31 Decembe 2015	C en ea i ance	O he change in c en ea	Paid in c en	31 Decembe 2016
Pe e al b nd	2,033,043	-	119,792	(103,800)	2,049,035

A a 16 J ne 2015, he G i e n ec ed e e al b nd a a al e f 2,000 milli n. The ne al e am n ed 1,981,143,000 af e he ded c i n f i e e en e . The e i in men a i ed f c mm n c a e financing. The in e e a e i 5.19% e ann m a he fi 3 in e e -bea ing ea The in e e i aid nce a ea and he G can ch e defe he a men . A f he f h in e e -bea ing ea he c n a e i e e e e 3 ea . Thi in men ha n e led ma i da e, and he G can ch e b i back a he a al e ge he i h an acc ed, n aid defe ed in e e af e 16 J ne 2018 la e Bef e he e lemen f defe ed in e e (incl ding he in e e f defe ed in e e), he i e can n di ib e di idend, ed ce ca i al an he a men ec i ie ha a e infe i he mid e m n e f c en e i d.

Notes to the Financial Statements

F r he eri d ar ed fr m 1 Jan ar and ended 30 J ne 2017
(All am n in RMB'000 nle herwi e a ed)
(Engli h Tran la i n f r Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus

	31 Decembe r 2016	C rren eri d addi i n	C rren eri d dec rea e	**30 June 2017**
Sha re remi m	3,590,421	29,310	–	**3,619,731**
O he r ca i al r l :				
– E change re er e n f reign c rrenc ca i al	692	–	–	**692**
– D na ed n n-ca h a e re er e	257	–	–	**257**
– E i e led ha re-ba ed a men	420,004	6,778	(12,103)	**414,679**
– Ca i al r l d e ha re i n e e rci ed b b idia r	15,967	70	–	**16,037**
– Ca i al r l d e min ri ha reh lde r' c n rib i n	435,101	3,428	–	**438,529**
– Dec rea e in min ri in e re re l ed f r m di al f b idia r (n l he c n r lling righ n he b idia r)	900,031	–	–	**900,031**
– Ca i al r l d e c r a e re r c ring	(42,696)	–	–	**(42,696)**
– Ca i al r l d e ac i ing min ri ha reh lde r' e i	(246,669)	–	(78,103)	**(324,772)**
– Ca i al r l d e min ri ha reh lde r' c n rib r	(58,964)	–	–	**(58,964)**
– Effec f f nc i nal c rrenc change	(406,795)	–	–	**(406,795)**
– Ca i al r l d e ac i i i n re abli hmen f b idia r	(51,925)	–	–	**(51,925)**
– Rec gni i n f b -back righ g ran ed min ri ha reh lde r	(1,549,826)	–	–	**(1,549,826)**
O he r	120,987	–	–	**120,987**
T al	3,126,585	39,586	(90,206)	**3,075,965**

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus (Continued)

	31 December 2015	Current period addition	Current period decrease	31 December 2016
Share premium	3,577,648	12,773	–	3,590,421
Other capital surplus:				
– Exchange reserve on foreign currency capital	692	–	–	692
– Donated non-cash assets reserve	257	–	–	257
– Equity-settled share-based payment	402,887	22,316	(5,199)	420,004
– Capital surplus due to share option exercised by subsidiary	14,275	1,692	–	15,967
– Capital surplus due to minority shareholder's contribution	207,660	227,441	–	435,101
– Decrease in minority interest resulted from disposal of subsidiary (not losing the controlling right on the subsidiary)	899,128	903	–	900,031
– Capital surplus due to corporate restructuring	(42,696)	–	–	(42,696)
– Capital surplus due to acquiring minority shareholders' equity	(224,430)	–	(22,239)	(246,669)
– Capital surplus due to minority shareholder's contributor	(58,964)	–	–	(58,964)
– Effect of functional currency change	(406,795)	–	–	(406,795)
– Capital surplus due to acquisition or establishment of subsidiary	(51,925)	–	–	(51,925)
– Recognition of buy-back rights granted to minority shareholder	(1,249,826)	–	(300,000)	(1,549,826)
Other	113,952	7,035	–	120,987
Total	3,181,863	272,160	(327,438)	3,126,585

Notes to the Financial Statements

For the period from 1 January to and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Other Comprehensive Income

	For the Period from 1 January to 30 June 2017					
	31 December 2016	Pre-tax amount incurred in current period	Less: Income tax	Post-tax amount attributable to the Company	Post-tax amount attributable to the minority	**30 June 2017**
Items that may be reclassified subsequently to profit and loss:						
– Property revaluation reserve	43,754	–	–	–	–	**43,754**
– Change in fair value of available-for-sale financial assets	(3,344)	(113)	(128)	(241)	–	**(3,585)**
– Cash flow hedges	80	7,144	(1,072)	6,072	–	**6,152**
– Exchange differences arising from translating foreign currencies	(164,200)	93,191	–	66,593	26,598	**(97,607)**
– Gain/(loss) from the difference between fair value and book value upon converting self-use properties into investment properties measured with fair value	481,051	–	–	–	–	**481,051**
	357,341	100,222	(1,200)	72,424	26,598	**429,765**

	Year 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 may be reclassified subsequently to profit and loss:						
– Property revaluation reserve	43,754	–	–	–	–	43,754
– Change in fair value of available-for-sale financial assets	(3,240)	(104)	–	(104)	–	(3,344)
– Cash flow hedges	(4,074)	4,887	(733)	4,154	–	80
– Exchange differences arising from translating foreign currencies	(554,570)	462,287	–	390,370	71,917	(164,200)
– Gain/(loss) from the difference between fair value and book value upon converting fixed assets/intangible assets into investment properties	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

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Surplus reserve

	31 December 2016	Current period addition	Current period decrease	**30 June 2017**
Statutory surplus reserve	1,489,287	–	–	**1,489,287**
Discretionary surplus reserve	1,790,092	–	–	**1,790,092**
Total	3,279,379	–	–	**3,279,379**

	31 December 2015	Current year addition	Current year decrease	31 December 2016
Statutory surplus reserve	1,413,486	75,801	–	1,489,287
Discretionary surplus reserve	1,790,092	–	–	1,790,092
Total	3,203,578	75,801	–	3,279,379

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit of the year (including shareholders and other equity instrument holders of the Company) to the statutory surplus reserve, and the Company can cease appropriation when the statutory surplus reserve accumulated to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or to increase the paid in capital.

The Company appropriates for the discretionary surplus reserve after the shareholders' meeting approves the proposal from the Board of Directors. The discretionary surplus reserve can be used to make up for the loss or increase the paid in capital after approval from the appropriate authorities.

49. Undistributed profits

	Note	**30 June 2017**	31 December 2016
Undistributed profits at the beginning of the year		**17,495,053**	17,805,808
Add: net profit attributable to the shareholders and other equity instrument holders of the Company for the current period		**796,898**	539,660
Less: Influence of issuing perpetual bond		**(35,908)**	(119,792)
Less: appropriation for surplus reserve		**–**	(75,801)
Less: ordinary share dividend payable	(1)	**(179,835)**	(654,822)
Undistributed profits at the end of the period		**18,076,208**	17,495,053

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Undistributed profits (Continued)

(1) Dividends of ordinary shares declared during the period

	30 June 2017	31 December 2016
Dividends proposed but not declared	**–**	–
Total paid dividends in the period	**179,835**	654,822

In accordance with the resolution at the shareholders' general meeting of the Company, as at 9 June 2017, the Company paid a cash dividend in the amount of 0.06 per share to the ordinary shareholders as at 20 July 2017 (2016: 0.22 per share), totalling 179,835,000 (2016: 654,822,000).

50. Revenue and cost of sales

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

There was no individual construction contract whose revenue amounted more than 10% of the total revenue.

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Revenue and cost of sales (Continued)

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

Industry	For the Period from 1 January to 30 June 2017 Revenue from main operations	Cost of sales from main operations	For the Period from 1 January to 30 June 2016 Revenue from main operations	Cost of sales from main operations
Containers	**9,596,787**	**7,944,171**	4,403,976	4,028,151
Road transportation vehicles	**9,456,259**	**7,813,816**	6,807,849	5,586,799
Energy and chemical & food equipment	**4,825,819**	**4,021,439**	4,180,940	3,372,051
Offshore business	**500,245**	**461,813**	950,752	822,464
Airport facilities	**1,147,629**	**932,468**	1,096,364	886,690
Logistics services	**3,725,556**	**3,242,929**	3,149,543	2,763,476
Finance	**1,145,113**	**498,703**	1,113,604	366,336
Real estate	**268,322**	**160,685**	203,751	100,269
Heavy truck	**1,238,678**	**1,166,396**	790,779	771,101
Others	**752,520**	**669,197**	130,654	98,532
Total	**32,656,928**	**26,911,617**	22,828,212	18,795,869

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

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

The revenue and cost of sales from main operations by location is determined on the location at which the services were provided or the goods were delivered.

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Revenue and cost of sales (Continued)

(3) Revenue and cost of sales from other operations

	For the Period from 1 January to 30 June 2017		For the Period from 1 January to 30 June 2016	
	Revenue from other operations	**Cost of sales from other operations**	Revenue from other operations	Cost of sales from other operations
Rendering of services	**532,435**	**239,624**	580,116	226,095
Sales of raw materials	**197,789**	**90,323**	134,515	104,532
Total	**730,224**	**329,947**	714,631	330,627

51. Taxes and surcharges

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016	Tax base
Business tax	**4,412**	24,768	3% - 5% of revenue
City maintenance and construction tax	**44,238**	85,368	7% of VAT and business tax
Land appreciation tax	**17,849**	12,290	Appreciation amount on transferring property and applicable rate
Educational surcharge	**35,470**	62,541	3% - 5% of VAT and business tax paid
Others	**114,214**	9,269	
Total	**216,183**	194,236	

52. Selling and distribution expenses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. General and administrative expenses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Employee Benefits	**1,004,200**	783,266
Technology development costs	**288,459**	230,097
Performance bonus and president bonus	**165,200**	49,872
Depreciation	**134,408**	149,922
Amortisation	**113,415**	99,409
Agency fees	**110,796**	97,258
Rental	**75,806**	63,119
Low-value consumable and material consumed	**49,006**	30,969
Taxes and surcharges	**34,293**	127,122
Share-based payment expenses	**9,583**	19,889
Office expenditures, entertainment fees and others	**382,873**	331,378
Total	**2,368,039**	1,982,301

54. Financial expenses-net

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Interest expenses	**779,849**	594,185
Less: capitalised borrowing costs	**257,584**	279,103
Less: interest income	**117,661**	97,294
Exchange (gains)/losses	**111,742**	(29,461)
Others	**77,905**	116,617
Total	**594,251**	304,944

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Expenses by nature

Cost of services, selling expenses, general administrative expenses and financial expenses in income statement by nature are analysed as follows:

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Finished goods and work-in-progress movement	**(741,628)**	(244,984)
Consumption of raw materials and low-priced and easily worn out articles, etc	**24,492,423**	16,685,627
Salary and wages	**3,216,847**	2,129,005
Depreciation and amortization	**1,152,911**	1,242,346
Shipping and handling charges	**560,202**	411,149
Financial expenses	**594,251**	304,944
Rental	**130,874**	130,385
Technology development costs	**288,459**	230,097
Processing and repairing expenses	**294,912**	211,604
Property expenses	**283,549**	180,553
Selling operation expenses	**149,651**	57,393
Other expenses – other manufacturing expenses	**164,295**	234,324
Other expenses – other selling and distribution expenses	**209,567**	291,869
Other expenses – other general and administrative expenses	**663,795**	585,558
	31,460,108	22,449,870

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

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Financial assets at fair value through profit or loss		
– Changes in fair value during the year		
1. Profit from changes in fair value of equity investments held for trading	**29,834**	944
2. Profit/(Loss) from changes in fair value of derivative financial instruments	**(73,769)**	(136,647)
– Profit/(Loss) from derecognized financial assets at fair value through profit or loss	**1,830**	141,409
Sub-total	**(42,105)**	5,706
Financial liabilities at fair value through profit or loss		
– Changes in fair value during the year		
1. Profit/(Loss) from changes in fair value of derivative financial instruments	**9,479**	131,398
Total	**(32,626)**	137,104

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Investment income

Investment income by categories

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
(Loss)/income from disposal of financial assets at fair value through profit or loss	**(1,830)**	(141,409)
Income earned during the holding period of available-for-sale financial assets	**4,106**	8,855
Income earned from disposal of available-for-sale financial assets	**533**	7,714
Income from long-term equity investments under equity method	**2,538**	13,800
Income from disposal of long-term equity investments	**(25,460)**	23,712
Others	**9,485**	–
Total	**(10,628)**	(87,328)

58. Asset impairment losses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Accounts receivable	**25,988**	14,445
Advances to suppliers	**6,675**	–
Other receivables	**141,923**	343,501
Inventories	**(3,521)**	6,962
Current portion of non-current assets	**97,401**	153,029
Long-term receivables	**(35,563)**	(129,164)
Other non-current assets	**–**	178,634
Fixed assets	**1,534**	94
Restricted cash at bank	**–**	700,000
Total	**234,437**	1,267,501

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Other Income

	For the Period from 1 January to 30 June 2017
Financial b idie	57,088
Ta e n	27,472
O he	6,472
T al	91,032

60. Non-operating income

(1) Non-operating income by categories:

For the Period
from 1 January
to 30 June 2017from 17 Tm0.393ary

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Non-operating expenses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016	Amount recognised in non-recurring profit/loss from 1 January to 30 June 2017
Losses on disposal of non-current assets	**17,388**	9,485	17,388
Including: Losses on disposal of fixed assets	**17,388**	9,485	17,388
Losses on disposal of intangible assets	**–**	–	–
Donations	**352**	393	352
Penalty expenses	**1,699**	380	1,699
Compensation expenses	**11,486**	989	11,486
Abnormal losses	**679**	664	679
Others	**800**	2,234	800
Total	**32,404**	14,145	32,404

62. Income tax expenses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Current income tax calculated based on tax law and related regulations	**499,609**	262,989
Deferred income tax	**10,024**	112,327
Total	**509,633**	375,316

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses (Continued)

Rec ncilia i n be een inc me a e en e and acc n ing fi i a f ll :

	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016
P fi bef e a	**1,576,142**	(165,844)
Inc me a e en e calc la ed a a licable a a e	**395,233**	338,676
Effec f a incen i e	**(63,499)**	(46,248)
E en e n ded c ible f a e	**20,714**	32,243
O he inc me n bjec a	**(90,621)**	(74,525)
U ili a i n f e i l n ec gni ed a l e	**(5,941)**	(7,695)
Ta effec f n ec gni ed a l e	**112,902**	38,339
Ded c ible em a diffe ence f hich n defe ed a a e a ec gni ed in e i ea	**142,126**	95,650
Effec f a a e change n defe ed a	**(735)**	[illegible]
Ta efund f inc me a ann al filing	**(546)**	(1,124)
Inc me a e en e	**509,633**	375,316

63. Earnings per share

(1) Basic earnings per share

Ba ic ea ning e ha e i calc la ed b di iding c n lida ed ne fi a ib able dina ha eh lde f he C m an b he eigh ed a e age n mbe f dina ha e anding:

	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016
C n lida ed fi a ib able dina ha eh lde and he e i h lde f he C m an	**796,898**	(378,034)
Infl ence f he i ing f e e al b nd	**(35,908)**	(51,900)
C n lida ed fi (adj ed) a ib able dina ha eh lde f he C m an	**760,990**	(429,934)
Weigh ed a e age n mbe f dina ha e anding ('000)	**2,979,059**	2,978,120
Ba ic ea ning e ha e (RMB/ ha e)	**0.2554**	(0.1444)
Incl ding:G ing c nce n ba ic ea ning e ha e	**0.2554**	(0.1444)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Earnings per share (Continued)

(2) Diluted earnings per share

Dil ed ea ning e ha e i calc la ed b di iding ne fi a ib able dina ha eh lde f he C m an adj ed ba ed n he dil i e en ial dina ha e b he adj ed eigh ed a e age n mbe f dina ha e anding:

	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016
C n lida ed fi a ib able dina ha eh lde and he e i h lde f he C m an	**796,898**	(378,034)
Infl ence f he i ing f e e al b nd	**(35,908)**	(51,900)
Effec f b idia ie ' ha e i n g am	**(1,371)**	–
C n lida ed fi (adj ed) a ib able dina ha eh lde f he C m an	**759,619**	(429,934)
Weigh ed a e age n mbe f dina ha e anding (dil ed) ('000) (adj ed)	**2,986,410**	2,978,120
Dil ed ea ning e ha e (RMB/ ha e)	**0.2544**	(0.1444)

( ) [illegible]

	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016
Weigh ed a e age n mbe f dina ha e - anding ('000)	**2,979,059**	2,978,120
Effec f ha e i n ('000)	**7,351**	–
Weigh ed a e age n mbe f dina ha e - anding (dil ed) ('000)	**2,986,410**	2,978,120

The b a d f di ec he C m an a a h i ed g an 60,000,000 ha e (2.01% f he al i ed ha e 2,980,352,786) he eni managemen and he aff . Refe N e IX f de ail .

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(4) Cash received related to other financing activities

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Cash paid for acquiring minority interests	**81,616**	22,272
Cash paid for borrowing expenses	**–**	98,104
Total	**81,616**	120,376

65. Information to cash flow statement

(1) Supplementary information to the consolidated cash flow statement

( ) [illegible]

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Net profit	**1,066,509**	(541,160)
Add: Provision for asset impairment	**234,437**	1,267,501
Depreciation of fixed assets	**916,498**	1,056,717
Amortisation of intangible assets	**175,734**	121,062
Amortisation of investment properties and long-term prepaid expenses	**60,679**	64,902
Losses on disposal of fixed assets, intangible assets and other long-term assets	**(13,739)**	3,332
(Gain)/losses on change in fair value	**32,626**	(137,104)
Financial costs	**404,604**	217,788
Investment income	**10,628**	87,328
Share-based payment expenses	**9,583**	19,889
Increase in deferred tax assets	**(19,246)**	59,293
Increase in deferred tax liabilities	**30,470**	1,491,247
(Increase)/decrease in inventories	**922,591**	644,176
Decrease in operating receivables	**(6,337,636)**	(5,172,278)
Increase/(decrease) in operating payables	**1,838,046**	1,751,039
Net cash flows from operating activities	**(668,216)**	933,732

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Information to cash flow statement (Continued)

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

[illegible]

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Cash and cash equivalents at the end of the period	**5,940,423**	4,310,559
Less: cash and cash equivalents at the beginning of the year	**6,338,667**	3,259,123
Net increase/(decrease) in cash and cash equivalents	**(398,244)**	1,051,436

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

		For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I.	Information on acquisition of subsidiaries and other business units:		
	Cash and cash equivalents paid for acquisition	**5,000**	965,028
	Less: Cash and cash equivalents held by subsidiaries and other business units on acquisition date	**–**	200,451
	Net cash paid/(received) for the acquisition	**5,000**	764,577

(3) Cash and cash equivalents

		For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I.	Cash		
Including:	Cash on hand	**155,947**	3,420
	Cash at bank that can be readily drawn on demand	**4,686,435**	4,074,994
	Other monetary funds that can be readily drawn on demand	**77,875**	232,145
II.	Redemptory monetary capital for sale by Finance Company	**1,020,166**	–
III.	Cash and cash equivalents at the end of the period	**5,940,423**	4,310,559

Note: Aforesaid Cash at bank and on hand excluded restricted cash.

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Monetary items denominated in foreign currency

	30 June 2017		
	Functional currency (in thousands)	Exchange Rate	in RMB
Monetary funds:			
USD	**120,552**	**6.7744**	**816,665**
HKD	**289,640**	**0.8679**	**251,384**
AUD	**15,237**	**5.2099**	**79,381**
THB	**12,960**	**5.0155**	**65,000**
GBP	**16,912**	**8.8144**	**149,070**
EUR	**198,198**	**7.7496**	**1,535,952**
JPY	**403,637**	**0.0605**	**24,414**
Others			**138,215**
			3,060,081
Accounts receivable:			
USD	**1,830,416**	**6.7744**	**12,399,969**
HKD	**38,799**	**0.8679**	**33,674**
JPY	**439,547**	**0.0605**	**26,586**
AUD	**8,411**	**5.2099**	**43,820**
EUR	**102,610**	**7.7496**	**795,188**
Others			**722,795**
			14,022,032
Other receivables:			
USD	**152,854**	**6.7744**	**1,035,494**
HKD	**36,344**	**0.8679**	**31,544**
EUR	**8,620**	**7.7496**	**66,804**
Others			**120,305**
			1,254,147
Long-term receivables:			
USD	**1,495,164**	**6.7744**	**10,128,838**
GBP	**27,827**	**8.8144**	**245,276**
Others			**22,092**
			10,396,206

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Monetary items denominated in foreign currency (Continued)

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

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

V. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business combinations involving enterprises not under common control

The e i n ignifican b ine c mbina i n in l ing en e i e n nde c mm n c n l f he c en e i d.

2. Disposal of subsidiaries

The e i n l f c n l f b idia ie b di al f e i in e e f he c en e i d.

VI. EQUITY IN OTHER ENTITIES

1. Equity in subsidiaries

All b idia ie f he G e e e abli hed ac i ed h gh c mbina i n n nde c mm n c n l. The e i n ac i i i n f b idia ie h gh c mbina i n nde c mm n c n l.

A a 30 J ne 2017, he n mbe f c m anie incl ded in he c e f c n lida i n added 621. E ce f he im an b idia ie li ed a bel , he n mbe f he b idia ie held b he G a 360, i h aid-in ca i al am n ing 758,912,000.O he b idia ie mainl incl ded h e engaged in man fac ing e ice i i n, hich ha e ela i el mall cale f e a i n and he aid-in ca i al a bel 20 milli n USD3 milli n. O he b idia ie al incl ded h e in e men h lding c m anie i h n e a ing ac i i ie egi e ed in H ng K ng, B i i h Vi gin I land he e ea c n ie .

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination

( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
1	Shenzhen Southern CIMC Containers Manufacture Co., Ltd. (SCIMC)	Business entity	Shenzhen, Guangdong					

(All am n in RMB'000 nle he i e a ed)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
9	Yang h R n ang L gi ic E i men C ., L d. (YZRYL)	B ine en i	Yang h , Jiang	Yang h , Jiang	Man fac e, e ai and ale f c n aine	USD20,000,000	-	100.00%
10	Shanghai CIMC Yang han L gi ic E i men C ., L d. (SHYSLE)	B ine en i	Shanghai	Shanghai	Man fac e and ale f c n aine a ell a ele an echnical ad i	USD29,480,000	-	100.00%
11	Shanghai CIMC Reefe C n aine C ., L d. (SCRC)	B ine en i	Shanghai	Shanghai	Man fac e and ale f ef ige a i n and hea e e a i n de ice f eefe c n aine , ef ige a ca and Hea ; P e e a i n ca	USD31,000,000	72.00%	20.00%
12	Nan ng CIMC S ecial T an a i n E i men Man fac e C ., L d. (NTCIMCS)	B ine en i	Nan ng, Jiang	Nan ng, Jiang	Man fac e, ale and e ai f a i gh, ank a ell a a i ecial ing and an ing e i men and a	USD10,000,000	-	71.00%
13	Xinh i CIMC S ecial T an a i n E i men C ., L d. (XHCIMCS)	B ine en i	Jiangmen, G angd ng	Jiangmen, G angd ng	Man fac e and ale f a i c n aine , emi-fini hed c n aine d c and ele an c m nen d c and ele an c m nen and main enance e ice	USD65,499,000	19.01%	80.99%
14	Nan ng CIMC Tank E i men C ., L d (NTCIMCT)	B ine en i	Nan ng, Jiang	Nan ng, Jiang	Man fac e and ale f a i c n aine , emi-fini hed c n aine d c and ele an c m nen d c and ele an c m nen and main enance e ice	USD35,000,000	-	70.79%
15	Dalian CIMC Rail a E i men C ., L d (DLCIMCS)	B ine en i	Dalian, Lia ning	Dalian, Lia ning	De ign, man fac e and ale f a i ail a f eigh e i men d c	USD20,000,000	55.00%	45.00%
16	Nan ng CIMC La ge- i ed Tank C ., L d.	B ine en i	Nan ng, Jiang	Nan ng, Jiang	De ign, d c i n and ale f ank and ele an a ; nde aking ank- ela ed gene al c n ac ing jec	USD47,700,000	-	70.79%
17	Shen hen CIMC S ecial Vehicle C ., L d. (CIMCSV)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	De el men , d c i n and ale f a i ecial- e ehicle , a ell a ele an c m nen and a	RMB200,000,000	-	63.33%

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
18	Qingdao CIMC Special Vehicle Co., Ltd. (QDSV)	Business entity	Qingdao, Shandong	Qingdao, Shandong	Development, production and sale of various special-use vehicles, refitting trailers series as well as relevant components and parts	RMB62,880,000	44.34%	35.25%
19	Foshan CIMC Logistics Equipment Co., Ltd ("Foshan Logistics")	Business entity	Foshan, Guangdong	Foshan, Guangdong	Design, production, sale and maintenance of logistic and loading equipment	RMB3,000,000	–	100.00%
20	Shanghai CIMC Vehicle Logistic Equipment Co., Ltd. (SHL)	Business entity	Shanghai	Shanghai	Development, construction, operation leasing, sales of warehousing and auxiliary facilities	RMB90,204,100	–	63.33%
21	Shenzhen CIMC Wood Co., Ltd. ("CIMC Wood")	Business entity	Shenzhen, Guangdong	Shenzhen, Guangdong	Production and sale of all types of containers and related products; relevant services	RMB30,000,000	12.00%	88.00%
22	CIMC Vehicle (Liaoning) Co., Ltd. (LNVS)	Business entity	Yingkou, Liaoning	Yingkou, Liaoning	Development and production of various special-use vehicles as well as components and parts; relevant services	RMB60,000,000	–	63.33%
23	Tianjin Port CIMC Zhenhua Logistics Co., Ltd. ("Tianjin Port CIMC")	Business entity	Tianjin	Tianjin	International and domestic freight agency	RMB100,000,000	–	61.50%
24	CIMC-SHAC (Xi'An) Special Vehicle Co., Ltd. (XASV)	Business entity	Xi'an, Shanxi	Xi'an, Shaanxi	Development and production of various trailers, special-use vehicles as well as components and parts; professional services	RMB50,000,000	–	47.50%
25	Gansu CIMC Huajun Vehicle Co., Ltd. (GSHJ)	Business entity	Baiyin, Gansu	Baiyin, Gansu	Refitting of special vehicles, manufacture of trailers and fittings as well as automobile fittings; sale of relevant materials	RMB25,000,000	–	63.33%

(All am n in RMB'000 nle he i e a ed)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
26	Xinh i CIMC C m i e Ma e ial Man fac e C ., LTD (XHCM)	B ine en i	Jiangmen, G angd ng	Jiangmen, G angd ng	P d c i n, de el men , ce ing and ale f a i c m i e la e d c ch a la ic , la ic all	RMB129,000,000	-	63.33%
27	Qingda CIMC Ec -E i men C ., L d. (QDHB)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	De el men , man fac e, ale and e ice f ga bage ea men ck and he c m nen and a	RMB137,930,000	-	63.33%
28	Shanghai CIMC S ecial Vehicle C ., L d. (SHCIMCV)	B ine en i	Shanghai	Shanghai	De el men and d c i n f b aile b ca a ell a ele an mechanical d c	RMB10,000,000	-	63.33%
29	CIMC Financing and Lea ing C ., L d. (CIMCVL)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	Finance lea e b ine ; di al and main enance f e id al al e f lea ed e ; ad i and a an f lea ing an ac i n	USD70,000,000	75.00%	25.00%
30	Qingda Ref ige a i n T an E i men C ., L d. (QDRV)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	Man fac e and ale f a i ef ige a ck, in la ed ck, he an e i men and a e a	USD29,405,000	-	76.44%
31	Nan ng CIMC Tank E i men C ., L d. (NTCY)	B ine en i	Nan ng, Jiang	Nan ng, Jiang	P d c i n f a i e i a i n ank ca ecial e i a i n gh, ank and a	RMB69,945,600	-	70.79%
32	Shen hen CIMC Tianda Ai S L d. (TAS)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	P d c i n and e a i n f a i ai e elec mechanical e i men d c	USD13,500,000	-	54.70%
33	Xinh i CIMC W d C ., L d. (XHCIMCW)	B ine en i	Jiangmen, G angd ng	Jiangmen, G angd ng	P d c i n and ale f c n aine e d fl and ele an d c f a i ecifica i n ; iding ele an echnical ad i e ice	USD15,500,000	-	100.00%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) . . ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
34	Inne M ng lia H l nb i CIMC W d C ., L d. (NMGW)	B ine en i	Inne M ng lia	Inne M ng lia	P d c i n and ale f a i c n aine d fl and d d c f an e i men	RMB259,520,000	.	100.00%
35	Jia ing CIMC W d C ., L d. (JXW)	B ine en i	Jia ing, Zhejiang	Jia ing, Zhejiang	P d c i n and ale f c n aine d fl , d d c f an e i men and he d d c	USD5,000,000	.	100.00%
36	Shen hen S he n CIMC C n aine Se ice C ., L d. (SCIMCL)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	Engaged in c n aine an hi men , ck iling, de anning, anning, main enance	USD5,000,000	.	100.00%
37	Ningb CIMC C n aine Se ice C ., L d. (NBCIMCL)	B ine en i	Ningb , Zhejiang	Ningb , Zhejiang	G d affic; g d ackage, ing, e amina i n and l gi ic ad i e ice	RMB30,000,000	.	100.00%
38	CIMC Shenfa De el men C ., L d. (CIMC SD)	B ine en i	Shanghai	Shanghai	In e men , c n c i n and e a i n f inf a c e; eal e a e de el men and e a i n	RMB204,123,000	98.53%	1.47%
39	CIMC Vehicle (Xinjiang) C ., L d. (SJ4S)	B ine en i	U m i, Xinjiang	U m i, Xinjiang	P d c i n and ale f mechanical e i men a ell a ele an echnical de el men	RMB80,000,000	.	63.33%
40	CIMC Vehicle (G) C ., L d. (HI)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	De el men , d c i n and ale f a i high- ech and high- e f mance ecial ehicle and aile e ie	USD212,225,100	44.33%	19.00%
41	Qingda CIMC S ecial Reefe C ., L d. (QDCSR)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	Man fac e f a i c n aine , emi-fini hed c n aine d c and ele an c m nen and a	USD39,184,100	.	100.00%
42	Tianjin CIMC L gi ic E i men C ., L d. (TJCIMCLE)	B ine en i	Tianjin	Tianjin	De ign, man fac e, ale, main enance and ele an echnical ad i f l gi ic e i men and ele an c m nen and a	USD10,000,000	.	83.50%

(All am n in RMB'000 nle he i e a ed)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) , ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
43	Dalian CIMC L gi ic E i men C ., L d. (DLL)	B ine en i	Dalian, Lia ning	Dalian, Lia ning	De ign, man fac e, ale, main enance and ele an echnical ad i f in e na i nal ade, en e ade, l gi ic e i men and e e e el	USD14,000,000	–	100.00%
44	Ch ng ing CIMC L gi ic E i men C ., L d. (CQLE)	B ine en i	Ch ng ing	Ch ng ing	De ign, man fac e, lea e, main enance f c n aine , ecial c n aine , he l gi ic e i men and ele an c m nen and a	USD8,000,000	75.00%	25.00%
45	Dalian CIMC Hea L gi ic E i men C ., L d.(DLZH)	B ine en i	Dalian, Lia ning	Dalian, Lia ning	In e na i nal ade, en e ade; de ign, man fac e, ale, and ele an echnical ad i f e e e el;	USD45,170,000	62.70%	37.30%
46	Shen hen CIMC In elligen Techn l g C ., L d. (CIMC Tech)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	De ign, de el men , ale, ga e f elec n d c i n f a e and em	RMB66,388,889	62.96%	9.04%
47	CIMC Taicang ef ige a i n e i men l gi ic C ., L d. (TCCRC)	B ine en i	Taicang. Jiang	Taicang. Jiang	Re ea ch and de el men , d c i n and ale f efe c n aine and ecial c n aine	RMB450,000,000	–	100.00%
48	H nan CIMC Bamb Ind De el men C ., L d. (HNW)	B ine en i	S ining, H nan	S ining, H nan	Man fac ing and ale f bamb and d d c	RMB28,000,000	–	100.00%
49	CIMC Jid ng (Qinh angda) Vehicle Man fac e C ., L d (QHDV)	B ine en i	Qinh angda , Hebei	Qinh angda , Hebei	Sale f ca and ca c m nen and a	RMB70,000,000	–	47.50%
50	Shen hen S h CIMC L gi ic C ., LTD (S h L gi ic)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	De ign an e ea ch f ene g and chemical & f d e i men Techn l g c n ac an fe e c.	RMB80,000,000	–	100%

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
51	CIMC Management and Training (Shenzhen) Co., Ltd. ("CIMC Training")	Business entity	Shenzhen, Guangdong	Shenzhen, Guangdong				

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
60	Chengd CIMC Ind ial Pa k In e men and De el men C ., L d. (' Chengd Ind ial Pa k)	B ine en i	Chengd , Sich an	Chengd , Sich an	C n c i n, managemen and lea e f age and ele an facili ie ; ale f ehicle and acce ie	RMB60,000,000	-	63.33%
61	CIMC Finance C m an (' Finance C m an)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	P iding financial e ice 5 4e 1 0 0 n412 N/3.eB(8EOl 12 Tdg)Tj0.026 T 7.2 b 5a2.82 029 he G 2 Td(C m an en i Shen hen, G angd ng Shen hen, G angd ng			

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
69	CIMC C n aine H lding C ., L d. (C n aine H lding)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	E i in e men and managemen and ela ed in e men b ine	RMB2,736,915,400	100.00%	-
70	Chengd CIMC L gi ic E i men C ., L d. (Chengd L gi ic E i men)	B ine en i	Chengd , Sich an	Chengd , Sich an	Chemical li id ank ck and emi- aile	RMB15,000,000	-	63.33%
71	Shan i CIMC Vehicle Ind Ga den (Shan i Vehicle Ga den)	B ine en i	Xian ang, Shan i	Xian ang, Shan i	P d c i n and ale f a i ecial ehicle	RMB80,000,000	-	63.33%
72	CIMC H lding (B.V.I.) Limi ed (CIMC BVI)	B ine en i	Jiangmen, G angd ng	Jiangmen, G angd ng	E i in e men , e in e men and in e men managemen	RMB150,000,000	-	100.00%
73	CIMC m d la b ilding de ign & De el men C . L d. (M d la de ign)	B ine en i	Jiangmen, G angd ng	Jiangmen, G angd ng	De ign m d la b ilding and dec a i n	RMB50,000,000	-	87.40%
74	CIMC C ld Chain Re ea ch In i e C ., L d. (C ld Chain Re ea ch)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	S anda d hi ing f ef ige a ed c n aine and ecial ef ige a ed c n aine	RMB50,000,000	-	100.00%
75	CIMC C ld Chain In e men C . L d. (C ld Chain In e men)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	P e and jec in e men	RMB979,000,000	-	100.00%
76	Shen ang CIMC Ind ial Pa k In e men and De el men C ., L d. (Shen ang Vehicle Ga den)	B ine en i	Shen ang, Lia ning	Shen ang, Lia ning	In e men managemen , a e ee managemen	RMB50,000,000	-	63.33%
77	Shen hen Tianda CIMC L gi ic S em Enginee ing C L d (Tianda L gi ic)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	A ma ic l gi ic em enginee ing, eal- ime l gi ic managemen em	RMB60,000,000	-	54.70%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
78	D ngg an Cimc Inn a i n Ind ial Pa k De el men C ., L d. ('D ngg an inn a i n a k)	B ine en i	D ngg an, G angd ng					

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) , , (,)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
87	Qingda CIMC Inn a i n Ind ial Pa k De el men C . L d. (Qingda C ea i e Ind Pa k)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	De el men and managemen f eal e a e and e ; ad i e ice f eal e a e and in e men	RMB10,000,000	-	82.00%
88	Anh i Uni ed Feicai Vehicle C ., L d. (Uni ed Feicai)	B ine en i	X ancheng, Anh i	X ancheng, Anh i	P d c i n and ale f a i ecial- e ehicle and enginee ing machine	RMB158,000,000	-	66.24%
89	Zhengh a (Tianjin) C n aine Se ice C ., L d. (Zhengh a C n aine Se ice)	B ine en i	Tianjin	Tianjin	D me ic and in e na i nal f eigh an agen , and ele an ad i e ice	RMB85,761,300	-	75.00%
90	K n han CIMC A ma ic l gi ic e i men C ., L d. (K n han CIMC)	B ine en i	K n han, Jiang	K n han, Jiang	A ma ic l gi ic em, and ai ca g handling em	RMB80,000,000	-	54.70%
91	CIMC Tianda(L ng an) In e men De el men C ., L d.	B ine en i	L ng an, F jian	L ng an, F jian	The a king l in e men , a e managemen and eal e a e de el men b ine	RMB20,000,000	-	32.82%
92	Albe Ziegle GmbH (Beijing) Sale C ., L d. (Ziegle)	B ine en i	Beijing	Beijing	Fi e ck , e c e ehicle and ele an acce ie , machine e i men im e b ine and ele an agen b ine	EUR1,500,000	-	60.00%
93	Shen hen CIMC Y an ang Valle In elligen Techn l g C ., LTD (Shen hen Y an ang alle)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	A ma ic iden ifica i n d c , adi f e enc iden ifica i n em and d c and ele an ad i b ine	RMB10,000,000	-	54.72%
94	Shen hen CIMC Elec ici C mme ce and L gi ic Techn l g C ., LTD	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	The de el men f elec ic c mme ce la f m and d me ic ade	RMB137,844,600	-	50.78%
95	Nan ng CIMC Sanc m C genic E i men C ., L d (Sanc m Nan ng)	B ine en i	Nan ng, Jiang	Nan ng, Jiang	Man fac e and ale f c genic e i men and chemical me all g e i men , e c.	RMB20,000,000	-	70.73%

(All am n in RMB'000 nle he i e a ed)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
96	D ngg an CIMC S ecial Vehicle C ., L d. (D ngg an CIMC S ecial Vehicle)	B ine en i	D ngg an, G angd ng	D ngg an, G angd ng	De el men , d c i n and ale f a ecial- e ehicle , efi ing ehicle , ecial ehicle , aile e ie	RMB200,000,000	–	63.33%
97	G angd ng CIMC Vehicle Ind Ga den (G and ng Vehicle Ind Ga den)	B ine en i	D ngg an, G angd ng	D ngg an, G angd ng	P jec in e men , eal e a e de el men , en al and ale f h e and i e	RMB30,000,000	100%	–
98	Zhenh a (Tianjin) l chain managemen c ., LTD (Zhenh a l chain managemen)	B ine en i	Tianjin	Tianjin	Wa eh e e ice; L gi ic Di ib i n and l ading, nl ading, handling e ice	RMB79,475,000	–	75.00%
99	CIMC Techn l g C ., LTD (Jiangmen CIMC echn l g)	B ine en i	Jiangmen, G angd ng	Jiangmen, G angd ng	In elligen e i men echn l g de el men Ind ial in e men	RMB50,000,000	–	100.00%
100	Shen hen CIMC Vehicle Pa k In e men Managemen C ., L d. (Shen hen Vehicle Pa k)	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	In e men managemen , a e fid cia managemen	RMB152,500,000	–	63.33%
101	CIMC M de n L gi ic De el men C ., L d. (M de n L gi ic)	B ine en i	Tianjin	Tianjin	In e na i nal and d me ic f eigh an agen , gene al and CIQ affai	RMB1,049,226,700	100.00%	–
102	D ngg an S he n CIMC L gi ic E i men Man fac ing C ., L d. (D ngg an S he n CIMC)	B ine en i	D ngg an, G angd ng	D ngg an, G angd ng	Man fac e and e ai c n aine and c n aine acking age e a i n	RMB600,000,000	–	100.00%
103	Ningb CIMC C n aine Man fac e C ., L d. (Ningb C n aine Man fac e)	B ine en i	Ningb	Ningb	Man fac e, d c i n and ale f c n aine	RMB500,000,000	–	100.00%
104	Shen hen CIMC Peng Feng Ven e In e men C ., LTD (Peng Feng Ven e In e men)	B ine en i	Shen hen	Shen hen	E i in e men	RMB50,000,000	–	100.00%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( )   ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
105	Shen hen Th ee H aZh Y e in e men C ., LTD (Shen hen Th ee H aZh Y e)	B ine en i	Shen hen	Shen hen	In e men h lding	RMB30,000,000	-	66.24%
106	G angd ng H i Zh ng Da La e e i men c ., LTD (G angd ng La e E i men)	B ine en i	Jiangmen	Jiangmen	Man fac e f la e e i men	RMB31,800,000	19.01%	80.99%
107	Yang h CIMC H ng Real E a e C ., L d. (Yang h H ng Real E a e)	B ine en i	Yang h	Yang h	Real e a e de el men ; ale and lea e f e ie in e men in e ie	RMB25,000,000	-	82.00%
108	Yang h CIMC Da Real E a e C ., L d. (Yang h Da Real E a e)	B ine en i	Yang h	Yang h	Real e a e de el men ; ale and lea e f e ie	RMB25,000,000	-	82.00%
109	Yang h CIMC H a H el In e men C ., L d. (Yang h H a H el)	B ine en i	Yang h	Yang h	F d and be e age e ice, c a e managemen ; ad i and in e men managemen	RMB35,000,000	-	82.00%
110	Taicang CIMC S ecial L gi ic E i men C . L d. (Taicang S ecial E i men)	B ine en i	Taicang, jiang	Taicang, jiang	P d c i n and man fac e f ecial c n aine e i men	USD20,000,000	50.00%	50.00%
111	Zheng h C n an Embelli h Ene g C ., LTD (Zheng h C n an Ene g)	B ine en i	Zheng h	Zheng h	A e managemen	RMB43,000,000	-	66.00%
112	CIMC En ic In e men H lding (Shen hen) L d. (En ic Shen hen in e men h lding)	B ine en i	Shen hen	Shen hen	In e men h lding	USD80,000,000	-	70.73%
113	Zhangjiagang CIMC Sanc m C genic E i men Machine C ., L d. (Sanc m C genic)	B ine en i	Zhangjiagang	Zhangjiagang	Man fac e, ce and ale f c genic e i men , e le m chemical e i men men al d c and ele an a ; ela ed ad i e ice	RMB30,000,000	-	63.66%

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
123	G angd ng CIMC b ilding c n c i n C . L d	B ine en i	G angd ng	G angd ng	M d le l	RMB50,000,000	-	100.00%
124	CIMC Kai ng L gi ic De el men C . L d. (Kai ng L gi ic)	B ine en i	Nanjing, Jiang	Nanjing, Jiang	L gi ic Se ice	RMB80,000,000	-	51.00%
125	KaiT ng L gi ic C ., L d	B ine en i	Nanjing, Jiang	Nanjing, Jiang	L gi ic Se ice	RMB20,000,000	-	51.00%
126	En ic (Jiang) Ene g E i men	B ine en i	Jiang , S h	Jiang , S h	Man fac ing and e l i ing Ene g E i men a ell a c n l ing e ice ; elf-managemen agenc f im and e f g d and echn l gie	RMB30,000,000	-	70.73%

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
137	Cha m Ra H lding Limi ed (Cha m Ra)	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	HKD10,000	–	70.73%
138	Cha m Bea En e ie Limi ed (Cha m Bea)	B ine en i	B i i h Vi gin I land	B i i h Vi gin I land	In e men h lding	USD50,000	–	63.33%
139	Sha Vi i n H lding Limi ed (Sha Vi i n)	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	HKD1	–	100.00%
140	S nd Winne H lding Limi ed (S nd Winne)	B ine en i	B i i h Vi gin I land	B i i h Vi gin I land	In e men h lding	USD50,000	–	70.73%
141	G Ra id Limi ed (G Ra id)	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	HKD1	–	100.00%
142	P e Lead H lding L d. (P e Lead)	B ine en i	B i i h Vi gin I land	B i i h Vi gin I land	In e men h lding	USD10	–	100.00%
143	C e a ie Vela U.A.	B ine en i	H lland	H lland	In e men h lding	EUR75,000,000	–	70.73%
144	Vela H lding B.V.	B ine en i	H lland	H lland	In e men h lding	EUR90,000	–	70.73%
145	CIMC Financial Lea ing (HK) C L d.	B ine en i	H ng K ng, China	H ng K ng, China	Financial Lea ing	HKD500,000	–	100.00%
146	CIMC Off h e H lding Limi ed (CIMC Off h e)	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	HKD2,234,855,000	–	100.00%
147	C e a ie CIMC U.A. (COOP)	B ine en i	H lland	H lland	In e men h lding	EUR25,500,000	99.00%	1.00%
148	N h Sea Rig H lding (NSR)	B ine en i	B i i h Vi gin I land	B i i h Vi gin I land	Financial lea ing jec c m an	USD6,000	–	91.50%

(All amounts in RMB'000 unless otherwise stated)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
149	Hong Kong CIMC Tianda Airport Support Ltd. ("TAS Hong Kong")	Business entity	Hong Kong, China	Hong Kong, China	Investment holding	HKD1,000,000	-	54.70%
150	CIMC Development (Australia) Pty Ltd ("Development Australia")	Business entity	Australia	Australia	Investment holding	AUD8,000,000	-	100.00%
151	Beacon holding Group Ltd ("Beacon holdings")	Business entity	British Virgin Island	British Virgin Island	Financial leasing project company	USD4,900	-	100.00%
152	Lihua Logistic Company Limited ("Lihua")	Business entity	Hong Kong, China	Hong Kong, China	Logistic	USD4,850,000	-	75.00%
153	Beacon Pacific Group Ltd. ("Beacon Pacific")	Business entity	British Virgin Island	British Virgin Island	Financial Leasing project company	USD42,500,000	-	100.00%
154	CIMC Holding Australia Pty Ltd ("Holding Aus")	Business entity	Australia	Australia	Investment holding	AUD8,724,000	-	63.33%
155	CIMC Trailer Poland SP Z O O ("Trailer Poland SP Z O O")	Business entity	Poland	Poland	Investment holding	EUR3,000,000	-	63.33%
156	CIMC FORTUNE HOLDINGS LIMITED ("Fortune Holdings")	Business entity	Hong Kong	Hong Kong	Financial Service	USD2,000,000	100.00%	-
157	CIMC MBS Hong Kong Limited ("MBS(HK)")	Business entity	Hong Kong	Hong Kong	Investment holding	HKD50,000	-	100.00%
158	CIMC Modular Building Systems (Australia) Pty Ltd ("MBS AU")	Business entity	Australia	Australia	Modules [illegible]	AUD500,000	-	100.00%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
159	EVERISE CAPITAL PTY LTD (EVERISE)	B ine en i	A alia	A alia	In e men h lding	AUD10	-	100.00%
160	GLOBAL PLUS PTY LTD (GLOBAL)	B ine en i	A alia	A alia	In e men h lding	AUD1	-	100.00%
161	HARVEST AVENUE PTY LTD (HARVEST)	B ine en i	A alia	A alia	In e men h lding	AUD1	-	100.00%
162	CIMC In elligen Techn l g (H ng K ng) C ., L d	B ine en i	H ng K ng	H ng K ng	R&D e minal in elligen e i men ; P ide IOT e ice	HKD10,000	-	68.00%
163	Ad en e E l e Limi ed (Ad en e)	B ine en i	H ng K ng	H ng K ng	In e men h lding	HKD1	-	100.00%
164	Glam Ea Limi ed (Glam)	B ine en i	H ng K ng	H ng K ng	In e men h lding	HKD1	-	100.00%
165	Inn a e Alliance Limi ed (Inn a e)	B ine en i	H ng K ng	H ng K ng	In e men h lding	HKD1	-	100.00%

(All am   n   in RMB'000   nle   he i e   a ed)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

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

( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
1	L ang CIMC Ling A m bile CO., LTD. (LYV)	B ine en i	L ang, Henan	L ang, Henan	P d c i n and ale f a enge ca , ank ca ; machining; e a i n f im and e b ine	RMB122,745,700	–	45.26%
2	W h CIMC R iJiang A m bile CO LTD (WHVS)	B ine en i	W h , Anh i	W h , Anh i	De el men , d c i n and ale f a i ecial ehicle , dina mechanical d c and me al c e a	RMB161,786,100	–	45.76%
3	Liang han D ng e Vehicle C ., L d. (LSDYV)	B ine en i	Liang han, Shand ng	Liang han, Shand ng	P d c i n and ale f mi ing ck, ecial ehicle and c m nen and a	RMB90,000,000	–	44.39%
4	Qingda CIMC C n aine Man fac e C ., L d (QDCC)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	Man fac e and e ai f c n aine , ce ing and man fac e f a i mechanical a , c e and e i men	USD27,840,000	–	100.00%
5	Qingda CIMC Reefe C n aine Man fac e C ., L d. (QDCRC)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	Man fac e and ale f ef ige a i n and hea e e a i n de ice f eefe c n aine , ef ige a ca and hea e e a i n ca ; iding main enance e ice	USD86,846,680	–	100.00%
6	Tianjin CIMC N h Ocean C n aine C ., L d. (TJCIMC)	B ine en i	Tianjin	Tianjin	Man fac e and ale f c n aine , ehicle and hi Af e ale e ice f c n aine	USD15,469,300	47.50%	52.50%
7	Shanghai CIMC Ba ell Ind ie C . L d (SBWI)	B ine en i	Shanghai	Shanghai	Man fac e and ale f c n aine a ell a ele an	USD28,500,000	–	94.74%
8	CIMC Vehicle (G) (Shand ng) C . L d. (KGR)	B ine en i	Zhang i , Shand ng	Zhang i , Shand ng	De el men and man fac e f ecial ca and he e ie d c	USD18,930,100	–	55.10%

(All am n in RMB'000 nle he i e a ed)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
17	Shijia h ang En ic Ga E i men C ., L d. (Shijia h ang En ic)	B ine en i	Shijia h ang, Hebei	Shijia h ang, Hebei	Man fac ing e e e el	USD32,000,000	.	70.73%
18	En ic (Lang fang) Ene g E i men in eg a i n C ., L d. (Langfang En ic)	B ine en i	Langfang, Hebei	Langfang, Hebei	Man fac ing and e l i ing Ene g E i men in eg a i n	HKD115,000,000	.	70.73%
19	En ic (Beijing) Ene g Techn l g C ., L d. (Beijing En ic)	B ine en i	Beijing	Beijing	Man fac ing and e l i ing Ene g E i men in eg a i n	HKD40,000,000	.	70.73%
20	CIMC En ic (Jingmen) Ene g E i men	B ine en i	Jingmen, H bei	Jingmen, H bei	Sale f chemical and ga machine ie and e i men a ell a af e ale e ice ; e ea ch and de el men f ene g c n e a i n echni e	HKD50,000,000	.	70.73%
21	Jingmen H ng S ecial Ai c af man fac ing C ., L d (Jingmen H ng)	B ine en i	Jingmen, H bei	Jingmen, H bei	De el men and ale f fligh ehicle man fac ing echni e , de ign, d c i n and ale f eciali ed m ehicle ank and e e e el	RMB100,000,000	.	56.58%
22	Ningg CIMC W d C ., L d. (NGCIMCW)	B ine en i	Ningg , Anh i	Ningg , Anh i	P d c i n and ale f l d fl dec a i e fl and ela ed bamb and d d c ; d cha e f d c i n	RMB9,884,600	.	60.00%
23	Yan ai CIMC Raffle ff h e L d. (YCRO)	B ine en i	Yan ai, Shand ng	Yan ai, Shand ng	C n c i n f d ck; De igna i n, d c i n f hi ; d c i n f e i men f e e and ff h e il la f m	RMB2,291,190,000	.	97.89%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) . ( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
24	Yan ai CIMC Raffle hi C ., L d (YCRS)	B ine en i	Yan ai, Shand ng	Yan ai, Shand ng	C n c i n f hi a ell a c m nen ; ale f c n aine and ff h e il la f m channel and eel d c i n	RMB125,980,000	-	83.47%
25	Hai ang CIMC Raffle ff h e L d. (HCRO)	B ine en i	Hai ang, Shand ng	Hai ang, Shand ng	C n c i n f d ck; De igna i n, d c i n f hi ; d c i n f e i men f e e and ff h e il la f m	RMB200,000,000	-	97.89%
26	L ngk CIMC Raffle ff h e enginee ing C ., L d (LCRO)	B ine en i	L ngk , Shand ng	L ngk , Shand ng	C n c i n f ff h e jec and lemen	RMB290,000,000	-	97.89%
27	Shand ng Ma e S ecial Vehicle Man fac ing C ., L d (SDMV)	B ine en i	Jining, Shand ng	Jining, Shand ng	Man fac e and ale f mi ing ck, ecial ehicle and c m nen and a	RMB66,000,000	-	44.39%
28	Xinfa Ai E i men L d. (Xinfa Ai)	B ine en i	Beijing	Beijing	Man fac e and ale f ai h le b e	RMB25,000,000	-	38.29%
29	Yangjiang Shangd ng F Real E a e C ., L d. (YJFR)	B ine en i	Yangjiang, G angd ng	Yangjiang, G angd ng	Real e a e de el men and e a i n lanning and c n l ing, ale f c n c i n ma e ial and inne h e dec a i n	RMB10,000,000	-	49.20%
30	Nanjing Yang i Pe chemical De ign & Enginee ing C ., L d. (Yang i Pe chemical)	B ine en i	Nanjing, Jiang	Nanjing, Jiang	P jec ela ed e chemical ind	RMB88,000,000	-	70.73%

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
31	Zhenhua Logistics Group Co., Ltd. ("Zhenhua Group")	Business entity	Tianjin	Tianjin				

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
40	Zhenh a D ngjiang (Tianjin) C ., L d. (" Zhenh a D ngjiang (Tianjin) ")	B ine en i	Tianjin	Tianjin	C mm n and ecial f eigh an	RMB50,000,000	–	75.00%
41	Tianjin Zhenh a In e na i nal T ade B nded Wa eh ing (" Tianjin Zhenh a T ade B nded ")	B ine en i	Tianjin	Tianjin	Ca g an agenc e ice	RMB5,628,800	–	75.00%
42	B igan ine Se ice (Shen hen) C ., L d. (" Shen hen B igan ine ")	B ine en i	Shen hen, G angd ng	Shen hen, G angd ng	P ide a c n aine and hi e ai e ice and ela ed echnical	HKD7,500,000	–	70.00%
43	B igan ine Se ice (Shanghai) C ., L d. (" Shanghai B igan ine ")	B ine en i	Shanghai	Shanghai	C n aine hi and i a , mechanical e ai , main enance e ice	USD513,000	–	70.00%
44	Tianjin f ee ade ne Kaichang							

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
48	R i Ji L gi ic (W h) C ., L d (WHRJL)	B ine en i	W h , Anh i	W h , Anh i	Sale and agenc f a l kind f hea ck ecial- e ehicle , enginee ing machine	RMB20,492,100	–	83.12%
49	C&C T ck C ., L d (C&C T ck)	B ine en i	W h , Anh i	W h , Anh i	Sale and agenc f a l kind f hea ck ecial- e ehicle , enginee ing machine	RMB1,100,000,000	70.06%	–
50	Anh i FeiCai (G) c ., LTD (Anh i FeiCai (G))	B ine en i	X ancheng, Anh i	X ancheng, Anh i	Man fac e and ale f ag ic l al ehicle ag ic l al machine and ele an acce ie	RMB158,000,000	–	70.06%
51	Lia ning Ha henleng Ga li efac i n e i men C ., L d (Ha henleng)	B ine en i	Lia ning	Lia ning	Na al ga li efac i n e i men , CBM li efac i n e i men ; de ign, d c i n and ale f ele an a ilia e i men	RMB50,000,000	–	42.47%
52	Sin -W link (Beijing) In e men C ., L d (Sin -W link (Beijing) In e men)	B ine en i	Beijing	Beijing	In e men managemen ; a e managemen ; In e men ad i ; c a e managemen	RMB35,000,000	–	50.00%
53	Sin -W link (Beijing) In e na i nal L gi ic C ., L d (Sin -W link Beijing L gi ic)	B ine en i	Beijing	Beijing	In e na i nal F eigh an agen , gene al ca g an	RMB30,000,000	–	50.00%
54	Qingda Leda Chemical C ., L d (Qingda Leda Chemical)	B ine en i	Qingda , Shand ng	Qingda , Shand ng	P d c i n and ale f ealan ; ce ing and ale f bbe and la ic a a ell a a e ba ed ain	RMB30,000,000	–	70.00%
55	KTl gi e C ., L d (Zheng h KTl gi e)	B ine en i	Henan, Zheng h	Henan, Zheng h	De igning and man fac ing a ma ic ing machine	RMB20,000,000	–	54.70%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( )

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
56	CIMC Rolling Stock Australia Pty Ltd. ("CIMC Aus")	Business entity	Australia	Australia	Sale of vehicle	AUD50,000	–	63.33%
57	Enric Energy Equipment Holding Limited ("Enric")	Business entity	Cayman Island	Cayman Island	Investment holding	HKD1,936,838,008 HKD0.01 per share	–	70.73%
58	Burg Industries B.V.	Business entity	Holland	Holland	Investment holding	EUR841,267	–	100.00%
59	CIMC ENRIC Tank and Process B.V.	Business entity	Holland	Holland	Investment holding	EUR20,000,000	–	70.73%
60	Ziemann Holvrieka B.V.	Business entity	Holland	Holland	Sale of tank equipment	EUR136,200	–	70.73%
61	Ziemann Holvrieka International B.V.	Business entity	Holland	Holland	Production, assembly and sale of tank equipment	EUR682,500	–	70.73%
62	Pteris Global Sdn. Bhd ("Pteris Global Sdn. Bhd")	Business entity	Malaysia	Malaysia	Sale service	MYR8,000,000	–	78.14%
63	Noordkoel B.V.	Business entity	Holland	Holland	Sale of tank equipment	EUR500,000	–	70.73%
64	Beheermaatschappij Burg B.V.	Business entity	Holland	Holland	Investment holding	EUR123,155.95	–	100.00%
65	Burg Carrosserie B.V.	Business entity	Holland	Holland	Production of road transport vehicle	EUR18,151,21	–	63.33%
66	Exploitatiemaatschappij Intraprogres B.V	Business entity	Holland	Holland	Trade, financing and leasing of road transport vehicle	EUR15,925	–	63.33%
67	Hobur Twente B.V.	Business entity	Holland	Holland	Production and sale of oil and components and parts	EUR45,378.02	–	100.00%

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
68	Burg Service B.V.	Business entity	Holland	Holland	Assembly and repair of road transportation vehicles and tankers/equipment	EUR150,000	-	70.73%
69	LAG Trailers N.V.	Business entity	Belgium	Belgium	Manufacturing trailers	EUR3,245,000	-	63.33%
70	Ziemann Holvrieka N.V.	Business entity	Belgium	Belgium	Production tankers/equipment	EUR991,600	-	70.79%
71	Immoburg N.V. Bree	Business entity	Belgium	Belgium	Production of road transportation vehicles	EUR248,000	-	63.33%
72	Ziemann Holvrieka A/S	Business entity	Denmark	Denmark	Production tankers/equipment	DKK1,000,000	-	70.73%
73	Direct Chassis LLC ("DCEC")	Business entity	USA	USA	Manufacturing and sales of special vehicles	USD10,000,000	-	63.33%
74	CIMC TGE Gas Investment SA ("TGESA")	Business entity	Luxembourg	Luxembourg	Investment holding	EUR50,000	-	60.00%
75	TGE Gas Engineering GmbH ("TGE Gas")	Business entity	Germany	Germany	Provide EP+CS (Design, Purchase and Construction Supervision) for the technical project service in LNG, LPG and storage and disposal of others	EUR1,000,000	-	60.00%
76	CIMC Raffles Offshore (Singapore) Limited ("Raffles")	Business entity	Singapore	Singapore	Production of rigs and ships for offshore oil and gas, including jack-up drilling platforms, semi-submersible drilling Platforms, FPSOs, FSOs	SGD594,416,915 and USD303,122,013	-	100.00%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

( ) . . . . . (.)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
77	CIMC Raffle In e men Limi ed	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	HKD2	-	100.00%
78	CIMC Raffle Lea ing P e. L d.	B ine en i	Singa e	Singa e	Lea ing f ma ine hi	SGD2	-	100.00%
79	Ca ian D ille P e. L d.	B ine en i	Singa e	Singa e	Lea ing f ma ine hi	USD30,000,000	-	100.00%
80	Techn d ne In e na i nal Limi ed (Techn d ne)	B ine en i	Uni ed Kingd m	Uni ed Kingd m	Re ea ch and de el men f ene g e i men	GBP100	-	60.00%
81	Gadidae AB.	B ine en i	S eden	S eden	In e men h lding	SEK1,000,000	-	100.00%
82	Pe fec Vic In e men Limi ed (Pe fec Vic)	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	USD1	-	100.00%
83	Ziemann In e na i nal GmbH (Ziemann G)	B ine en i	Ge man	Ge man	De ign, d c i n and ale f bee fe men a i n machine	EUR16,000,000	-	70.73%
84	Albe Ziegle GmbH (Ziegle)	B ine en i	Ge man	Ge man	De igna i n f Ma ine enginee ing	EUR13,543,000	-	60.00%
85	Ba e Techn l g AB (Ba e)	B ine en i	S eden	S eden	De igna i n f Ma ine enginee ing	SEK1,000,000	-	90.00%
86	CIMC MBS LIMITED (CML)	B ine en i	Uni ed Kingd m	Uni ed Kingd m	M d le l	GBP3,884,303	-	100.00%
87	Zhenh a l gi ic (H ng K ng) C ., L d. (Zhenh a H ng K ng)	B ine en i	H ng K ng, China	H ng K ng, China	L gi ic	USD6,600,000	-	75.00%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. V I .

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
88	CIMC A alia R ad T an E i men P L d (CARTE)	B ine en i	A alia	A alia	In e men h lding	AUD8,300,000	-	63.33%
89	B igan ine In e na i nal H lding Limi ed (B igan ine In e na i nal H lding)	B ine en i	H ng K ng, China	H ng K ng, China	In e men h lding	HKD10,000,000	-	70.00%
90	B igan ine Se ice Limi ed (H ng K ng B igan ine Se ice)	B ine en i	H ng K ng, China	H ng K ng, China	C n aine e ai and en a i n, c n aine ade	HKD5,000,000	-	70.00%
91	P e i Gl bal L d	B ine en i	Singa e	Singa e	In e men h lding	SGD322,947,152	-	78.14%
92	Ve b In e na i nal Limi ed (VIL)	B ine en i	Uni ed Kingd m	Uni ed Kingd m	In e men h lding	GBP1,108	-	100.00%
93	CIMC De el men Limi ed (CDL)	B ine en i	Uni ed Kingd m	Uni ed Kingd m	P jec al ackage	GBP1	-	100.00%
94	Ve b S em L d (VSL)	B ine en i	Uni ed Kingd m	Uni ed Kingd m	M d le l	GBP1	-	100.00%
95	B igg G Limi ed	B ine en i	Uni ed Kingd m	Uni ed Kingd m	Bee di illa i n, ha mace ical, ea , bi f el and he ind ie enginee ing de ign and me ke e i men	GBP3,385,000	-	70.73%
96	Re lan Man fac ing Limi ed	B ine en i	Uni ed Kingd m	Uni ed Kingd m	P d c i n emi- aile	692,041 dina 1 ha e	-	63.33%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

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

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

2. Equity in associates and joint ventures

(1) Basic information of major associates and joint ventures

	Main Premises	Registration Place	Nature of business	Strategic for the group or not	Shareholding ratio-Direct	Shareholding ratio-Indirect
Joint ventures –						
NKY Zhenh a	Tianjin	Tianjin	L gi ic b ine	N	-	38.25%
Y&C Engine	W h , Anh i	W h , Anh i	Man fac e and ale f hea -d engine and c m nen and a	Ye	-	33.12%
Associates –						
LiH a Ene g	Ba h ,Hebei	Ba h ,Hebei	Ga a eh ing and an a i n b ine	N	-	15.58%
Shanghai Feng ang	Shanghai	Shanghai	Real e a e de el men	Ye	-	40.00%
TSC	H n(USA)	Ca man I land	Land and ea d illing la f m b ine	Ye	-	13.42%
Jiah a Shi ing	H ng K ng	H ng K ng	L gi ic b ine	N	-	30.00%
China fi e afe	Chengd	Ca man I land	Fi e e i men	Ye	-	30.00%
Sh h ng In e men	Beijing	Beijing	In e men managemen	N	-	45.00%

The e i men i ned ab e i mea ed b e i me h d.

(2) Excess deficit of major associates and joint ventures

The e i n e ce defici f a cia e j in en e in he e i d.

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

The e i n e i f he c ed b d n incl ded in he c n lida i n ange f he c n lida ed financial a emen .

(All am n in RMB'000 nle he i e a ed)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. The company does not have any holding company.

2. For the information on the subsidiaries of the company, refer to Note VI.1.

3. For the information about the joint ventures and associates of the Company, refer to Note VI.2.

In addi i n he im an he j in en e and a cia e ha e been di cl ed in N e VI, he e f j in en e and a cia e a e a f ll :

	Main place of business	Registered Address	The nature of the business	The group activity is strategic	Shareholding percentage – direct	Shareholding percentage – indirect
Joint ventures -						
G ang i S he n L gi ic	Nanning	Nanning	L gi ic e ice	N	-	50.00%
'K'Line Zhenh a L gi ic	Tianjin	Tianjin	L gi ic e ice	N	-	38.25%
Qingda Jiefeng B igan ine	Qingda	Qingda	C n aine main enance e ice	N	-	35.00%
Shanghai Weide B igan ine	Shanghai	Shanghai	C n aine main enance e ice	N	-	35.00%
Tianjin Jin hi B igan ine	Tianjin	Tianjin	C n aine main enance e ice	N	-	35.00%
Associates -						
X h W d	X h	X h	W d	N	-	35.00%
R n Y Real E a e	Zhenjiang	Zhenjiang	Real e a e	N	-	16.40%
Qingchen Bamb	F jian	F jian	Bamb d	N	-	30.00%
Xin ang W d Ind	H ng K ng	H ng K ng	W d	N	-	20.00%
Shanghai Shen i	Shanghai	Shanghai	A a	N	-	15.83%
Zhejiang Xinl ng Bamb	Zhejiang	Zhejiang	Bamb d	N	-	30.00%
Dalian Jil ng L gi ic	Dalian	Dalian	L gi ic e ice	N	-	30.00%
Tianjin S nl n D ngjiang Animal H band	Tianjin	Tianjin	Animal h band	N	-	39.22%
Xiamen CIMC	Xiamen	Xiamen	C n aine e ice	N	-	45.00%
Ningb Beil n	Ningb	Ningb	C n aine e ice	N	-	21.00%

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Information of other related parties

Company name	Relationship with the Group
SUMITOMO CORPORATION	Min i ha eh lde f b idia
Shan i Hea D A m bile	Min i ha eh lde f b idia
O ien In e na i nal	S b idia f ignifican ha eh lde
FML	S b idia f ignifican ha eh lde
Ga fin	Min i ha eh lde f b idia
A ahi T ading C ., L d	Min i ha eh lde f b idia
Sh nde F i	Min i ha eh lde f b idia
China Me chan Shek Ind ial Z ne H lding C ., L d.	S b idia f ignifican ha eh lde
Fl en C n aine C a i n S.A.	S b idia f ignifican ha eh lde
China COSCO Shi ing C a i n Limi ed	Significan Sha eh lde
Fl en C n aine Se ice L d.	S b idia f ignifican ha eh lde

N e: Significan ha eh lde e e en ha eh lde h lding m e han 5% (incl i e) f he C m an ' ha e .

(All amounts in RMB'000 unless otherwise stated)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions

The following transactions with related parties were conducted under normal commercial terms or relevant agreements.

(1) Purchase of goods and receiving of services

Name	Nature of the transaction	For the Period from 1 January to 30 June 2017 Amount	For the Period from 1 January to 30 June 2016 Amount
Y&C Engine	Purchase of goods	**309,000**	140,744
Shanxi Heavy Duty Automobile	Purchase of goods	**49,559**	28,966
Qingchen Bamboo	Purchase of goods	**8,259**	2,943
Asahi Trading Co., Ltd	Purchase of goods	**1,855**	23,053
X h W d	Purchase of goods	**394**	144
SUMITOMO CORPORATION	Purchase of goods	**–**	168
TSC	Purchase of goods	**–**	343
Other related parties	Purchase of goods	**1,758**	2,526
Sub-total	Purchase of goods	**370,825**	198,887
Other related parties	Receiving of services	**15,681**	10,913

Emoluments of the directors, supervisors and senior management of the Company refer to VIII.5(4).

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Sales of goods and rendering of services

Name	Na e f he an ac i n	**For the Period from 1 January to 30 June 2017 Amount**	F he Pe i d f m 1 Jan a 30 J ne 2016 Am n
Shan i Hea D A m bile	Sale f g d	**93,174**	38,242
Fl en Ma i ime Limi ed	Sale f g d	**63,809**	66,874
SUMITOMO CORPORATION	Sale f g d	**59,136**	99,554
Fl en C n aine C a i n S.A.	Sale f g d	**25,676**	52
Fl en C n aine Se ice l d.	Sale f g d	**12,624**	
O ien al In e na i nal C n aine	Sale f g d	**4,965**	
NYK Zhenh a	Sale f g d	**228**	984
G ang i S he n L gi ic	Sale f g d	**–**	4,516
O he ela ed a ie	Sale f g d	**8,298**	6,119
S b- al	Sale f g d	**267,910**	216,341
O he ela ed a ie	Rende ing f e ice	**20,078**	10,352

(3) Financing

Name	Amount	Starting date	Ending date	Interest income earned/interest expense recognised from 1 January to 30 June 2017	Note
Financing received					
Ga fin In e men S.A.	45,571	19 Se embe 2008	Re a men da e n fi ed	522	Sha eh lde l an
Sh nde F i	27,215	12 A il 2012	Re a men da e n fi ed		L an f Sha eh lde e a i n
	72,786				
Financing provided					
R n Y Real E a e	503,568	25 Decembe 2007	Re a men da e n fi ed	6,690	Sha eh lde l an
Shanghai Feng ang	34,204	25 Decembe 2007	Re a men da e n fi ed		Sha eh lde l an
Xin ang l an1.097 S0	34,204				

(All am n in RMB'000 nle he i e a ed)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions

( ) The C m an ad ed a ne ha e i n cheme ince 28 Se embe 2010 (ee N e IX). De ail f ne e ci ed ha e i n g an ed ke managemen e nnel A a 30 J ne 2017 a e a f ll :

Name	Position	Number of granted share options (in'0000)
Mai B liang	P e iden , Chai man	285
Li X ebin	Vice Chai man	99.7
W Fa ei	Vice Chai man	75
Li Yinh i	Vice Chai man	75
Y Ya	Vice Chai man	65
Zhang Ba ing	Vice Chai man	75
Ga Xiang	Vice Chai man	37.5
Y Y n	Sec e a f he B a d	75
Zeng Han	Gene al Manage f Finance De a men	28.9
T al		816.1

S me ke managemen e nnel e e n nl g an ed he ab e ha e i n f he C m an b al e e g an ed ha e i n f En ic, he b idia f he C m an . De ail f ne e ci ed ha e i n g an ed ke managemen e nnel A a 30 J ne 2017 a e a f ll :

Name	Position	Number of granted share options (in'0000)
W Fa ei	Vice Chai man	50
Y Ya	Vice Chai man	25
Ga Xiang	Vice Chai man	190
Zeng Han	Gene al Manage f Finance De a men	25
Y Y n	Sec e a f he B a d	129.8
T al		419.8

N e: A a 27 Ma ch 2017, a ed b he fi Sha eh lde ' Gene al Mee ing in 2017, M Jin Jianl ng, lef ffice d e he e i a i n f he e m hile M Zeng Han a a in ed a he gene al manage f finance de a men . A a 30 J ne 2017, M Jin ill had 640,000 i n f he C m an and 1,400,000 i n f En ic ne e ci ed.

F de ailed inf ma i n f fai al e f he g an ed ha e i n af e aid, lea e efe N e IX.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

( )

Di ec ' and ke managemen e nnel' em l men f he e i d ended 30 J ne 2017 a e a f ll :

Name		Remuneration	Emoluments for other management service of the Company or subsidiaries Salary and allowance	Pension	Bonus	Entry Bonus	Housing allowance	Others	Total
Di ec									
Wang H ng		–	–	–	–	–	–	–	–
Wang Y hang		–	–	–	–	–	–	–	–
Mai B liang		–	1,350	42	–	–	–	223	1,615
Wang Zhi ian		–	–	–	–	–	–	–	–
Li Ch ng		–	–	–	–	–	–	–	–
Pan Cheng ei		100	–	–	–	–	–	–	100
Wang G i n		100	–	–	–	–	–	–	100
Pan Zheng i		100	–	–	–	–	–	–	100
T al		300	1,350	42	–	–	–	223	1,915
S e i									
Xi ng B		–	86	21	–	–	–	6	113
Lin Li	N e (i)	–	–	–	–	–	–	–	–
Zhang Ming en		–	–	–	–	–	–	–	–
L Sheng h	N e (i)	–	–	–	–	–	–	–	–
T al		–	86	21	–	–	–	6	113
O he Seni E ec i e									
W Fa ei		–	661	55	–	–	–	16	732
Li Yinh i		–	401	54	–	–	–	16	471
Li X ebin		–	688	55	–	–	–	16	759
Zhang Ba ing		–	661	–	–	–	–	–	661
Y Ya		–	375	–	–	–	–	–	375
Ga Xiang		–	718	45	–	–	–	11	774
Jin Jianl ng	N e (ii)	–	330	–	–	–	–	–	330
Zeng Han	N e (ii)	–	170	22	–	–	–	8	200
Yang R ng		–	568	48	–	–	–	16	632
Y Y n		–	660	42	–	–	–	16	718
S b- al		–	5,232	321	–	–	–	99	5,652
T al		300	6,668	384	–	–	–	328	7,680

N e (i): A a 20 Decembe 2016, a ed b 2016 fi e a dina gene al mee ing, M Lin Li e igned d e j b al e a i n hile M L Sheng h a a in ed a he e i n behalf f ha eh lde f he c m an ' eigh h b a d f e i .

N e (ii): A ed b he fi mee ing in 2017 f he eigh h b a d f di ec , M Jin Jianl ng, lef ffice d e he e i a i n f he e m hile M Zeng Han a a in ed a he gene al manage f finance de a men .

The fi e indi id al h ecei ed he highe a e incl ded af e aid f m 1 Jan a 30 J ne 2017.

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

( )

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

( )

N e (i): A a 31 Ma 2016, a ed b Sha eh lde ' Gene al Mee ing in 2015, M Zhang Liang, M W Sh i ng and M Li Kej n lef he ffice d e he e i a i n f he e m f ffice.

N e (ii): A a 31 Ma 2016, a ed b Sha eh lde ' Gene al Mee ing in 2015, M Wang Y hang a ec mmended b he b a d f di ec a he ice chai man f he eigh h b a d f di ec and n n-e ec i e di ec , M Li Ch ng a a in ed a he n n-e ec i e di ec f he eigh h b a d f di ec and M Pan Zheng i a a in ed a an inde enden n n-e ec i e di ec f he eigh h b a d f di ec .

N e (iii): A a 31 Ma 2016, a ed b ha eh lde ' gene al mee ing in 2015, M Wang Zhi ian and M He Jiale a e i ed a a e i M Wang Zhi ian a ec mmended b he b a d f di ec a he n n-e ec i e di ec f he eigh h b a d f di ec hile M Lin Li and M Zhang Ming en a ec mmended b he b a d f e i a he e i n behalf f ha eh lde f he eigh h b a d f e i .

N e (i): A ed b he ec nd mee ing in 2016 f he e en h b a d f di ec , M Zeng Beih a lef c m an and M . Yang R ng a a in ed a he gene al manage if ea de a men .

The fi e indi id al h ecei ed he highe a e incl ded af e aid e i d f m 1 Jan a 30 J ne 2016.

O he benefi mainl c n i f h ing f nd , en i n , medical in ance, e c.

( )

F he e i d f m 1 Jan a 30 J ne in 2017, he e a n c m en a i n f di ec i h e mina ed a in men f m he C m an and he b idia ie . (F he e i d f m 1 Jan a 30 J ne in 2016: Nil).

( )

F he e i d f m 1 Jan a 30 J ne 2017, he e a n c n ide a i n aid hi d a ie f e ice f di ec (F he e i d f m 1 Jan a 30 J ne 2016: Nil).

( )

A a 30 J ne 2017, he e e e n l an , a i-l an and g a an ee ffe ed di ec , legal en i ie c n lled b di ec and hei ela ed e n (31 Decembe 2016: Nil).

( )

F he e i d f m 1 Jan a 30 J ne 2017, he C m an did n en e in an ag eemen ha ela ed he b ine f he G , in hich he di ec ha e ignifican in e e in an ac i n , a angemen and c n ac di ec l indi ec l (F he e i d f m 1 Jan a 30 J ne 2016: Nil).

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Receivables due from and payables due to related parties

Refe N e IV.4 f de ail f acc n ecei able.

Refe N e IV.5 f de ail f he ecei able .

Refe N e IV.6 f de ail f ad ance lie .

Refe N e IV.9 f de ail f c en i n f n n-c en a e .

Refe N e IV.12 f de ail f l ng- e m ecei able .

Refe N e IV.22 f de ail f he n n-c en a e .

Refe N e IV.28 f de ail f acc n a able.

Refe N e IV.34 f de ail f he a able .

Refe N e IV.29 f ad ance f m c me .

7. Commitments in relation to related parties

A a 30 J ne 2017, he e a e n c mmi men in ela i n ela ed a ie c n ac ed f b n e nece a be ec gni ed n he balance hee b he G .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IX. SHARE-BASED PAYMENTS

1. Information about share-based payments

T al e i in men g an ed d ing he ea	The al n mbe f ha e i n g an ed b he C m an and En ic a 0 hi e i d.
T al e i in men e e ci ed d ing he ea	The n mbe f e e ci ed ha e i n g an ed b he C m an and En ic e e 1,776,000 and 1,676,000 e ec i el hi e i d.
T al e i in men f fei ed d ing he ea	The C m an ha n ineffec i e b le e e i in men and he n mbe f ha e i n f fei ed in En ic a 294,000 hi e i d.
The e e ci e ice f anding ha e i n a he end f he ea and e id al life f he ha e i n c n ac	1. E i - e led ha e i n g an ed b En ic in 2009,2011 and 2014: HKD4, HKD2.48 and HKD11.24 e ha e e ec i el , he e id al life f c n ac i 2.30, 4.32 and 6.93 ea e ec i el ; 2. E i - e led ha e i n g an ed b he C m an in 2010 and 2011: RMB10.49 (af e adj men) and RMB16.02 e ha e e ec i el (af e adj men), he e id al life f c n ac i b h 3.24 ea .
The ice f he anding e i in men a he end f he ea and e id al life f ele an c n ac	Nil

E en e ec gni ed f he e i d a i ing f m ha e-ba ed a men a e a f ll

	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016
E i - e led ha e-ba ed a men	**9,583**	19,889

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment

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

Enric, a subsidiary of the Company, carried out a share option plan (the "Plan I"), which was approved by the shareholders' meeting on 11 November 2009. According to the Plan, the key management personnel and other employees in Enric were granted share options of Enric at nil consideration to subscribe for shares of Enric. The options are 50% exercisable after one year from the date of grant and are then 100% exercisable after two years from the date of grant. Each option gives the holder the right to subscribe for one ordinary share in Enric. The total number of share options granted was 43,750,000, with the exercise price of HKD4 per share.

Enric carried out another share option plan (the "Plan II"), which was approved by the shareholders' meeting on 28 October 2011. According to Plan II, the board of directors of the Company was authorised to grant share options to the key management personnel and other employees of Enric at nil consideration to subscribe for shares of Enric. The options are 40% exercisable after one year from the date of grant, and, 70% exercisable after 2 years from the date of grant, and then 100% exercisable after 3 years from the date of grant. Each option gives the holder the right to subscribe for one ordinary share in Enric. The total number of share options granted was 38,200,000, with the exercise price of HKD2.48 per share.

Enric, a subsidiary of the Company, carried out a share option plan (the "Plan III"), which was approved by the shareholders' meeting on 5 June 2014. According to the Plan, the key management personnel and other employees in Enric were granted share options of Enric at nil consideration to subscribe for shares of Enric. The options are 40% exercisable after two years from the date of grant, 70% exercisable after three years from the date of grant and 100% exercisable after four years from the date of grant. Each option gives the holder the right to subscribe for one ordinary share in Enric. The total number of share options granted was 38,420,000, with the exercise price of HKD11.24 per share.

Movement of share options of Enric:

	30 June 2017 '000	31 December 2016 '000
Beginning balance	**83,572**	86,599
Granted in current period	**–**	–
Exercised in current period	**(1,676)**	(1,211)
Cancelled in current period	**(162)**	(1,776)
Forfeited in current period	**(132)**	(40)
Ending balance	**81,602**	83,572

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

IX. SHARE-BASED PAYMENTS (CONTINUED)

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

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

A ha e i n cheme (he Scheme) a a ed in he ha eh lde ' mee ing f he C m an held n 28 Se embe 2010. Acc ding he Scheme, he b a d f di ec f he C m an a a h i ed g an ha e i n he ke managemen e nnel and he em l ee b c ibe f he ha e f he C m an . The effec i e e i d f he Scheme i en ea f m he fi g an da e f ha e i n . The i n a e e e ci able in e i d . The i n a e 25% e e ci able f m he fi an ac i n da e af e 24 m n h ince he g an da e he la an ac i n da e af e 48 m n h ince g an da e. The emaining 75% a e e e ci able f m he fi an ac i n da e af e 48 m n h ince g an da e he la an ac i n da e f he Scheme. Each i n gi e he h lde he igh b c ibe f ne dina ha e in he C m an . In addi i n, he h lde m im l ane l a i fac all he c ndi i n a f ll :

(a) The h lde h ld a he e i ea ' e al a i n.

(b) The inc ea e f ne fi a ib able dina ha eh lde f he C m an af e ded c ing n n ec ing fi l h ld n be l e han he 6% and he a e age e n n ne a e af e ded c ing n n- ec ing fi l h ld n be l e han 10% f he e i ea f he e e ci e da e.

(c) D ing he ai ing e i d, he ne fi a ib able dina ha eh lde f he C m an and he ne fi a ib able dina ha eh lde f he C m an af e ded c ing n n- ec ing fi l h ld n be l e han he a e age fig e f he h ee fi cal ea bef e he g an da nega i e.

The al n mbe f ha e i n g an ed a 60,000,000, 54,000,000 am ng hich e e f he ini ial g an i h e e ci e ice f 12.39 e ha e hile he emaining 6,000,000 i n e e f e e a i n.

The C m an di ib ed a ca h di idend f 0.35 e ha e, 0.46 e ha e, 0.23 e ha e, 0.27, 0.31 e ha e, 0.22 e ha e and 0.06 e ha e a a 31 Ma 2011, 21 J ne 2012, 28 J ne 2013, 27 J ne 2014, 29 J l 2015, 20 J l 2016 and 20 J l 2017 e ec i el dina ha eh lde . In acc dance i h he Scheme, n he im lemen a i n f he ann al di idend di ib i n lan f 2010, 2011, 2012, 2013, 2014, 2015 and 2016, he B a d f Di ec adj ed he e e ci e ice f he af emen i ned 54,000,000 ha e i n g an ed n 28 Se embe 2010. Af e he adj men , he e e ci e ice i 10.49 e ha e.

Acc ding he e l i n a ed b he ha eh lde ' mee ing n 22 Se embe 2011, he af emen i ned 6,000,000 ha e i n f e e e a i n in he Scheme n 28 Se embe 2010 e e g an ed i h e e ci e ice f 17.57 e ha e. Wi h he im lemen a i n f ann al di idend di ib i n lan f 2011, 2012, 2013, 2014,2015 and 2016 dina ha eh lde i h ca h di idend f 0.46, 0.23, 0.27, 0.31,0.22 and 0.06 e ec i el , he e e ci e ice f he e e ed ha e i n a adj ed 16.02 e ha e.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IX. SHARE-BASED PAYMENTS (CONTINUED)

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

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

Movement of share options of the Company:

	30 June 2017 '000	31 December 2016 '000
Beginning balance	**25,229**	25,986
Exercised in current period	**(1,776)**	(757)
Cancelled in current period	**–**	–
Forfeited in current period	**–**	–
Ending balance	**23,453**	25,229

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

At each balance sheet date during the vesting period, the Company makes the best estimation according to the latest information of the number of employees who are granted to exercise and revises the number of exercisable instruments expected to vest. On the vesting date, the estimate shall be equal to the number of exercisable instruments that ultimately vested.

There was no significant difference of estimation between current period and last year.

As at 30 June 2017, Accumulated amount recognised in capital reserve for equity-settled share-based payment	**414,679**
Total expenses recognised for equity-settled share-based payment for current period	
Including:	
- attributed to the Company	**–**
- attributed to Envic	**9,583**
	9,583

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

X. CONTINGENCIES

1. Contingent liabilities

CIMC Raffles, a subsidiary of the Company entered into vessel construction contracts and vessel leasing contracts with relevant purchasers, which involve terms of compensation for delivery postponement and termination. The management of Raffles expected the risk of delivery postponement is high which will incur the compensation, therefore the management decided to accrue a provision amounted USD3,650,000 (equivalent to RMB24,729,000) (31 December 2016: USD3,650,000 (equivalent to RMB25,320,000)) in accordance with both the daily compensation amount stipulated in the contracts and the expected postponed days with higher chance. Also, CIMC Raffles entered into the terms of the warranty agreement with the owner in the construction of the drilling platform. As at 30 June 2017, the balance of the premium pledged for the delivery of the project was USD3,694,000 (equivalent to RMB25,027,000) (31 December 2016: USD5,964,000 (equivalent to RMB38,150,000)).

YZTH, a subsidiary of the Company provided guarantee to the mortgage loans by which some of its clients bought its [illegible] stocks, but some of the loan repayments have been overdue severely, the management team expected the responsibility for YZTH to repay the loans for the clients, therefore they decided to accrue a provision amounted 9,272,000 (31 December 2016: 19,778,000).

2. Guarantees provided for external parties

CIMC Raffles, a subsidiary of the Group, provided the guarantee for the vessel leasing of its clients. As at 30 June 2017, the amount guaranteed by Raffles was about 334,250,000 (31 December 2016: 382,000,000).

CIMC Vehicle (Group), a subsidiary of the Group, signed contracts with HuiShang Bank, China Merchants Bank, Bank of Communications, China Guangfa Bank, Industrial Bank, Industrial and Commercial Bank of China, ZhongYuan Bank and external Finance Company, pursuant to which relevant banks provided guarantees in respect of banking facilities granted to the distributors and customers of CIMC Vehicle (Group) and its subsidiaries arising from purchase of vehicle products. As at 30 June 2017, the aggregate amount of credit facilities in respect of which CIMC Vehicle (Group) and its subsidiaries provided guarantee to the distributors and customers was 786,333,000 (31 December 2016: 1,031,416,000).

ShenYang Vehicle Garden and Shannxi Vehicle Garden, subsidiaries of the Group, signed buyer loan guarantee contracts and cooperated in mortgage facility with China Construction bank and Qindao Rural Commercial bank respectively to provide periodical guarantee for customers' buyer loan from these banks. As at 30 June 2017, customers' buyer loan guaranteed by ShenYang Vehicle Garden and Shannxi Vehicle Garden, was 8,295,000 (31 December 2016: Nil).

Yangzhou Da[illegible] Real Estate, CIMC Ha[illegible] Y[illegible], YJFR and Dongguan Innovation Park, subsidiaries of the Group, provided guarantees to purchasers of commodity homes by the way of secured loans. The amount of guarantees provided by the Group was 714,347,000 as at 30 June 2017 (31 December 2016: 733,443,000).

C&C Trucks and its subsidiaries signed contracts with external banks, pursuant to which relevant banks provided guarantees in respect of banking facilities granted to the distributors and customers of C&C Trucks and its subsidiaries arising from purchase of vehicle products. As at 30 June 2017, the aggregate amount of credit facilities in respect of which C&C Trucks and its subsidiaries provided guarantee to the distributors and customers was 314,477,000 (31 December 2016: 386,879,000).

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

X. CONTINGENCIES (CONTINUED)

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

The G d e n ec gni e bill a able le e f c edi i ed a de i . C e nding in en ie , ad ance lie and n e a able a e ec gni ed a he ea lie f he da e f deli e f g d and he ma i da e f he bill i ed. A a 30 J ne 2017, he G had bill i ed b n acc n ed f RMB330,227,000 and anding le e f c edi RMB88,443,000, alling RMB418,670,000 (31 Decembe 2016: RMB1,143,013,000).

A a 30 J ne 2017, he C m an had anding balance f g a an ee f i b idia ie RMB915,000,000 and USD20,000,000 (e i alen RMB135,501,000) e ec i el , aling RMB1,050,501,000.

A a 30 J ne 2017, CIMC Raffle had anding balance f g a an ee i ed b ele an bank alling USD53,753,000 (e i alen RMB364,183,000), f hich he balance f ad ance a men g a an ee , and ali g a an ee e e USD32,000,000 (e i alen RMB216,802,000), USD21,753,000 (e i alen RMB147,381,000) e ec i el (31 Decembe 2016: RMB905,730,000).

A a 30 J ne 2017, CIMC En ic had anding balance f g a an ee i ed b ele an bank alling RMB698,752,000 f hich he balance f e f mance and ad ance a men g a an ee e e RMB342,096,000, he balance f ad ance e a men g a an ee e e RMB356,656,000 (31 Decembe 2016: RMB779,018,000,).

A a 30 J ne 2017, TLC, he b idia f he g , had anding balance f g a an ee i ed b ele an bank alling USD115,000 (e i alen RMB799, 000). (31 Decembe 2016: RMB2, 844,000).

A a 30 J ne 2017, QDCRC, he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank alling RMB32,537,000 (31 Decembe 2016: RMB10,478,000).

A a 30 J ne 2017, TAS had anding balance f g a an ee i ed b ele an bank alling 684,748,000, f hich he balance f e f mance g a an ee , ali g a an ee , bid g a an ee , a men g a an ee e e RMB375,133,000, RMB20,540,000, RMB32,669,000 and RMB256,406,000 e ec i el (31 Decembe 2016: RMB682,818,000).

A a 30 J ne 2017, CIMC Finance C m an , he b idia f he G , had anding balance f g a an ee f he b idia f he G , f hich he balance f e f mance g a an ee , ali g a an ee , ma gin g a an ee and a men g a an ee e e RMB23,493,000, RMB1,593,000, RMB5,600,000 and RMB9,000,000 e ec i el , aling RMB39,916,000 (31 Decembe 2016: RMB28,396,000).

A a 30 J ne 2017, Zhenh a L gi ic G , he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank alling RMB12,970,000 (31 Decembe 2016: RMB42,125,000).

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

X. CONTINGENCIES (CONTINUED)

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

A a 30 J ne 2017, QDHFL, he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank alling RMB83,000 (31 Decembe 2016: Nil).

A a 30 J ne 2017, LYV, he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank alling RMB1,702,000 (31 Decembe 2016: Nil).

A a 30 J ne 2017, ZZCIMC, he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank alling RMB18,392,000 (31 Decembe 2016: Nil).

A a 30 J ne 2017, YanTai Tie h ngba , he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank a RMB255,000 and USD868,000 (all e i alen RMB6,136,000). (31 Decembe 2016:Nil).

A a 30 J ne 2017, QDCSR, he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank alling RMB3,200,000 (31 Decembe 2016: Nil).

A a 30 J ne 2017, QDCC, he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank aling RMB59,734,000 (31 Decembe 2016: Nil).

A a 30 J ne 2017, Ziegle , he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank aling EUR1,295,000 (e i alen RMB10,039,000). (31 Decembe 2016: Nil).

A a 30 J ne 2017, Ve b , he b idia f he G , had anding balance f e f mance g a an ee i ed b ele an bank aling GBP 5,947,000 (e i alen RMB52,395,0000).(31 Decembe 2016: Nil).

4. Significant pending litigations

CIMC Raffle , a b idia f he C m an en e ed in d illing la f m c n c i n c n ac , and he la f m had been deli e ed he cha e in 2015. The cha e belie ed ha he deli e able cann f lfill he echnical e i emen i en in he c n c i n c n ac , hence he a ked Raffle a hem c m en a i n am n ed USD2,000,000. A a he e da e, he final e l f he li iga i n ha n been eached. The managemen eam f Raffle e ec ed he e i high i k a he c m en a i n, hence he decided acc e a i i n al ed USD2,000,000 (e i alen RMB13,550,000) a 30 J ne 2017 (31 Decembe 2016: RMB13,874,000).

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XII. EVENTS AFTER THE BALANCE SHEET DATE

1. On 5 J l 2017, EIHL (Shen hen) en e ed in he ele an ag eemen i h SOE and SOE Bank c and Li ida i n Team (南通太平洋破產清算組) e cha e he maj a e f SOE h gh ac i ing he en i e e i in e e in SOE. On 4 A g 2017, he SOE Re c ing Plan a a ed a he c edi ' mee ing f SOE and a ed b he c . On 16 A g 2017, SOE ha bec me an indi ec h ll - ned b idia f CIMC En ic and an indi ec n n- h ll - ned b idia f he G . SOE ha enamed a 南通中集太平洋海洋工程有限公司 (Nan ng CIMC Sin Pacific Off h e & Enginee ing C ., L d.). F ele an inf ma i n, lea e efe he ann ncemen da ed 6 J l 2017, 4 A g 2017 and 16 A g 2017 di cl ed in China Sec i ie J nal, Shanghai Sec i ie Ne , Sec i ie Time , Cninf eb i e (.cninf . c m.cn), he C m an ' eb i e (.cimc.c m) (N ice N .: [CIMC]2017-036, [CIMC]2017-047 and [CIMC]2017-054) and he eb i e f he H ng K ng S ck E change (.hke ne .hk).

2. On 17 J l 2017, CIMC Sk ace Real E a e and CGRE en e ed in an ag eemen , hich CGRE injec ed an am n f RMB926,322,300 in he ca i al f CIMC Sk ace Real E a e and held a 25% f i e i af e he c m le i n hile he C m an held 61.5% e i in e e in CIMC Sk ace Real E a e h gh CIMC Shenfa. F ele an inf ma i n, lea e efe he ann ncemen da ed 17 J l 2017 di cl ed in China Sec i ie J nal, Shanghai Sec i ie Ne , Sec i ie Time , Cninf eb i e (.cninf . c m.cn), he C m an ' eb i e (.cimc.c m) (N ice N .: [CIMC] 2017-040) and he eb i e f he H ng K ng S ck E change (

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIII. SEGMENT REPORTING

In acc dance i h he G ' in e nal gani a i n c e, managemen e i emen and in e nal e ing ce , nine e able egmen a e iden ified b he G incl ding: C n aine , R ad an a i n ehicle , Ene g and chemi & f d e i men , Off h e b ine , Ai facili ie , L gi ic e ice , Finance, P e de el men and Hea ck . Each e able egmen i an inde enden b ine egmen iding diffe en d c and e ice . Inde enden managemen i a lied indi id al b ine egmen a diffe en echnical and ma ke a eg a e ad ed. The G e ie he financial inf ma i n f indi id al egmen eg la de e mine e ce all ca i n and e f mance a e men .

1. Segment profits, losses, assets and liabilities

In de a e he egmen e f mance and e ce all ca i n, he G ' managemen e ie egmen e en e, e en e , a e and liabili ie f each egmen eg la . The e a a i n ba i f ch inf ma i n i de ailed a f ll :

Segmen a e incl de angible a e , in angible a e , he l ng- e m a e and acc n ecei able, e c, b e cl de defe ed a a e and he n-all ca ed head a e a e . Segmen liabili ie incl de a able , bank l an , i i n, ecial a able and he liabili ie , hile defe ed a liabili ie a e e cl de.

Segmen fi e e en e en e (incl ding e e nal e en e and in e egmen e en e), ff e ing egmen e en e , de ecia i n and am i a i n, im ai men l e , in e e e en e and inc me a ib able indi id al egmen . T an ac i n c nd c ed am ng egmen a e nde n mal n- ela ed a an ac i n c mme cial e m .

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIII. SEGMENT REPORTING (CONTINUED)

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

Inf ma i n be di cl ed n each f he G ' e able egmen (incl ding managemen ' e i dicall e ie ed inf ma i n and di cl e e i ed b acc n ing anda d) ha he G e in mea ing egmen ' fi /(l), a e and liabili ie i e a f ll :

Item	Containers For the Period from 1 January to 30 June 2017	Road transportation vehicles For the Period from 1 January to 30 June 2017	Energy and chemistry & food equipment For the Period from 1 January to 30 June 2017	Offshore business For the Period from 1 January to 30 June 2017	Airport facilities For the Period from 1 January to 30 June 2017	Logistic services For the Period from 1 January to 30 June 2017	Finance For the Period from 1 January to 30 June 2017	Property development For the Period from 1 January to 30 June 2017	Heavy trucks For the Period from 1 January to 30 June 2017	Others For the Period from 1 January to 30 June 2017	Elimination between segments For the Period from 1 January to 30 June 2017	Total For the Period from 1 January to 30 June 2017
E e nal an ac i n	9,887,481	9,626,148	4,981,930	537,143	1,180,919	3,737,122	1,148,040	268,459	1,250,276	769,634	-	33,387,152
In e egmen an ac i n	161,574	93,453	78,581	677,366	-	14,080	-	29,205	32,925	624,543	(1,711,727)	-
C f ale f m main e a i n	8,044,284	7,907,269	4,100,021	1,325,117	932,468	3,351,524	498,703	161,286	1,199,321	1,159,432	(1,767,808)	26,911,617
In e men inc me/(l) in j in en e and a cia e	(739)	1,185	(1,225)	-	-	(2,787)	2,592	-	6,149	(2,637)	-	2,538
Im ai men l f he ea	13,753	37,921	117,644	(290)	545	1,821	62,000	(141)	(43)	1,652	(425)	234,437
De ecia i n and am i a i n e en e	191,681	139,505	218,251	270,460	33,707	48,507	94,243	5,604	68,783	82,170	-	1,152,911
In e e inc me	59,361	34,139	25,883	31,978	1,104	7,530	109,934	8,802	1,530	674,061	(836,661)	117,661
In e e e en e	38,065	52,448	56,079	249,726	6,036	15,047	65,219	5,628	38,641	690,237	(694,861)	522,265
Segmen e a ing fi /(l)	904,024	716,090	115,972	(549,219)	1,912	89,396	551,309	73,097	(43,117)	(385,962)	102,640	1,576,142
Inc me a e en e	222,922	148,074	63,709	1,202	6,085	32,056	35,212	8,062	(303)	6,584	(13,970)	509,633
Ne fi /(l)	681,102	568,016	52,263	(550,421)	(4,173)	57,340	516,097	65,035	(42,814)	(392,546)	116,610	1,066,509
Segmen al a e	18,705,203	15,766,465	13,731,880	33,175,397	3,894,988	4,212,124	36,093,645	3,248,466	4,287,682	40,611,475	(44,228,471)	129,498,854
Segmen al liabili ie	10,242,842	8,147,509	9,127,079	31,811,543	2,416,166	2,714,511	28,524,362	1,616,268	3,872,629	44,880,485	(53,726,423)	89,626,971
S lemen a inf ma i n:	-	-	-	-	-	-	-	-	-	-	-	-
Segmen e endi e/(inc me) he han de ecia i n and am i a i n	121,423	82,465	128,878	(60,348)	4,745	7,411	58,820	(141)	213	129,992	(178,406)	295,052
L ng-e m e i in e men f j in en e and a cia e	29,470	122,966	9,162	33,289	533,598	493,166	402,522	104,191	202,304	318,762	-	2,249,430
Segmen e endi e ai ing f m addi i n f n n-c en a e	162,230	106,945	304,593	113,416	61,185	46,283	252,235	18,152	24,105	178,622	1,020,953	2,288,719

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIII. SEGMENT REPORTING (CONTINUED)

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

Information to be disclosed on each of the Group's reportable segment (including management's periodically reviewed information and disclosures required by accounting standards) that the Group uses in measuring segment's profit/(loss), assets and liabilities is set out as follows: (Continued)

Item	Containers For the Period from 1 January to 30 June 2016	Road transportation vehicles For the Period from 1 January to 30 June 2016	Energy and chemical & food equipment For the Period from 1 January to 30 June 2016	Offshore business For the Period from 1 January to 30 June 2016	Airport facilities For the Period from 1 January to 30 June 2016	Logistics services For the Period from 1 January to 30 June 2016	Finance For the Period from 1 January to 30 June 2016	Property development For the Period from 1 January to 30 June 2016	Heavy truck For the Period from 1 January to 30 June 2016	Others For the Period from 1 January to 30 June 2016	Elimination between segments For the Period from 1 January to 30 June 2016	Unallocated items For the Period from 1 January to 30 June 2016	Total For the Period from 1 January to 30 June 2016
External transactions	4,604,375	6,957,207	4,180,802	1,108,446	1,128,444	3,183,410	1,114,356	315,698	795,514	154,591	-	-	23,542,843
Inter-segment transactions	294,243	56,147	157,307	2,595,243	-	35,207	-	-	64,845	142,732	(3,345,724)	-	-
Cost of sales from main operations	4,059,329	5,628,816	3,529,358	3,316,300	886,690	2,798,683	366,336	100,269	833,364	196,168	(2,919,444)	-	18,795,869
Investment income/(losses) in joint ventures and associates	(1,008)	876	-	-	-	10,816	1,638	729	285	464	-	-	13,800
Impairment loss for the year	2,777	5,957	1,243,256	(74)	(5,611)	3,003	18,193	-	-	-	-	-	1,267,501
Depreciation and amortisation expense	209,275	254,554	149,758	308,335	39,122	78,255	85,057	4,913	65,959	13,706	-	33,747	1,242,681
Interest income	101,117	35,774	27,336	51,829	1,476	6,149	104,947	7,358	1,722	563,003	(825,427)	22,010	97,294
Interest expense	23,844	47,735	58,941	123,596	10,075	18,951	71,008	10,655	48,240	16,749	(652,781)	538,069	315,082
Segment operating profit/(loss)	(111,321)	481,392	(946,223)	(3,315)	19,751	108,555	490,441	60,771	(96,906)	(14,346)	(56,312)	(98,331)	(165,844)
Income tax expenses	28,311	119,499	75,354	673	9,046	40,121	36,733	17,996	(383)	677	-	47,289	375,316
Net profit/(loss)	(139,632)	361,893	(1,021,577)	(3,988)	10,705	68,434	453,708	42,775	(96,523)	(15,023)	(56,312)	(145,620)	(541,160)
Segment total assets	17,397,726	14,247,786	14,321,362	32,436,954	3,601,739	3,782,472	26,209,657	3,978,965	3,854,489	6,346,909	(16,845,957)	5,467,815	114,799,917
Segment total liabilities	9,770,436	7,739,888	9,853,675	32,138,731	2,285,789	2,786,536	22,213,077	2,805,512	3,768,664	3,010,122	(53,106,584)	37,180,383	80,446,229
Supplementary information:													
- Segment expenditure/(income) other than depreciation and amortisation	(14,050)	7,947	1,225,737	2,716	1,699	2,313	30,740	-	(318)	39,767	-	(187,384)	1,109,167
- Long-term equity investments in joint ventures and associates	54,358	78,521	4,678	-	-	532,944	192,774	100,217	194,566	842,949	-	-	2,001,007
- Segment expenditure arising from addition of non-current assets	331,544	739,497	155,752	967,801	177,076	229,971	3,603,214	1,917	17,927	326,734	-	6,456	6,557,889

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIII. SEGMENT REPORTING (CONTINUED)

2. Geographic information

The f ll ing able e inf ma i n ab he ge g a hical inf ma i n f he G ' e en e f m e e nal c me and he G ' n n-c en a e (e cl ding financial a e and defe ed a a e , ame f he bel). The ge g a hical l ca i n f c me a e ba ed n he l ca i n a hich he e ice e e ided he g d e e deli e ed. The ge g a hical l ca i n f he ecified n n-c en a e a e ba ed n he h ical l ca i n f he a e (f fi ed a e), he l ca i n f he b ine hich he a e all ca ed (f in angible a e and g d ill), he l ca i n f e a i n f he a cia e and j in en e .

	Revenue from external customers		Total non-current assets	
	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016	**30 June 2017**	31 Decembe 2016
P.R.China	**14,794,349**	8,454,654	**53,714,927**	53,280,989
A ia (e cl i e f China)	**3,384,378**	1,838,387	**797,571**	714,570
Ame ica	**6,645,230**	3,503,214	**371,495**	391,179
E e	**7,341,001**	8,283,362	**1,587,871**	1,544,659
O he	**1,222,194**	1,463,226	**82,901**	85,495
T al	**33,387,152**	23,542,843	**56,554,765**	56,016,892

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES

The G ha e e he f ll ing i k f m i e f financial in men in he n mal c e f he G ' e a i n , hich mainl incl de:

– C edi i k

– Li idi i k

– In e e a e i k

– F eign e change i k

Thi n e e en inf ma i n ab he G ' e e each f he ab e i k and hei ce , he G ' bjec i e , licie and ce e f mea ing and managing i k and e c.

The G aim eek he a ia e balance be een he i k and benefi f m i e f financial in men and mi iga e he ad e e effec ha he i k f financial in men ha e n he G ' financial e f mance. Ba ed n ch bjec i e , he G ' i k managemen licie a e e abli hed iden if and anal e he i k faced b he G , e a ia e i k limi and c n l , and m ni i k and adhe ence limi . Ri k managemen licie and em a e e ie ed eg la eflec change in ma ke c ndi i n and he G ' ac i i ie . The in e nal a di de a men f he G nde ake b h eg la and ad-h c e ie f i k managemen c n l and ced e .

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

1. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's credit risk is primarily attributable to cash at bank, receivables, debt investments and derivative financial instruments entered into for hedging purposes and etc. Exposure to these credit risks are monitored by management on an ongoing basis.

The cash at bank of the Group is mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

In respect of receivables, the risk management committee of the Group has established a credit policy under which individual credit evaluations are performed on all customers to determine the credit limit and terms applicable to the customers. These evaluations focus on the external ratings of the customers and their bank credit records where available and their payment records (if available). Receivables are due within from 30 to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers, but earnest [illegible] repayment money is restricted some time due to the customers' situation.

The management team of the Group had made the plan for financial leasing receivable risk management, based on the research on industries, the credit ratings of counterparties and the knowledge of the counterparties' business and financial standings. If the default of contract occurs, the management team of the Group may ask for restructuring, withdrawing or selling leased property, depending on the applicable in individual cases. If the delay of repayment occurs, the management team keeps the right to collect the default interest based on the amount of overdue repayment and default interest rate, until the overdue repayment will have been paid. In addition, the management team may ask for the deposit which can be paid for the money owed by the lessee, depending on individual case. When the Group assesses the credit risk, it is strategic to manage, restrict and control the over-concentration of the credit risk, especially, regularly assessing lessees' ability to make the repayments.

Based on the indicators such as asset conditions and profit forecasts of the associates and joint ventures, the Group provides funds to them and continuously monitors their project progress and business condition, to ensure the recoverability of funds.

In addition, the receivables of the Group that are neither overdue nor impaired mainly due from a wide range of customers for whom there was no recent history of default.

The Group's exposure to credit risk is influenced mainly by the individual characteristics and industries of each customer rather than the country or area in which the customers operate. And therefore significant concentrations of credit risk arise primarily when the Group has significant exposure to individual customers. At the balance sheet date, the Group and the Company had a certain concentration of credit risk, as 29.12% (2016: 30.89%) of the total accounts receivable and other receivables were due from the five largest customers of the Group.

Investments are normally made only in liquid securities quoted on a recognized stock exchange(except for investments of long-term strategic purposes). Besides, the credit rating for counterparty should be the same or above the Group. For transactions involving derivative financial instruments, counterparties should have sound credit ratings and with whom the Group has assigned netting ISDA agreement (International Swaps and Derivatives Association). Given their high credit ratings, management does not expect any investment counterparty to fail to meet its obligations.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, as in the balance sheet. Except for the financial guarantee given by the Group as set out in Note X, the Group and the Company do not provide any other guarantee which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the balance sheet date is disclosed in Note X.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk

Li idi i k i he i k ha an en e i e ma enc n e deficienc f f nd in mee ing bliga i n a cia ed i h financial liabili ie . The C m an i e n ible f he ca h managemen , incl ding h e m in e men f ca h l e and he ai ing f l an c e e ec ed ca h demand , f indi id al b idia ie bjec a al b he C m an ' b a d hen he b ing e ceed ce ain ede e mined le el f a h i . The G ' lic i eg la l m ni i h - e m and l ng- e m li idi e i emen and i c m liance i h lending c enan , en e ha i main ain fficien e e e f ca h and eadil eali able ma ke able ec i ie .

The f ll ing able h he emaining c n ac al ma i ie a he balance hee da e f he G ' financial a e and financial liabili ie , hich a e ba ed n c n ac al ndi c n ed ca h fl (incl ding in e e a men c m ed ing c n ac al a e if fl a ing, ba ed n e ailing in e e a e a 30 J ne) and he ea lie da e he G can be e i ed a :

	30 June 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 h a bank and n hand	5,737,102	–	–	–	5,737,102	5,737,102
Financial a e a fai al e h gh fi l	187,117	–	249,034	–	436,151	436,151
Acc n ecei able and he ecei able	28,068,602	–	–	–	28,068,602	28,068,602
C en i n f n n-c en a e	5,713,273	–	–	–	5,713,273	4,118,028
A ailable-f ale financial a e	20,000	–	36,405	411,970	468,375	461,762
In e e ecei able	8,580	–	–	–	8,580	8,580
Di idend ecei able	42,055	–	–	–	42,055	42,055
L ng- e m ecei able	–	2,306,274	6,769,078	12,501,833	21,577,185	13,499,327
S b- al	39,776,729	2,306,274	7,054,517	12,913,803	62,051,323	52,371,607
Financial liabilities						
Financial liabili ie a fai al e h gh fi l	134,772	–	57,718	–	192,490	192,490
Sh - e m b ing	17,945,748	–	–	–	17,945,748	17,945,748
N e a able	1,253,175	–	–	–	1,253,175	1,253,175
Deben e a able	189,000	189,000	8,175,500	–	8,553,500	7,986,500
Acc n a able and he a able	17,472,557	–	–	–	17,472,557	17,472,557
In e e a able	533,428	–	–	–	533,428	533,428
Di idend a able	253,412	–	–	–	253,412	253,412
C en i n f n n-c en liabili ie	5,015,501	–	–	–	5,015,501	5,015,501
O he c en liabili ie	2,583,959	–	–	–	2,583,959	2,612,280
L ng- e m b ing	735,724	4,954,569	16,058,290	2,812,230	24,560,813	23,665,089
L ng- e m a able	–	251,518	243,530	19,263	514,311	504,909
O he n n-c en liabili	314,210	314,210	314,210	1,685,812	2,628,442	2,037,458
S b- al	46,431,486	5,709,297	24,849,248	4,517,305	81,507,336	79,472,547
Ne al	(6,654,757)	(3,403,023)	(17,794,731)	8,396,498	(19,456,013)	(27,100,940)

A a 30 J ne 2017, he G ha g c mmi men f m main financial in i i n ide en gh e e e f nd , in de a i f h - e m and l ng- e m demand f king ca i al.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk (Continued)

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

Bank and other borrowings are analysed by repayment terms as follows:

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

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk

Fixed and floating interest-bearing financial instruments exposed the Group to interest rate risk of fair value and cash flow, respectively. The interest rate policy is to ensure the exposure of interest rate risk of borrowings is within a reasonable scope. The Group had entered into interest rate swap contracts, which were made based on the currencies of the borrowings. Hence the Group sets appropriate fixed and floating interest rate risk portfolio, to meet the policy.

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

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

	30 June 2017		31 December 2016	
	Interest rate (%)	**Amount**	Interest rate (%)	Amount
Floating rate interest-bearing financial instruments				
Financial assets				
- Cash at bank and on hand	**0.30%-2.75%**	**5,737,102**	0.30%-2.75%	6,325,998
Financial liabilities				
- Current portion of long-term borrowings	**3M Libor+165bps~ 3MLibor+240bps**	**3,896,006**	1.15%+1M Libor~ 3M Libor+240bps	2,725,710
- Long-term borrowings	**1.15%+1M Libor~ 6M Libor+195bps**	**21,728,143**	1.15%+1M Libor~ 6M Libor+310bps	25,980,215
- Short-term borrowings	**1M Libor+150bps~ 6M Libor+70bps**	**9,842,161**	1M Libor+180bps~ 6M Libor+230bps	9,448,834
- Long-term payables	**8.02%~12.86%**	**504,909**	8.02%~12.86%	529,372
- Current portion of long-term payables	**8.02%~12.86%**	**124,087**	8.02%~12.86%	138,312
Total		**(30,358,204)**		(32,496,445)

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk (Continued)

(2) Sensitivity analysis

A a 30 J ne 2017, i i e ima ed ha a gene al inc ea e/dec ea e f 25 ba i in (31 Decembe 2016: 25 ba i in) in in e e a e , i h all he a iable held c n an , ld inc ea e/dec ea e he G ' ne fi b 56,922,000 and e i b 56,922,000 (2016: 60,931,000 and 60,931,000, e ec i el).

The en i i i anal i ab e indica e he in an ane change in he ne fi and e i ha ld a i e a ming ha he change in in e e a e had cc ed a he balance hee da e and had been a lied e-mea e h e financial in men held b he G hich e e he G fai al e in e e a e i k a he balance hee da e. In e ec f he e e ca h fl in e e a e i k a i ing f m fl a ing a e n n-de i a i e in men held b he G a he balance hee da e, he im ac n he ne fi and e i i e ima ed a an ann ali ed im ac n in e e e en e inc me f ch a change in in e e a e . The anal i a e f med n he ame ba i f he e i ea

4. Foreign exchange risk

The maj c enc ecei ed b he G i USD and he maj c enc aid i RMB. In de a id he i k e l ing f m he fl c a i n f he e change a e f RMB, in e ec f acc n ecei able and a able den mina ed in f eign c encie , he G en e ha i ne e e i ke an acce able le el b b ing elling f eign c encie a a e hen nece a add e h - e m imbalance .

(1) Be ide he e e c enc i k a i ing f m financial a e a fai al e h gh fi l and financial liabili ie a fai al e h gh fi l di cl ed in N e IV.2 and IV.26, he G ' e e a a 30 J ne c enc i k a i ing f m ec gni ed a e liabili ie den mina ed in f eign c encie i f ll . F e en a i n e , he am n f he e e a e h n in RMB, an la ed ing he a e a he balance hee da e. Diffe ence e l ing f m he an la i n f he financial a emen den mina ed in f eign c enc a e e cl ded.

	30 June 2017				31 Decembe 2016			
	USD	**EUR**	**HKD**	**JPY**	USD	EUR	HKD	JPY
Ca h a bank and n hand	**677,567**	**1,513,464**	**32,959**	**24,414**	823,367	1,169,615	40,023	44,700
Recei able	**7,480,210**	**165,053**	**18,293**	**26,586**	3,612,395	254,069	18,353	82,916
Sh - e m b ing	**(6,949,798)**	**(623,954)**	**-**	**-**	(5,759,019)	(61,487)	-	(7,169)
L ng- e m b ing	**(12,385,960)**	**-**	**(215,244)**	**-**	(14,736,500)	-	(132,386)	-
Pa able	**(487,959)**	**(113,654)**	**(614)**	**-**	(1,023,302)	(118,003)	(30,414)	-
C en i n f n n-c en liabili ie	**(13,549)**	**-**	**-**	**-**	(2,710,684)	-	-	-
G balance hee e e	**(11,679,489)**	**940,909**	**(164,606)**	**51,000**	(19,793,743)	1,244,194	(104,424)	120,447

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

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

	Average exchange rate		Benchmark average exchange rate	
	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016	**30 June 2017**	31 December 2016
USD	**6.8871**	6.5359	**6.7744**	6.6312
EUR	**7.4349**	7.2993	**7.7496**	7.3750
HKD	**0.8857**	0.8418	**0.8679**	0.8547
JPY	**0.0616**	0.0590	**0.0605**	0.0645

(3) Sensitivity analysis

Assuming all other risk variables remained constant, 2.80%, 2.80%, 2.70% and 1.90% weakening of the RMB against the USD, EUR, HKD and JPY respectively as at 30 June 2017 (2.80%, 2.80%, 2.70% and 1.90% strengthening of the RMB against the USD, EUR, HKD, and JPY respectively as at 31 December 2016) would have increased (decreased) equity and net profit by the amounts shown below; this effect is in RMB and translated using the spot rate at the balance sheet date:

	Equity	Net profit
30 June 2017		
USD	**(245,269)**	**(245,269)**
EUR	**19,759**	**19,759**
HKD	**(3,333)**	**(3,333)**
JPY	**727**	**727**
Total	**(228,116)**	**(228,116)**
31 December 2016		
USD	(415,669)	(415,669)
EUR	26,128	26,128
HKD	(2,115)	(2,115)
JPY	1,716	1,716
Total	(389,940)	(389,940)

2.80%, 2.80%, 2.70% and 1.90% strengthening of the RMB against USD, EUR, HKD and JPY respectively as at 30 June 2017 (2.80%, 2.80%, 2.70% and 1.90% weakening of the RMB against the USD, EUR, HKD, and JPY respectively as at 31 December 2016) would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

(3) Sensitivity analysis (Continued)

The sensitivity analysis above assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the balance sheet date, the analysis excludes differences that would result from the translation of the financial statements denominated in foreign currency. The analysis is performed on the same basis for the previous year.

The above sensitivity analysis does not include exposure to currency risk arising from foreign forward contracts, Japanese Yen exchange option and swap contracts for interest rate disclosed in Note IV.2 and IV.26 about financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss, but the change in exchange rates may have effect on shareholders' equity and net profit.

5. Other price risks

Other price risks are stock price risk. As at 30 June 2017, the Group held 40,414,000 tradable shares of Qingdao Port International Co., Ltd., 2,996,500 tradable shares of Sinotrans Shipping Limited, etc.

As at 30 June 2017, it is estimated that a general increase/decrease of the comprehensive index of shares by 5.00% (31 December 2016: 5.00%), with all other variables held constant, would increase/decrease the Group's shareholders' equity by 9,158,000 (31 December 2016: 6,651,000).

The sensitivity analysis above assumes that the change in the comprehensive index of shares occurred at the balance sheet date in the reasonable range and had been applied to remeasure all those investments in securities held by the Group. The sensitivity analysis is also based on another assumption, namely, the fair value of the investments in securities held by the Group is relevant to composite index of stock market, and available-for-sale securities investments that same risk factors as trading securities investments, and all other variables held constant. 20.00% change in the comprehensive index of share is a reasonable expectation of the Group for the period from the balance sheet date to the next balance sheet date.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates

The le el in he fai al e hie a ch i hin hich he fai al e mea emen i ca eg i ed in i en i e i de e mined n he ba i f he l e le el in ha i ignifican he fai al e mea emen in i en i e :

Le el 1: Q ed ice (nadj ed) in ac i e ma ke f iden ical a e liabili ie ;

Le el 2: In he han ed ice incl ded i hin le el 1 ha a e b e able f he a e liabili , ei he di ec l (ha i , a ice) indi ec l (ha i , de i ed f m ice);

Le el 3: In f he a e liabili ha a e n ba ed n b e able ma ke da a (ha i , n b e able in).

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

The f ll ing able e en he G ' a e and liabili ie ha a e mea ed a fai al e in he ab e h ee le el A a 30 J ne 2017:

Assets	N e	Level 1	Level 2	Level 3	Total
Financial assets					
Financial a e a fai al e h gh fi l					
In e men in e i in men held f ading	IV.2	180,357	–	–	180,357
De i a i e financial a e	IV.2	–	251,402	–	251,402
Hedging in men	IV.2	–	4,392	–	4,392
A ailable-f ale financial a e	IV.11	1,761	51,086	–	52,847
Financial a e al		182,118	306,880	–	488,998
Non-financial assets					
In e men e ie	IV.14	–	–	1,722,065	1,722,065
T al		182,118	306,880	1,722,065	2,211,063

Liabilities	N e	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	IV.26	–	(6,359)	–	(6,359)
Hedging Instrument	IV.26	–	(186)	–	(186)
Financial guarantee contracts	IV.26	–	–	(55,980)	(55,980)
Contingent considerations	IV.26	–	–	(129,965)	(129,965)
Total		–	(6,545)	(185,945)	(192,490)

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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 and liabilities that are measured at fair value in the above three levels as at 31 December 2016:

Assets	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at fair value through profit or loss					
Investments in equity instruments held for trading	IV.2	138,072	-	-	138,072
Derivative financial assets	IV.2	-	326,969	-	326,969
Hedging instruments	IV.2	-	1,306	-	1,306
Available-for-sale financial assets	IV.11	2,441	30,803	-	33,244
Financial assets total		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	Notes	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 Instruments	IV.26	-	(4,244)	-	(4,244)
Financial guarantee contract	IV.26	-	-	(57,419)	(57,419)
Contingent consideration	IV.26	-	-	(125,540)	(125,540)
Total		-	(20,082)	(182,959)	(203,041)

The Group makes the date when matters occurred which result in significant transfer between instruments in the three levels as the point of transfer. During the year ended 31 December 2016, there were no significant transfer between instruments in Level 1 and Level 2 neither to nor from Level 2 and Level 3.

For traded in active markets financial instruments, the group measures its fair value as an active market price; for non-traded in active market financial instruments, the group uses the valuation technique to determine the fair value. Valuation model mainly used are the discounted cash flow model and market comparable company model etc. Inputs values of the valuation technique include the risk free interest rate, benchmark interest rate, exchange rate, credit spread, liquidity premium, EBITDA multiplier, the lack of liquidity discount etc.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

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

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The f ll ing able e en he m emen f he n n-financial a e in Le el 3:

	Investment properties
1 Jan a 2017	**1,752,608**
P cha e	**–**
T an fe ed f m fi ed a e , in angible a e and c n c i n in g e	**1,287**
T an fe ed he he a e cla ified a held f ale	**–**
T al gain f he c en e i d	**–**
Gain ec gni ed in fi l	**–**
Gain /(l e) ec gni ed in he c m ehen i e inc me	**–**
T an fe ed d ing he e i d	**(35,389)**
E change diffe ence a i ing f m an la ing f eign c encie	**3,559**
30 J ne 2017	**1,722,065**
1 Jan a 2016	730,168
P cha e	78,176
T an fe ed f m fi ed a e , in angible a e and c n c i n in g e	310,039
T an fe ed he he a e cla ified a held f ale	(26,401)
T al gain f he c en e i d	660,626
Gain ec gni ed in fi l	75,792
Gain /(l e) ec gni ed in he c m ehen i e inc me	584,834
31 Decembe 2016	1,752,608

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(All amounts in RMB'000 unless otherwise stated)

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 information of the assets measured at fair value in Level 3:

	Fair value as at 30 June 2017	Valuation technique	Significant unobservable inputs: Name	Scope/weighted average	Relationship with fair value	Observable/Unobservable
Investment properties -	**1,126,654**		Rate of return/capitalisation rate	6%-8%		
Completed investment properties		Income model	Monthly rental (RMB/square metre/month)	7-95	(a)	Unobservable
		Cost model	Budgeted construction costs to be incurred (RMB/square metre)	650-4,600		
			Anticipated developer's profit margin	9%-12%	(a)	Unobservable
Land use rights	**595,411**	Direct comparison	Market price (RMB/square metre)	450-2200	(a)	Unobservable

(a) The relationship of unobservable inputs to fair value are as follows:

- The higher of the rate of return/capitalisation rate, the lower of fair value;
- The higher of the expected vacancy rate, the lower of fair value;
- The higher of the monthly rental, the higher of the fair value;
- The higher of the market price, the higher of the fair value;
- The higher of the budgeted construction costs to be incurred, the lower of the fair value;
- The higher of the anticipated developer's profit margin, the lower of the fair value.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

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

			Significant unobservable inputs			
	Fair value as at 31 December 2016	Valuation technique	Name	Scope/weighted average	Relationship with fair value	Observable/Unobservable
Investment properties - Completed investment properties	1,139,285		Rate of return/capitalization rate	6%-8%		
		Income model	Monthly rental (RMB/square meter/month)	7-95	(a)	Unobservable
		Cost model	Budgeted construction costs to be incurred (RMB/square meter)	650-4,600		
			Anticipated developer's profit margin	9%-12%	(a)	Unobservable
Land use rights	613,323	Direct comparison	Market price (RMB/square meter)	450-2200	(a)	Unobservable

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

The non-current assets held for sale are measured at the lower of the book value and the fair value less the disposal expenses. As at 30 June 2017, the Group's assets classified as available for sale include investment properties of RMB26,401,000, fixed assets of RMB92,269,000 and intangible assets of RMB85,177,000, measured at fair value less disposal expenses (Note IV.8). The The fair value is estimated based on the present value of estimated future cash flows (RMB26,401,000, RMB115,743,000 and RMB97,563,000), which belong to the third level.

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

Financial assets and liabilities in the group measured by the amortized cost method including: accounts receivable, short-term borrowings, accounts payable, long-term borrowings, debentures payable, long-term payables etc.

As at 30 June 2017, all financial instruments are carried at amounts not materially different from their fair values.

The existing active market for bonds payable and fair value is determined by the quotation in the active market, which belong to the first level. Fair value of long-term borrowings, long-term payable and debentures payable without active market is determined by the discounted future cash flows of the contracts in accordance with interest that is comparable and offers the same cash flows under the same conditions, which belong to the third level.

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(4) Estimation and assumption of fair values

The f ll ing mma i e he maj me h d and a m i n ed in e ima ing he fai al e f financial a e a fai al e h gh fi l and financial liabili ie a fai al e h gh fi l , a ailable-f ale financial a e n he balance hee da e.

( )

Fai al e i ba ed n ed ma ke ice a he balance hee da e f fai al e f financial a e a fai al e h gh fi l and financial liabili ie a fai al e h gh fi l (e cl ding de i a i e), and a ailable-f ale financial a e if he e i an ac i e ma ke .

( )

The fai al e i e ima ed a he e en al e f he f e ca h fl , di c n ed a he ma ke in e e a e a he balance hee da e.

( )

The fai al e f b ing , deben e a able, l ng- e m a able and he n n-de i a i e financial liabili ie i e ima ed a he e en al e f f e ca h fl , di c n ed a he ma ke a e f in e e a he balance hee da e.

( )

The fai al e f f a d e change c n ac i ei he ba ed n hei li ed ma ke ice b di c n ing he c n ac al f a d ice and ded c ing he c en a e. The fai al e f in e e a e a i ba ed n b ke e . The e a e e ed f ea nablene b di c n ing e ima ed f e ca h fl ba ed n he e m and ma i f each c n ac and ing ma ke in e e a e f a imila in e e a e in men a he mea emen da e.

( )

The fai al e f financial g a an ee i ed i de e mined b efe ence fee cha ged in an a m' leng h an ac i n f imila e ice , hen ch inf ma i n i b ainable, i he i e e ima ed b efe ence in e e a e diffe en ial , b c m a ing he ac al a e cha ged b lende hen he g a an ee i made a ailable i h he e ima ed a e ha he lende ld ha e cha ged, had he g a an ee n been a ailable, he e eliable e ima e f ch inf ma i n can be made.

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

XV. CAPITAL MANAGEMENT

The G ' bjec i e f managing ca i al a e afeg a d he g ' abili f ainable de el men in de ide e n f ha eh lde and benefi f he akeh lde and main ain an imal ca i al c e ed ce he c f ca i al.

In de main ain adj he ca i al c e, he G ma adj he am n f di idend aid ha eh lde , e n ca i al ha eh lde , i e ne ha e ell a e ed ce deb .

T al ca i al f he g i ha eh lde ' e i h n in he c n lida ed balance hee . The g i n bjec e e nal manda ca i al e i emen , and e deb a e a i m ni ca i al.

The G m ni ca i al n he ba i f Deb -A e a i . Thi a i i calc la ed a al liabili ie di ided b al a e .

In 2017, he G manage ca i al a b c n lling he Deb -A e a i n e ceed 70% (2016: n e ceed 70%). The Deb -A e a i a a 30 J ne 2017 and 31 Decembe 2016 e e a f ll :

	30 June 2017	31 Decembe 2016
T al Liabili	**89,626,971**	85,479,956
T al A e	**129,498,854**	124,614,748
Deb -A e Ra i	**69%**	69%

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS

1. Cash at bank and on hand

	30 June 2017	31 Decembe 2016
Bank de i	**2,292,935**	2,647,574
O he ca h balance	**7,391**	12,648
	2,300,326	2,660,222
Incl ding: ca h ab ad	**503**	519

A a 30 J ne 2017, e ic ed ca h a bank and n hand f he C m an am n ed RMB503,000 (31 Decembe 2016: RMB2,752,000).

A a 30 J ne 2017, he fi ed de i f he C m an in he Financial C m an , a b idia f he G , a RMB1,594,000,000 (31 Decembe 2016: RMB942,000,000).

(All am n in RMB'000 nle he i e a ed)

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

2. Dividends receivable

	30 June 2017	31 Decembe 2016
CIMC H ng K ng	**3,333,084**	3,435,198
SCIMC	**592,706**	592,706
SCIMCEL	**462,372**	462,372
SCRC	**216,000**	–
TJCIMCLE	**48,915**	48,915
SCIMCEL	**19,263**	19,263
M de n L gi ic	**29,146**	29,146
CIMC W d	**–**	874
CIMCVL	**–**	149,577
QDSV	**2,468**	17,356
Tianjin Kangde L gi ic E i men C ., L d	**411**	411
	4,704,365	4,755,818

3. Other receivables

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

	30 June 2017	31 Decembe 2016
Am n d e f m ela ed a ie	**12,940,182**	13,109,464
De i and ma gin	**14,739**	15,711
O he	**18,233**	10,821
S b- al	**12,973,154**	13,135,996
Le : i i n f bad deb	**(4,580)**	(4,580)
T al	**12,968,574**	13,131,416

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

3. Other receivables (Continued)

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

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

The ageing is calculated starting from the date when other receivable is recognised.

As at 30 June 2017 and 31 December 2016, the Company did not have overdue other receivables that were not impaired.

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

	Note	30 June 2017				31 December 2016			
		Ending balance		Provision for doubtful debts		Ending balance		Provision for doubtful debts	
		Amount	% of total balance	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance
Other receivables with amounts that are individually significant	(4)	**12,873,563**	**99.23%**	**–**	**–**	13,066,919	99.47%	–	–
Other receivables with amounts that are not individually significant	(5)	**99,591**	**0.77%**	**4,580**	**4.60%**	69,077	0.53%	4,580	6.63%
Total		**12,973,154**	**100.00%**	**4,580**	**0.04%**	13,135,996	100.00%	4,580	0.03%

There were no collateral that the Company held for other receivables that were made impairment aforesaid.

(All am   n   in RMB'000 nle   he i e   a ed)

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

3. Other receivables (Continued)

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

A   a 30 J ne 2017 and 31 Decembe 2016, he C m an   ha   n   he ecei able   i h am   n   ha a e indi id all   ignifican and ha   he ela ed   i i n f   d   b f l deb   i   ided   n he indi id al ba i

(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 30 J ne 2017 and 31 Decembe 2016, he C m an   ha   n   he ecei able   i h am   n   ha a e n indi id all   ignifican b   ha   he ela ed   i i n f   bad deb   i   ided   n he indi id al ba i .

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

	30 June 2017	31 Decembe 2016

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

3. Other receivables (Continued)

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

	Nature	Amount	Aging	% of total balance	Provision for doubtful debts
CIMC H ng K ng	f nd an fe , dail an fe	3,612,395	Wi hin 1 ea	27.85%	-
C&C T ck	f nd an fe	1,421,641	Wi hin 1 ea , 1 2 ea , 2 3 ea	10.96%	-
H ng in Be g	f nd an fe	1,098,758	Wi hin 1 ea	8.47%	-
CIMCVL and i b idia ie	f nd an fe	849,639	Wi hin 1 ea	6.55%	-
Tianjin H ng in Be g	f nd an fe	591,447	Wi hin 1 ea	4.56%	-
		7,573,880		58.39%	-

The C m an ' fi e la ge he ecei able a a 31 Decembe 2016 am n ed 7,609,722,000 and acc n ing f 57.93% f he al he ecei able .

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

A a 30 J ne 2017, n am n d e f m ha eh lde h lding m e han 5% (incl ding 5%) f he ing igh f he C m an i incl ded in he ab e balance f he ecei able .

(All am n in RMB'000 nle he i e a ed)

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

3. Other receivables (Continued)

(11) Other receivables from related parties

	Relationship with the Company	**Amount**	**% of total balance**
A cia e	A cia e	255,255	1.97%
S b idia ie	S b idia ie	12,684,927	97.78%
T al		12,940,182	99.75%

(12) Other receivables derecognised due to transfer of financial assets

A a 30 J ne 2017, he e e n he ecei able de ec gni ed d e an fe f financial a e f he C m an (31 Decembe 2016: Nil).

(13) Amount of assets and liabilities recognised due to the continuing involvement of securitised other receivable

The e e e n ec i ied he ecei able d ing hi ea (31 Decembe 2016: Nil).

4. Available-for-sale financial assets

	30 June 2017	31 Decembe 2016
Mea ed a c		
A ailable-f ale e i in men (1)	**391,970**	391,970
Le : i i n f im ai men	**(3,065)**	(3,065)
	388,905	388,905

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

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

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

A ailable-f ale financial a e mea ed a c :

	31 Decembe 2016	Inc ea e in c en e i d	Dec ea e in c en e i d	**30 June 2017**	Sha e h lding (%)	Ca h di idend decla ed
A ailable-f ale e i in men						
C						
BOCM Sch de S l F nd Managemen	8,125	–	–	**8,125**	5.00%	–
China Rail a Uni ed L gi ic	380,780	–	–	**380,780**	10.00%	4,000
G angd ng Sam ng	1,365	–	–	**1,365**	0.09%	–
Beihai Yinjian	1,700	–	–	**1,700**	1.01%	–
S b- al	391,970	–	–	**391,970**		4,000
Le : i i n f im ai men	(3,065)	–	–	**(3,065)**		–
T al	388,905	–	–	**388,905**		4,000

(2) Available-for-sale financial assets measured at cost held by the group are mainly unlisted equity investments with no active market price and their reasonable fair value estimates has large variation range; the probability determining the fair value estimate can not be reasonably determined so their fair value cannot be reliably measured. The group has no disposal of the investment plan.

5. Long-term equity investments

(1) Long-term equity investments are analysed by categories as follows:

	30 June 2017	31 Decembe 2016
S b idia ie	**9,490,535**	9,375,276
Le : i i n f im ai men	**–**	–
T al	**9,490,535**	9,375,276

The e i n e ic i n n ale f he l ng- e m e i in e men held b he C m an .

(All amounts in RMB'000 unless otherwise stated)

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

5. Long-term equity investments (Continued)

(2) Subsidiaries:

Investee	31 December 2016	Current period movement	30 June 2017	Shareholding (%)	Voting rights (%)	Provision for impairment	Impairment provided in the current period	Cash dividend declared
Cost method – Investment in subsidiaries								
SCIMC	110,831	–	**110,831**	100%	100%	–	–	–
XHCIMC	36,500	–	**36,500**	100%	100%	–	–	–
TJCIMC	77,704	–	**77,704**	100%	100%	–	–	–
DLCIMC	48,764	–	**48,764**	100%	100%	–	–	–
TCCIMC	131,654	(40,230)	**91,424**	100%	100%	–	–	33,642
CQVL	39,499	–	**39,499**	100%	100%	–	–	–
SCRC	200,892	–	**200,892**	92%	92%	–	–	216,000
XHCIMCS	82,026	–	**82,026**	100%	100%	–	–	–
CIMC Hong Kong	1,690	–	**1,690**	100%	100%	–	–	–
CIMC SD	162,686	–	**162,686**	100%	100%	–	–	–
HI	606,912	–	**606,912**	80%	80%	–	–	98,789
CIMC Tech	41,526	–	**41,526**	100%	100%	–	–	–
CIMCWD	54,817	–	**54,817**	100%	100%	–	–	–
CIMC Training	48,102	–	**48,102**	100%	100%	–	–	–
DLZH	182,136	–	**182,136**	100%	100%	–	–	–
MEA	111,703	–	**111,703**	100%	100%	–	–	–
CIMC World	3,472	–	**3,472**	100%	100%	–	–	–

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

5. Long-term equity investments (Continued)

(2) Subsidiaries: (Continued)

Investee	31 December 2016	Current period movement	**30 June 2017**	Shareholding (%)	Voting rights (%)	Provision for impairment	Impairment provided in the current period	Cash dividend declared
SZ Investment Holding	72,401	-	**72,401**	100%	100%	-	-	-
Finance Company	482,590	-	**482,590**	100%	100%	-	-	-
CIMCVL	422,363	-	**422,363**	100%	100%	-	-	-
QDSV	26,912	-	**26,912**	80%	80%	-	-	-
SHOE	40,000	-	**40,000**	100%	100%	-	-	-
SZ Investment	140,000	-	**140,000**	100%	100%	-	-	-
SESKYC	90,000	-	**90,000**	100%	100%	-	-	-
DLCIMCS	69,806	-	**69,806**	100%	100%	-	-	-
Container Holding	4,104,227	-	**4,104,227**	100%	100%	-	-	-
COOP	205,022	-	**205,022**	99%	99%	-	-	-
CIMC Modern Logistic Development Co., Ltd.	803,904	-	**803,904**	100%	100%	-	-	-
C&C Truck	898,977	81,616	**980,593**	70%	70%	-	-	-
Offshore Holding	35,000	-	**35,000**	100%	100%	-	-	-
Overseas holding company	13,160	-	**13,160**	100%	100%	-	-	-
Guangdong Vehicle Park Investment Company	30,000	-	**30,000**	100%	100%	-	-	-
Taicang Special Equipment	-	73,873	**73,873**	100%	100%	-	-	-
Sub-total	9,375,276	115,259	**9,490,535**			-	-	348,431

Notes to the Financial Statements

For the period from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

6. Short-term borrowings

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

	30 June 2017	31 December 2016
Bank borrowings		
- Unsecured	**3,660,000**	2,710,000

7. Financial liabilities at fair value through profit or loss

	30 June 2017	31 December 2016
Current portion		
- Interest rate swap contract	**–**	65
Non-current portion		
- Interest rate swap contract	**1,738**	3,296

8. Taxes payable

	30 June 2017	31 December 2016
Income tax payable	**2,834**	2,042
Withholding individual income tax	**1,067**	1,120
Others	**123**	484
Total	**4,024**	3,646

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

9. Interest payable

	30 June 2017	31 December 2016
Interest of corporate debentures	**218,242**	70,249
Interest of short-term borrowings with periodic payments of interest and return of principal at maturity	**5,957**	3,522
Interest of long-term borrowings with periodic payments of interest and return of principal at maturity	**1,365**	1,984
Total	**225,564**	75,755

10. Other payable

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

	30 June 2017	31 December 2016
Current accounts with subsidiaries	**2,162,672**	2,948,279
Equipment freight	**10,459**	16,735
Quality guarantee	**429**	429
Accrual	**–**	7,592
Others	**11,962**	17,769
Total	**2,185,522**	2,990,804

(2) Significant other payables aged over one year

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

11. Current portion of non-current liabilities

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

	Note	30 June 2017	31 December 2016
Current portion of long-term borrowing			
- Unsecured	(2)	**995,000**	800,000

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

12. Long-term borrowings

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

	30 June 2017	31 December 2016
Bank borrowing		
- Unsecured	**826,000**	1,621,000

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

As at 30 June 2017, the interest rate of long-term borrowing ranged from 1.20% to 3.35% (31 December 2016: 1.20% to 3.65%).

13. Debentures payable

Information of the Company's debentures payable please refer to Note IV.39.

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

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

14. Deferred tax assets and deferred tax liabilities

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

	30 June 2017		31 December 2016	
	Deductible/ (taxable) Temporary differences	**Deferred tax assets/ (liabilities)**	Deductible/ (taxable) Temporary difference	Deferred tax assets/ (liabilities)
Deferred tax assets:				
Employee benefits payable	**196,808**	**49,202**	205,760	51,440
Movement of fair value of financial assets at fair value through profit or loss	**1,738**	**434**	3,360	840
Sub-total	**198,546**	**49,636**	209,120	52,280
Offsetting amount	**–**	**–**	–	–
Offsetting balances	**198,546**	**49,636**	209,120	52,280
Including:				
Amount estimated to be recovered within 1 year (inclusive)		**49,636**		52,280

(All amounts in RMB'000 unless otherwise stated)

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

15. Capital surplus

	31 December 2016	Increase in current period	Decrease in current period	**30 June 2017**
Share premium	3,601,855	29,311	–	**3,631,166**
Other capital surplus:				
– Exchange reserve on foreign currency capital	687	–	–	**687**
– Donated non-cash assets reserve	87	–	–	**87**
– Equity-settled share-based payment	253,012	–	(12,104)	**240,908**
Others	(568,492)	–	–	**(568,492)**
Total	3,287,149	29,311	(12,104)	**3,304,356**

	1 January 2016	Increase in current year	Decrease in current year	31 December 2016
Share premium	3,589,082	12,773	–	3,601,855
Other capital surplus:				
– Exchange reserve on foreign currency capital	687	–	–	687
– Donated non-cash assets reserve	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

Notes to the Financial Statements

For the period started from 1 January and ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XVI.

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

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

Notes to the Financial Statements

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

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

22. Non-operating expenses

	For the period from 1 January to 30 June 2017	F he e i d f m 1 Jan a 30 J ne 2016
Abn mal l e	**396**	-
L e n di al f fi ed a e	**586**	1
O he	**764**	248
T al	**1,746**	249

23. Income tax expenses

	For the period from 1 January to 30 June 2017	F he e i d f m 1 Jan a 30 J ne 2016
Change in defe ed inc me a	**2,644**	27,968

The inc me a ba ed n he a licable fi a e i adj ed inc me a e en e ba ed n he al fi f he c n lida ed inc me a emen :

	For the period from 1 January to 30 June 2017	F he e i d f m 1 Jan a 30 J ne 2016
T al fi bef e a	**31,304**	153,333
Inc me a e en e calc la ed a a licable a a e	**7,826**	38,333
E en e n ded c ible f a e	**803**	1,878
The a im ac f he c en l f defe ed inc me a a e nc nfi med	**82,123**	17,498
Inc me n bjec a	**(88,108)**	(29,741)
Inc me a e en e	**2,644**	27,968

(All am n in RMB'000 nle he i e a ed)

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

24. Notes to the cash flow statement

(1) Supplementary information to the cash flow statement:

( )

	For the period from 1 January to 30 June 2017	F he e i d f m 1 Jan a 30 J ne 2016
Ne fi	**28,661**	125,365
De ecia i n f fi ed a e	**6,370**	5,965
Am i a i n f in angible a e	**129**	129
Am i a i n f l ng- e m e aid e en e	**5,517**	2,113
The decline in am i a i n c	**3,000**	-
Acc ed e en e inc ea ed	**(7,592)**	-
(P fi)/L e n di al f fi ed a e , in angible a e	**586**	(115)
P fi n change in fai al e	**(1,623)**	(1,985)
Financial e en e	**300,050**	50,735
In e men inc me	**(359,040)**	(118,963)
Dec ea e/(Inc ea e) in defe ed a a e	**2,644**	27,968
Dec ea e/(Inc ea e) in e a ing ecei able	**185,423**	(501,056)
Dec ea e/(Inc ea e) in e a ing a able	**(1,544,959)**	44,642
Ne ca h fl f m e a ing ac i i ie	**(1,380,835)**	(365,202)

( )

	For the period from 1 January to 30 June 2017	F he e i d f m 1 Jan a 30 J ne 2016
Ca h and ca h e i alen a he end f he ea	**699,840**	330,140
Le : ca h and ca h e i alen a he beginning f he ea	**1,715,470**	652,865
Ne change f ca h and ca h e i alen	**(1,015,630)**	(322,725)

(2) Composition of cash and cash equivalents

	30 June 2017	30 J ne 2016
I. Ca h		
Incl ding: Ca h a bank ha can be li ida ed a an ime n demand	**698,935**	320,261
O he m ne a f nd ha can be eadil d a n n demand	**905**	9,879
II. Ca h and ca h e i alen a he end f he ea ha can be li ida ed a an ime n demand	**699,840**	330,140

N e: Af e aid' Ca h a bank and n hand e cl ded e ic ed ca h.

Supplementary Information

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

I. STATEMENT OF NON-RECURRING PROFIT OR LOSS

	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016
P fi /(l) n di al f n n-c en a e	**13,739**	(3,332)
G e nmen g an ec gni ed in fi l f he c en e i d	**91,032**	135,375
Remea emen f he fai al e f e i in e e in he ac i ee held i he ac i i i n da e ec gni ed in in e men inc me	**–**	-
Gain f m change in fai al e a i ing f m h lding financial a e a fai al e h gh fi l and financial liabili ie a fai al e h gh fi l , and in e men gain a i ing f m di al f financial a e a fai al e h gh fi l , financial liabili ie a fai al e h gh fi l and a ailable-f ale financial a e , e ce f he effec i e hedging ac i i ie ela ed he g ' dina ac i i ie	**(20,332)**	12,264
Occ a i n c f m n n-financial b ine ec gni ed in fi l f he c en e i d	**–**	-
Ne gain f m di al f b idia ie	**(25,460)**	23,712
Re e al f acc n ecei able ided f bad deb n an indi id al ba i	**–**	-
O he n n- e a ing inc me and e en e he han he ab e i em	**38,201**	21,101
O he n n ec ing gain and l i em	**(105,549)**	-
S b- al	**(8,369)**	189,120
Effec f inc me a	**(30,200)**	(30,604)
Effec f min i in e e (af e a)	**(29,616)**	(34,350)
T al	**(68,185)**	124,166

N e: Af e aid n n- ec ing fi l a e en ed a am n bef e a a i n.

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

Unde he e i emen in E lana ann ncemen N . 1 n inf ma i n di cl e b c m anie ffe ing ec i ie he blic n n- ec ing fi l [2008] f m CSRC, n n- ec ing fi l efe h e a i e f m an ac i n and e en ha a e n di ec l ele an dina ac i i ie , ha a e ele an dina ac i i ie , b a e e a dina and n e ec ed ec f e en l ha ld ha e an infl ence n e f financial a emen making ec n mic deci i n n he financial e f mance and fi abili f an en e i e.

Supplementary Information

F he e i d a ed f m 1 Jan a and ended 30 J ne 2017
(All am n in RMB'000 nle he i e a ed)
(Engli h T an la i n f Refe ence Onl)

II. RETURN ON NET ASSETS AND EARNINGS PER SHARE

In acc dance i h In e e i e P n ncemen n he P e a a i n f Inf ma i n Di cl e f C m anie I ing P blic Sha e N . 9 , Ea ning e ha e and e n n ne a e (2010 e i ed) and ele an e i emen f acc n ing anda d, he calc la i n f ea ning e ha e and e n n ne a e f he C m an i li ed a f ll :

	Weighted average return on net assets(%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	For the Period from 1 January to 30 June 2017	F he Pe i d f m 1 Jan a 30 J ne 2016	**For the Period from 1 January to 30 June 2017**	F he Pe i d f m 1 Jan a 30 J ne 2016	**For the Period from 1 January to 30 June 2017**	F he Pe i d f m 1 Jan a 30 J ne 2016
Ne fi a ib able dina ha eh lde f he C m an	**2.76%**	(1.64%)	**0.2554**	(0.1444)	**0.2544**	(0.1444)
Ne fi a ib able dina ha eh lde f he C m an af e ded c ing n n-ec ing fi l	**3.00%**	(2.11%)	**0.2783**	(0.1861)	**0.2772**	(0.1861)

Chapter X Documents Available for Inspection

I. The original copies of the interim report of the Company for 2017 signed by the Company's legal representative.

II. The original copies of the unaudited financial report of the Company for the six months ended 30 June 2017 prepared under CASBE duly signed and under the seal of the legal representative of the Company, the person-in charge of accounting affairs, and accounting person-in-charge (General Manager of Financial Management Department).

III. The original copies of the documents and announcements of the Company published in the newspapers stipulated by the China Securities Regulatory Commission during the Reporting Period.

IV. The English and Chinese versions of the 2017 interim report of the Company published on the website of the Hong Kong Stock Exchange.

Wang Hong

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

September 2017

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Driving new value Moving the world

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