

Consolidated Statement of Comprehensive Income

(All amounts in RMB unless otherwise stated)

	Note	Year ended 31 December	
		2016 RMB'000	2015 RMB'000
Revenue	5	9,129,302	9,010,422
Cost of sales	8	(8,118,844)	(8,022,954)
Gross profit		1,010,458	987,468
Distribution costs	8	(242,519)	(270,407)
Administrative expenses	8	(784,468)	(1,087,097)
Other gains, net	6	226,676	642,380
Other income	7	73,477	71,501
Operating profit		283,624	343,845
Finance income		18,329	24,395
Finance costs		(118,881)	(133,281)
Finance costs, net	10	(100,552)	(108,886)
Share of post-tax profits of joint venture	12	251,019	265,127
Share of post-tax profits of associates	12	100,609	23,810
Profit before income tax		534,700	523,896
Income tax expense	13	(28,501)	(57,311)
Profit for the year		506,199	466,585

Consolidated Statement of Comprehensive Income (Continued)

(All amounts in RMB unless otherwise stated)

	Note	Year ended 31 December	
		2016 RMB'000	2015 RMB'000
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
– Remeasurements of retirement and termination benefit obligations		2,016	9,935
– Income tax relating to remeasurements of retirement and termination benefit obligations		(243)	(349)
<i>Items that may be reclassified to profit or loss</i>			
– Fair value losses on available-for-sale financial assets		(495)	(266)
– Income tax relating to available-for-sale financial assets		74	40
– Net investment hedge		(13,351)	–
– Currency translation differences		17,517	1,856
– Share of other comprehensive income of investments accounted for using the equity method		529	–
Other comprehensive income for the year, net of tax		6,047	11,216
Total comprehensive income for the year		512,246	477,801
Profit attributable to:			
Owners of the Company		443,502	417,634
Non-controlling interests		62,697	48,951
		506,199	466,585

Consolidated Statement of Comprehensive Income *(Continued)*

(All amounts in RMB unless otherwise stated)

	Note	Year ended 31 December	
		2016 RMB'000	2015 RMB'000
Total comprehensive income attributable to:			
Owners of the Company		449,549	428,850
Non-controlling interests		62,697	48,951
		512,246	477,801
Earnings per share for profit attributable to the owners of the Company for the year (expressed in RMB per share)			
– Basic and diluted	14	0.12	0.11
Dividends proposed after the balance sheet date to all shareholders	33	128,962	92,116

The notes on pages 138 to 308 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

(All amounts in RMB unless otherwise stated)

	Note	As at 31 December	
		2016 RMB'000	2015 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	3,877,917	3,715,249
Investment properties	17	12,087	25,958
Lease prepayments	15	519,562	616,515
Intangible assets	18	307,917	297,956
Investments in associates	12	709,102	484,977
Investment in joint venture	12	337,236	326,990
Trade and other receivables	19	85,329	41,985
Deferred income tax assets	31	88,521	86,574
Available-for-sale financial assets	23	7,267	7,763
Other non-current assets		53,766	23,613
		5,998,704	5,627,580
Current assets			
Inventories	22	1,435,147	1,880,756
Trade and other receivables	19	5,129,424	4,301,327
Dividends receivable		245,557	428,645
Amount due from customers for contract work	20	589,744	527,389
Available-for-sale financial assets	23	150,000	–
Restricted cash	21	407,613	457,399
Cash and cash equivalents	24	1,385,953	1,543,975
		9,343,438	9,139,491
Total assets		15,342,142	14,767,071

Consolidated Balance Sheet (Continued)

(All amounts in RMB unless otherwise stated)

	Note	As at 31 December	
		2016 RMB'000	2015 RMB'000
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	25	3,684,640	3,684,640
Reserves	26	(654,383)	(678,400)
Retained earnings			
– Proposed final dividend		128,962	92,116
– Others		3,304,621	3,008,051
		6,463,840	6,106,407
Non-controlling interests		553,367	448,395
Total equity		7,017,207	6,554,802
LIABILITIES			
Non-current liabilities			
Borrowings	29	1,551,456	668,779
Deferred income	30	460,798	411,518
Deferred income tax liabilities	31	70,761	75,940
Long-term employee benefit obligations	32	145,987	186,974
		2,229,002	1,343,211

Consolidated Balance Sheet (Continued)

(All amounts in RMB unless otherwise stated)

	Note	As at 31 December	
		2016 RMB'000	2015 RMB'000
Current liabilities			
Trade and other payables	27	4,637,313	4,588,696
Dividend payable		24,952	24,190
Amount due to customers for contract work	20	13,018	4,535
Current income tax liabilities		35,728	56,559
Borrowings	29	1,298,477	2,101,047
Deferred income	30	39,928	38,605
Current portion of long-term employee benefit obligations	32	30,533	39,907
Provisions for warranty	28	15,984	15,519
		<u>6,095,933</u>	<u>6,869,058</u>
Total liabilities		<u>8,324,935</u>	<u>8,212,269</u>
Total equity and liabilities		<u>15,342,142</u>	<u>14,767,071</u>

The notes on pages 138 to 308 are an integral part of these consolidated financial statements.

The financial statements on pages 129 to 137 were approved by the Board of Directors on 31 March 2017 and were signed on its behalf

Director

Director

Consolidated Statement of Changes in Equity

(All amounts in RMB unless otherwise stated)

	Attributable to owners of the Company			Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Other reserves RMB'000	Retained earnings RMB'000			
Balance at 1 January 2015	3,684,640	(723,987)	2,883,825	5,844,478	406,491	6,250,969
Comprehensive income						
Profit for the year	-	-	417,634	417,634	48,951	466,585
Changes in fair value of available-for-sale financial assets, net of tax	-	(226)	-	(226)	-	(226)
Remeasurements of retirement and termination benefit obligations, net of tax	-	9,586	-	9,586	-	9,586
Currency translation differences	-	1,856	-	1,856	-	1,856
Total other comprehensive income, net of tax	-	11,216	-	11,216	-	11,216
Total comprehensive income	-	11,216	417,634	428,850	48,951	477,801
Transaction with owners in their capacity as owners						
Dividends relating to 2014	-	-	(169,493)	(169,493)	-	(169,493)
Transfer to reserves	-	31,799	(31,799)	-	-	-
Dividends to non-controlling interests	-	-	-	-	(8,513)	(8,513)
Contribution from non-controlling interests	-	-	-	-	563	563
Other additions	-	2,572	-	2,572	903	3,475
Total transactions with owners in their capacity as owners	-	34,371	(201,292)	(166,921)	(7,047)	(173,968)
Balance at 31 December 2015	<u>3,684,640</u>	<u>(678,400)</u>	<u>3,100,167</u>	<u>6,106,407</u>	<u>448,395</u>	<u>6,554,802</u>

Consolidated Statement of Changes in Equity (Continued)

(All amounts in RMB unless otherwise stated)

	Attributable to owners of the Company				Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000		
Balance at 1 January 2016	3,684,640	(678,400)	3,100,167	6,106,407	448,395	6,554,802
Comprehensive income						
Profit for the year	-	-	443,502	443,502	62,697	506,199
Changes in fair value of available-for-sale financial assets, net of tax	-	(421)	-	(421)	-	(421)
Share of other comprehensive income of investments accounted for using the equity method	-	529	-	529	-	529
Remeasurements of retirement and termination benefit obligations, net of tax	-	1,773	-	1,773	-	1,773
Net investment hedge	-	(13,351)	-	(13,351)	-	(13,351)
Currency translation differences	-	17,517	-	17,517	-	17,517
Total other comprehensive income	-	6,047	-	6,047	-	6,047
Total comprehensive income	-	6,047	443,502	449,549	62,697	512,246
Transaction with owners in their capacity as owners						
Dividends relating to 2015	-	-	(92,116)	(92,116)	-	(92,116)
Transfer to reserves	-	17,970	(17,970)	-	-	-
Dividends to non-controlling interests	-	-	-	-	(11,572)	(11,572)
Capital contribution from non-controlling interests	-	-	-	-	54,400	54,400
Disposal of subsidiary	-	-	-	-	(553)	(553)
Total transactions with owners in their capacity as owners	-	17,970	(110,086)	(92,116)	42,275	(49,841)
Balance at 31 December 2016	3,684,640	(654,383)	3,433,583	6,463,840	553,367	7,017,207

The notes on pages 138 to 308 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(All amounts in RMB unless otherwise stated)

	Note	Year ended 31 December	
		2016 RMB'000	2015 RMB'000
Cash flows from operating activities			
Cash (used in)/generated from operations	34	(12,189)	398,737
Interest paid		(166,910)	(160,284)
Income tax paid		(70,020)	(57,629)
Net cash (used in)/generated from operating activities		(249,119)	180,824
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired		(38,496)	–
Purchase of financial assets at fair value through profit or loss		–	(70,000)
Purchase of available-for-sale financial assets		(150,000)	–
Proceeds from disposal of financial assets at fair value through profit or loss		–	268,575
Government grants received relating to assets		46,364	39,841
Purchase of property, plant and equipment, and investment properties		(525,194)	(699,057)
Purchase of intangible assets		(7,635)	(20,086)
Investments in associates		(23,512)	–
Net loans granted to joint venture		(42,000)	–
Proceeds from disposal of property, plant and equipment and lease prepayment	34	228,757	216,722
Interest received		15,988	24,526
Dividends received		426,217	170,228
Increase in lease prepayments		(4,190)	(50,854)
Gain on disposal of investments		–	179,591
Net cash inflow on disposal of subsidiaries	39	59,740	–
Net loans proceeds from associates		50,068	–
Net cash generated from investing activities		36,107	59,486
Cash flows from financing activities			
Proceeds from borrowings		2,283,882	1,814,207
Repayments of borrowings		(2,147,792)	(1,535,148)
Finance lease paid		(28,937)	(587)
Contribution from minority shareholders		54,400	–
Dividends paid to Company's shareholders		(92,116)	(169,493)
Dividends paid to non-controlling interests		(10,810)	(8,513)
Net cash generated from financing activities		58,627	100,466
Net (decrease)/increase in cash and cash equivalents			
		(154,385)	340,776
Cash and cash equivalents at beginning of the year		1,543,975	1,203,508
Exchange losses on cash and cash equivalents		(3,637)	(309)
Cash and cash equivalents at end of the year	24	1,385,953	1,543,975

The notes on pages 138 to 308 are an integral part of these consolidated financial statements.