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# 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 People's Republic of China with limited liability)

(H Share Stock Code: 2039)

(A Share Stock Code: 000039)

### RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2016 (SUMMARY OF THE 2016 ANNUAL REPORT)

#### 1 IMPORTANT NOTICE

1.1 The Board of Directors (the "Board") of China International Marine Containers (Group) Co., Ltd. (the "Company") has reviewed the 2016 Annual Report of the Company and the 2016 Annual Report of the Company's subsidiaries (the "Announcement") and is pleased to announce that the Board has approved the 2016 Annual Report of the Company and the 2016 Annual Report of the Company's subsidiaries (the "2016 Annual Report") for publication.

1.2 The Board Meeting of the Company has reviewed and approved the 2016 Annual Report of the Company and the 2016 Annual Report of the Company's subsidiaries (the "2016 Annual Report") for publication.

1.3 The Company has been audited by PricewaterhouseCoopers (PwC) and the audit report is included in the 2016 Annual Report of the Company. The audit report is issued in accordance with the standards of the Chinese Certified Public Accountants Association (CASBE) and the standards of the International Federation of Accountants (IFAC). The audit report is included in the 2016 Annual Report of the Company.

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## 2.2 Contact Persons and Means of Communication

	Yu Yuqun	Wang Xinjiu	Shen Yang
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地址	中國國際海運集裝箱(集團)股份有限公司 中國國際海運集裝箱(集團)股份有限公司 中國國際海運集裝箱(集團)股份有限公司	中國國際海運集裝箱(集團)股份有限公司 中國國際海運集裝箱(集團)股份有限公司 中國國際海運集裝箱(集團)股份有限公司	中國國際海運集裝箱(集團)股份有限公司 中國國際海運集裝箱(集團)股份有限公司 中國國際海運集裝箱(集團)股份有限公司

### 3 SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS PREPARED IN ACCORDANCE WITH CASBE

#### 3.1 Retrospective Adjustment to or Restatement of the Accounting Data for Prior Years by the Company due to Change of Accounting Policies and Correction of Accounting Errors

On January 1, 2016, the Company adopted the new accounting standards for long-term equity investments, financial instruments, and income taxes. The impact of these changes on the Company's financial statements is as follows:

Unit: RMB thousand

	2016	2015	Change (%)	2016	2015
Assets	51,111,652	47,777,777	(1.1%)	51,111,652	47,777,777
Liabilities	539,660	1,111,111	(50.3%)	539,660	1,111,111
Equity	51,142,000	46,666,666	(9.2%)	51,142,000	46,666,666
Revenue	2,341,619	(2,341,619)	(100.0%)	2,341,619	(2,341,619)
Profit	0.14	(7.7)	(95.5%)	0.14	(7.7)
Profit margin (%)	0.14	(7.7)	(95.5%)	0.14	(7.7)
Operating profit	2%	7%	(71.4%)	2%	7%
Operating profit margin (%)					
As at the end of 2016	124,614,748	1,111,111	(89.1%)	124,614,748	1,111,111
Operating profit	29,285,970	1,111,111	(73.6%)	29,285,970	1,111,111

### 3.2 Key Accounting Data of the Group for the Last Five Years

Unit: RMB thousand

Income Statement Items	2016	For the year ended 31 December				
		2015	2014	2013	2012	2011
Revenue	51,111,652	47,777,777	(-7.1%)	47,777,777	47,777,777	47,777,777
Cost of sales	800,538	800,538	(-0.1%)	800,538	800,538	800,538
Operating profit	1,702,051	1,702,051	(-0.1%)	1,702,051	1,702,051	1,702,051
Finance income	967,068	967,068	(-0.1%)	967,068	967,068	967,068
Finance costs	734,983	734,983	(-0.1%)	734,983	734,983	734,983
Profit before income tax	539,660	539,660	(-0.1%)	539,660	539,660	539,660
Income tax	195,323	195,323	(-0.1%)	195,323	195,323	195,323
Profit for the year	511,420	511,420	(-0.1%)	511,420	511,420	511,420

Unit: RMB thousand

Assets and liabilities Items	2016	As at 31 December				
		2015	2014	2013	2012	2011
Assets	53,352,031	53,352,031	0.0%	53,352,031	53,352,031	53,352,031
Non-current assets	71,262,717	71,262,717	0.0%	71,262,717	71,262,717	71,262,717
Current assets	124,614,748	124,614,748	0.0%	124,614,748	124,614,748	124,614,748
Liabilities	46,249,215	46,249,215	0.0%	46,249,215	46,249,215	46,249,215
Non-current liabilities	39,230,741	39,230,741	0.0%	39,230,741	39,230,741	39,230,741
Current liabilities	85,479,956	85,479,956	0.0%	85,479,956	85,479,956	85,479,956
Equity	29,285,970	29,285,970	0.0%	29,285,970	29,285,970	29,285,970
Reserves	9,848,822	9,848,822	0.0%	9,848,822	9,848,822	9,848,822
Shareholders' equity	39,134,792	39,134,792	0.0%	39,134,792	39,134,792	39,134,792

Unit: RMB thousand

Cash Flow Items	2016	For the year ended 31 December				
		2015	2014	2013	2012	2011
Operating activities		1,172,114	1,172,114	1,172,114	1,172,114	1,172,114
Investing activities		(1,234,567)	(1,234,567)	(1,234,567)	(1,234,567)	(1,234,567)
Financing activities		(1,234,567)	(1,234,567)	(1,234,567)	(1,234,567)	(1,234,567)
Net change in cash and cash equivalents		(296,920)	(296,920)	(296,920)	(296,920)	(296,920)
Change in cash and cash equivalents		2,341,619	2,341,619	2,341,619	2,341,619	2,341,619
Initial cash and cash equivalents		(6,854,655)	(6,854,655)	(6,854,655)	(6,854,655)	(6,854,655)
Final cash and cash equivalents		7,511,046	7,511,046	7,511,046	7,511,046	7,511,046

### 3.3 Key Financial Indicators of the Group for the Last Five Years

Key Financial Indicators	2016	For the year ended 31 December				
		2015	2014	2013	2012	2011
Operating profit margin	14.5%	13.2%	12.8%	13.5%	14.1%	13.9%
Net profit margin	10.2%	9.8%	9.5%	10.1%	10.3%	10.0%
Return on assets	8.7%	8.5%	8.3%	8.6%	8.8%	8.6%
Return on equity	12.3%	12.1%	11.9%	12.2%	12.4%	12.2%
Current ratio	1.5x	1.4x	1.3x	1.4x	1.5x	1.4x
Debt to capitalization ratio	45.2%	46.8%	47.5%	46.1%	45.9%	46.3%
Interest coverage ratio	2.1x	2.0x	1.9x	2.0x	2.1x	2.0x
Dividend yield	1.8%	1.7%	1.6%	1.7%	1.8%	1.7%
Dividend payout ratio	15.2%	14.8%	14.5%	15.1%	15.3%	15.0%
Operating profit to total assets	1.2%	1.1%	1.0%	1.1%	1.2%	1.1%
Operating profit to total equity	1.8%	1.7%	1.6%	1.7%	1.8%	1.7%
Operating profit to total debt	2.5%	2.4%	2.3%	2.4%	2.5%	2.4%
Operating profit to total debt and equity	3.2%	3.1%	3.0%	3.1%	3.2%	3.1%
Operating profit to total debt and equity (As at 31 December 2016)	9.83%	9.7%	9.6%	9.8%	9.9%	9.7%
Operating profit to total debt and equity	2%	1.9%	1.8%	1.9%	2%	1.9%

### 3.4 Non-recurring Profit or Loss Items of the Group for the Last Three Years

Unit: RMB thousand

Items	2016	2015	2014
Gain on disposal of subsidiaries	264,552	(1,477)	(2,107)
Gain on disposal of investment properties	497,336	1,774	1,333
Gain on disposal of other assets	-	-	172
Gain on disposal of subsidiaries	399,704	1,125	(1,331)
Gain on disposal of investment properties	361,353	2,222	(717)
Gain on disposal of other assets	-	1,100	777
Gain on disposal of subsidiaries	139,625	(777)	1,125
Gain on disposal of investment properties	(1,362,915)	1,777	2,777
Gain on disposal of other assets	(422,180)	(1,777)	(777)
Gain on disposal of subsidiaries	150,765	(1,125)	(1,331)
<b>Total</b>	<b>28,240</b>	<b>1,333</b>	<b>2,107</b>

## 4 SHAREHOLDINGS AND SHAREHOLDING STRUCTURE CHART

### 4.1 Number of Shareholders and Shareholdings

The Group's shareholdings are as follows:

As at 31 December 2016, the Group had 17 shareholders. The largest shareholder is the Hong Kong Listing Rules. The Group's shareholdings are as follows:

As at 31 December 2015, the Group had 17 shareholders. The largest shareholder is the Hong Kong Listing Rules. The Group's shareholdings are as follows:

As at 31 December 2014, the Group had 17 shareholders. The largest shareholder is the Hong Kong Listing Rules. The Group's shareholdings are as follows:

## 4.2 Shareholdings of the Top Ten Shareholders as at the End of the Reporting Period (Prepared According to the Relevant Provisions of Domestic Securities Regulatory Rules)

Name of shareholders	Nature of shareholders	Shareholdings of the shareholders who hold above 5% or the top ten shareholders				
		Percentage of shareholding	Number of shares held at the end of the Reporting Period	Changes during the Reporting Period	Number of shares held with selling restrictions	Number of shares held without selling restrictions
HKSCC Nominees Limited (Note 1)	HKSCC Nominees Limited	44.8%	1,651,313,071	115,777,771	0	1,651,313,071
China Merchants Group Limited (Note 2)	China Merchants Group Limited	12.7%	501,111,771	0	0	501,111,771
China COSCO Shipping Corporation Limited	China COSCO Shipping Corporation Limited	12.0%	464,444,444	1,111,111	0	464,444,444
Long Honour Investments Limited	Long Honour Investments Limited	11.7%	452,222,222	0	0	452,222,222
China COSCO Shipping Container Industries Limited	China COSCO Shipping Container Industries Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Broad Ride Limited	China Merchants Broad Ride Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Group (Overseas) Limited	China Merchants Group (Overseas) Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Group (Overseas) Limited	China Merchants Group (Overseas) Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Group (Overseas) Limited	China Merchants Group (Overseas) Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Group (Overseas) Limited	China Merchants Group (Overseas) Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Group (Overseas) Limited	China Merchants Group (Overseas) Limited	11.2%	432,222,222	0	0	432,222,222
China Merchants Group (Overseas) Limited	China Merchants Group (Overseas) Limited	11.2%	432,222,222	0	0	432,222,222

Note 1: As at 31 December 2016, HKSCC Nominees Limited was the registered holder of the 1,651,313,071 H shares, including (but not limited to) 730,557,217 H shares of the Company held by China Merchants Group Limited (“China Merchants Group”) through its subsidiaries, 25,322,106 H shares of the Company held by China COSCO Shipping Corporation Limited (“China COSCO Shipping”) through its subsidiary Long Honour Investments Limited (“Long Honour”), 155,420,437 H shares of the Company held by COSCO Container Industries Limited, and 215,203,846 H shares of the Company held by Hony Capital Management Limited through its subsidiary Broad Ride Limited.

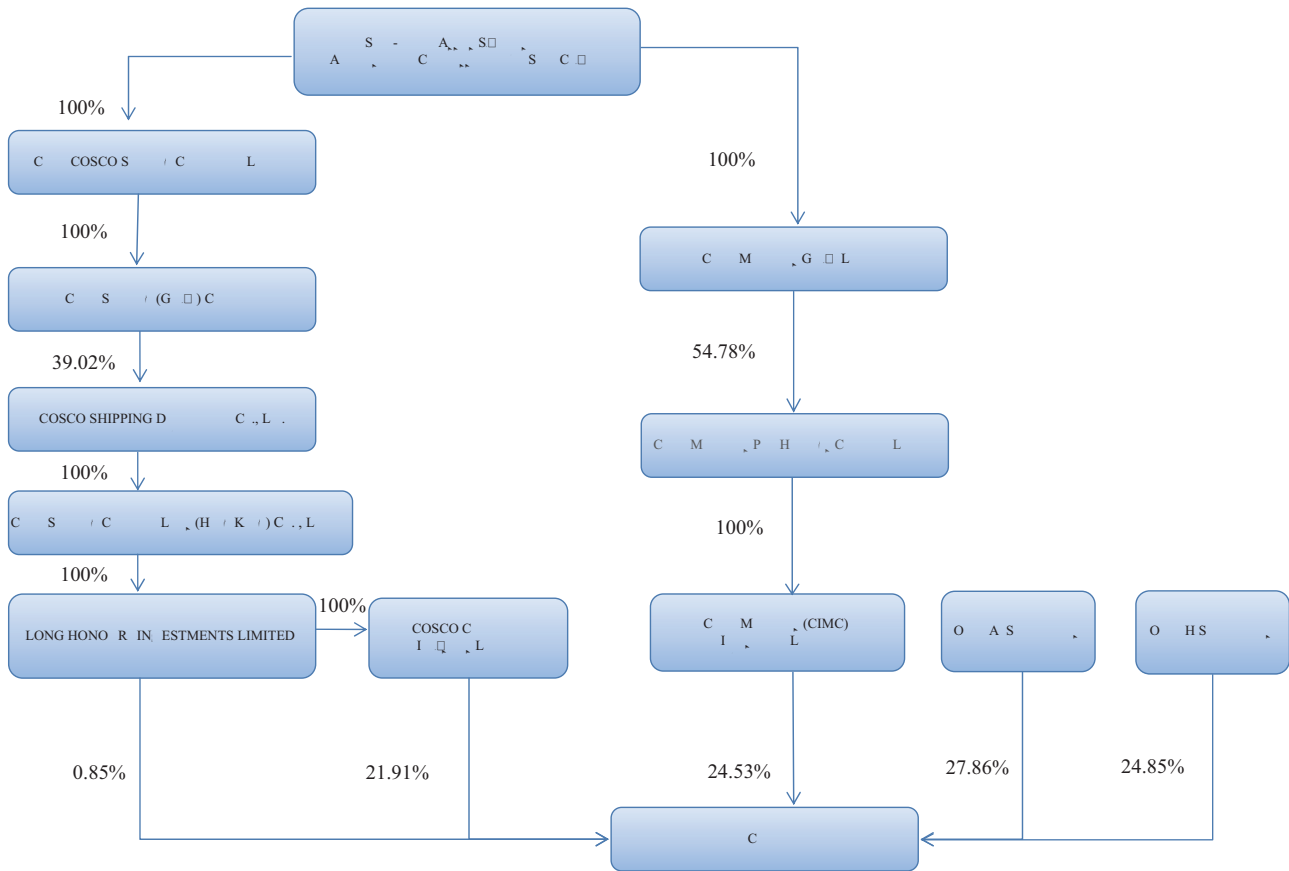
Note 2: As at 31 December 2016, COSCO Container Industries Limited still held 432,171,843 A shares and 65,099,638 H shares which had not been deposited with HKSCC Nominees Limited.







## Chart of Shareholding Structure between the Company and the Substantial Shareholders as at the end of the Reporting Period



## 5 DIRECTORS' REPORT

### 5.1 Overview

The following information is provided for the purpose of giving a general overview of the company's business and financial performance. It is not intended to provide a detailed analysis of the company's business and financial performance. The information is provided for the purpose of giving a general overview of the company's business and financial performance. It is not intended to provide a detailed analysis of the company's business and financial performance.

2016年1-7月，公司实现营业收入1,111,652.00元，较上年同期增加1,111,652.00元，增幅为100.00%。其中，主营业务收入1,111,652.00元，较上年同期增加1,111,652.00元，增幅为100.00%。

2016年1-7月，公司发生营业成本800,538.00元，较上年同期增加800,538.00元，增幅为100.00%。其中，主营业务成本800,538.00元，较上年同期增加800,538.00元，增幅为100.00%。

2016年1-7月，公司实现营业利润539,660.00元，较上年同期增加539,660.00元，增幅为100.00%。其中，主营业务利润539,660.00元，较上年同期增加539,660.00元，增幅为100.00%。

2016年1-7月，公司实现利润总额2,341,619.00元，较上年同期增加2,341,619.00元，增幅为100.00%。其中，主营业务利润2,341,619.00元，较上年同期增加2,341,619.00元，增幅为100.00%。

2016年1-7月，公司实现净利润3,079,544.00元，较上年同期增加3,079,544.00元，增幅为100.00%。其中，主营业务利润3,079,544.00元，较上年同期增加3,079,544.00元，增幅为100.00%。

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### Consolidated Operating Results

Unit: RMB thousand

	2016	2015	(%)
Revenue	51,111,652	51,111,652	100.00%
Cost of sales	800,538	800,538	100.00%
Operating profit	539,660	539,660	100.00%
Profit before tax	2,341,619	2,341,619	100.00%
Net profit	3,079,544	3,079,544	100.00%







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( **Tianjin Yongwang** )

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*Logistics Service Business*

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I have been thinking about you a great deal lately. I hope you are well and happy. I have been very busy with my work, but I always find time to think of my friends.

I have received your letter and was glad to hear from you. Please write back when you have a chance. I would love to hear all the news.

I am still in the same place as when I last wrote to you. Everything is going well here. I hope to visit you soon.

***Real Estate Development Business***

I have been thinking about you a great deal lately. I hope you are well and happy. I have been very busy with my work, but I always find time to think of my friends.

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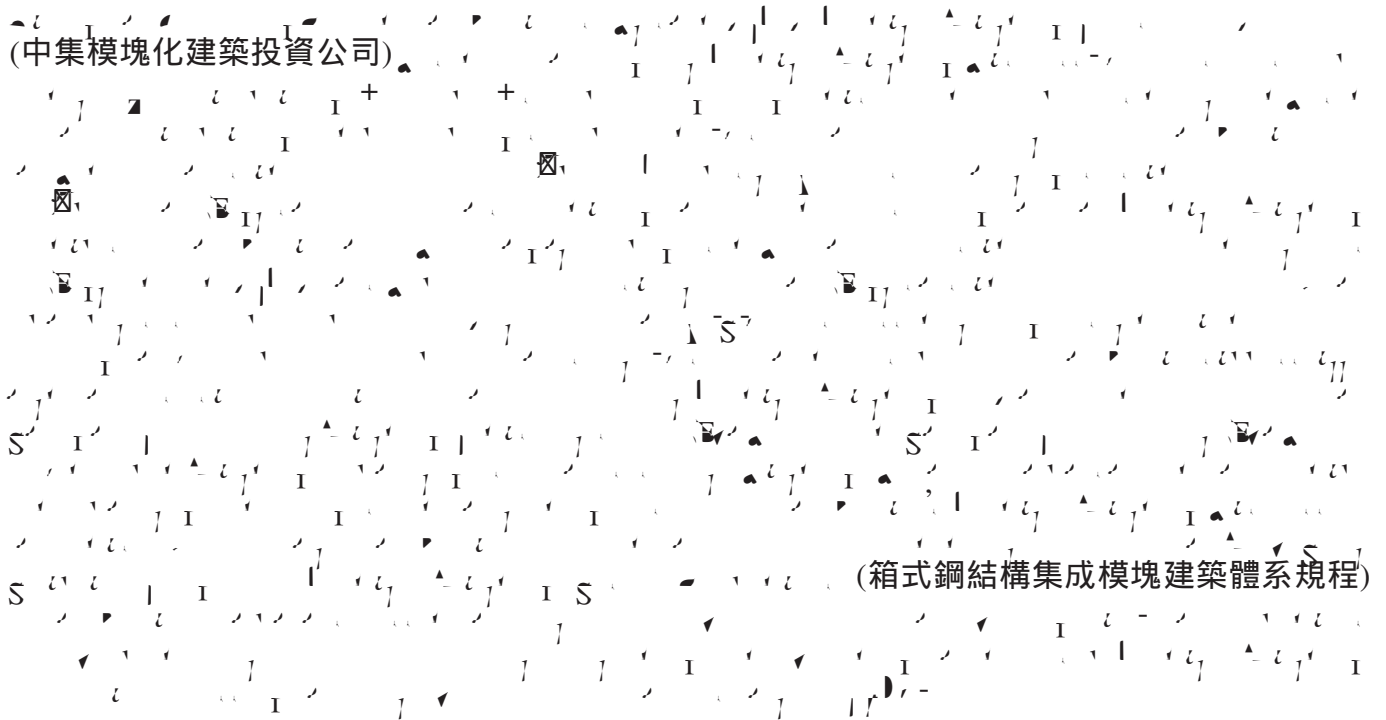


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 46. (I) 17%  
 47. (I) 17%  
 48. (I) 17%  
 49. (I) 17%  
 50. (I) 17%

*Other Businesses*

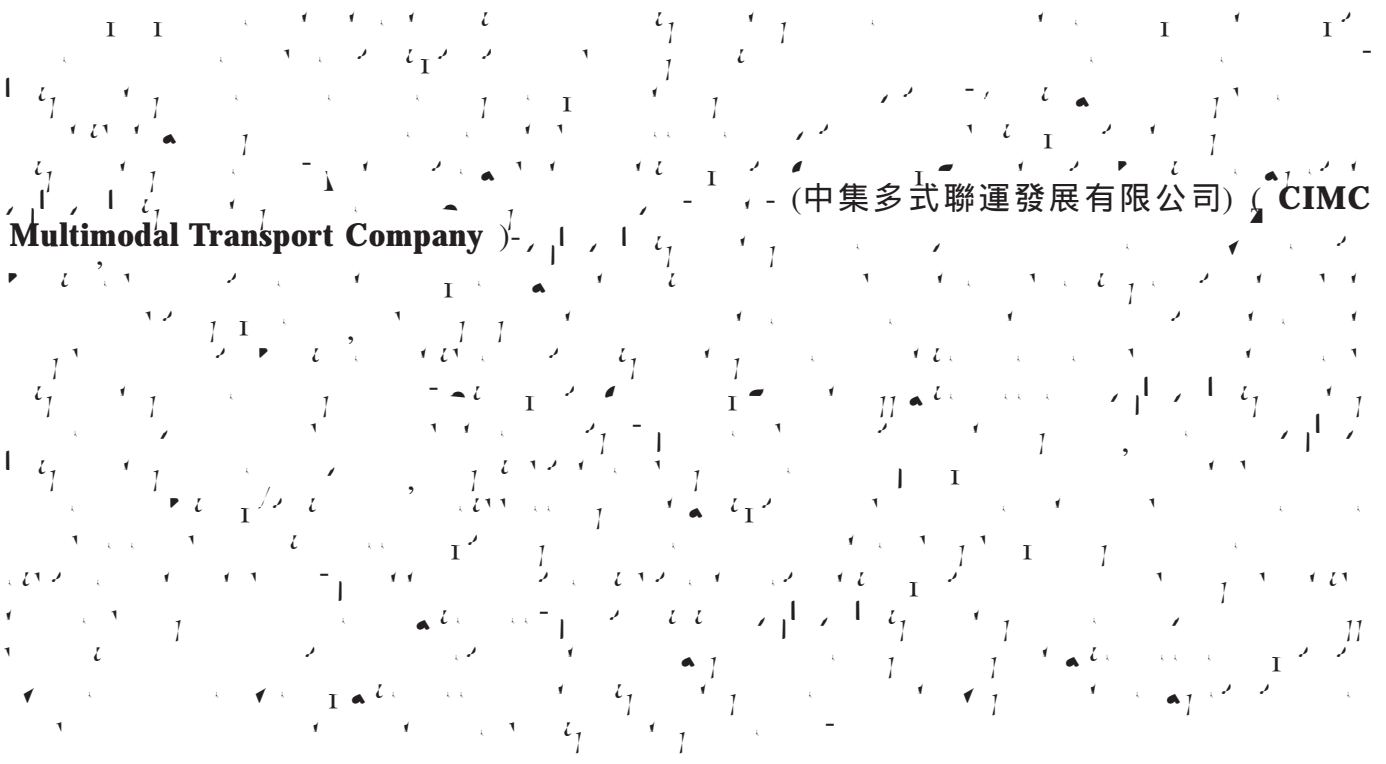
*Modular Building Business*



(中集模塊化建築投資公司)

(箱式鋼結構集成模塊建築體系規程)

*Multimodal Transport Business*



(中集多式聯運發展有限公司) (CIMC Multimodal Transport Company)

### 5.3 Business Prospects of the Group in 2017

#### 5.3.1 Macroeconomic Environment and Policies

The global economy is recovering from the recession, and the growth rate is gradually increasing. The United States, Europe, and Japan are the main driving forces of the global economy. The United States has implemented quantitative easing, which has led to a decline in the dollar's value and a rise in the price of commodities. This has led to a rise in the price of raw materials and a decline in the price of finished goods. The European Union has implemented a series of measures to stimulate the economy, which has led to a decline in the price of raw materials and a rise in the price of finished goods. Japan has implemented a series of measures to stimulate the economy, which has led to a decline in the price of raw materials and a rise in the price of finished goods. The emerging markets, such as China and India, are also showing signs of recovery. China's economy is growing at a steady pace, and India's economy is growing at a rapid pace. The overall global economic environment is expected to remain stable and growing in 2017.

#### 5.3.2 Industry Development Trend and Market Outlook

**In respect of the container manufacturing business,** the container manufacturing industry is expected to continue to grow in 2017. The global trade volume is expected to increase, which will lead to an increase in the demand for containers. The container manufacturing industry is a capital-intensive industry, and the companies in this industry have a strong competitive advantage. The companies in this industry are expected to continue to invest in research and development, which will lead to the development of new products and technologies. The container manufacturing industry is also expected to continue to expand its production capacity, which will lead to a decline in the price of containers. The overall market outlook for the container manufacturing industry is positive.

**In respect of the road transportation vehicle business,** the road transportation vehicle industry is expected to continue to grow in 2017. The global road transportation vehicle market is expected to increase, which will lead to an increase in the demand for road transportation vehicles. The road transportation vehicle industry is a capital-intensive industry, and the companies in this industry have a strong competitive advantage. The companies in this industry are expected to continue to invest in research and development, which will lead to the development of new products and technologies. The road transportation vehicle industry is also expected to continue to expand its production capacity, which will lead to a decline in the price of road transportation vehicles. The overall market outlook for the road transportation vehicle industry is positive.

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

(《能源發展「十三五」規劃》)

(《中國天然氣發展報告(2015-2016年)》)

(國家能源局油氣司)

源與環境政策研究所)

(國土資源部油氣資源戰略研究中心)

(國務院發展研究中心資

**In respect of the offshore engineering business,**

**In respect of the logistics services business,**

**In respect of the heavy truck business,**

**In respect of the airport facilities equipment business,**

**In respect of the real estate development business,**

**In respect of the financial business,**

**5.3.3 Overall Operation Targets and Initiatives for Main Business Segments**



**In respect of the logistics services business,**

**In respect of the heavy truck business,**

**In respect of the airport facilities equipment business,**

**In respect of the development business,**



## In respect of the financial business

I have been involved in a number of financial businesses, including the following:

- I have been involved in the management of a number of private equity funds, including the following:
- I have been involved in the management of a number of venture capital funds, including the following:
- I have been involved in the management of a number of hedge funds, including the following:

**Fluctuations of financial market and exchange risks**

Fluctuations of financial market and exchange risks refer to the uncertainty in the value of assets and liabilities due to changes in interest rates, exchange rates, and market prices. These risks can be managed through various financial instruments and strategies.

**Market competition risks**

Market competition risks arise from the actions of competitors in the market, which can lead to a decrease in market share and profitability. Companies can mitigate these risks by investing in research and development, improving operational efficiency, and implementing strategic marketing.

**Employment and environmental protection pressure and risks**

Employment and environmental protection pressure and risks are related to the company's social and environmental responsibilities. These risks can be managed by implementing sustainable business practices, improving employee relations, and complying with environmental regulations.

## 6 MANAGEMENT DISCUSSION AND ANALYSIS (PREPARED ACCORDING TO THE RELEVANT REQUIREMENTS OF THE HONG KONG LISTING RULES)

### Income Analysis by Segment and Region

Unit: RMB thousand

Segment	2016		2015	
	Amount	Percentage in total revenue (%)	Amount	Percentage in total revenue (%)
Construction	11,066,999	21.65%	10,700,000	21.50%
Real estate	14,694,682	28.75%	14,700,000	29.00%
Property management	9,353,786	18.30%	9,300,000	18.40%
Other services	4,305,630	8.42%	4,300,000	8.40%
Other	3,213,229	6.29%	3,200,000	6.20%
Government	7,129,456	13.95%	7,100,000	13.90%
Other	2,302,412	4.50%	2,300,000	4.50%
Other	723,090	1.41%	700,000	1.30%
Other	1,725,766	3.38%	1,700,000	3.30%
Other	2,219,576	4.34%	2,200,000	4.30%
Other	(5,622,974)	(10.99%)	(5,600,000)	(10.90%)
	<u>51,111,652</u>	<u>100.00%</u>	<u>47,700,000</u>	<u>100.00%</u>

Unit: RMB thousand

Region (by receivers)	2016		2015	
	Revenue	Percentage in total revenue (%)	Revenue	Percentage in total revenue (%)
China	23,563,045	46.10%	23,563,045	46.10%
Overseas	9,718,213	19.01%	9,718,213	19.01%
China (excluding Hong Kong)	8,068,004	15.79%	8,068,004	15.79%
Overseas (excluding Hong Kong)	7,266,749	14.22%	7,266,749	14.22%
Hong Kong	2,495,641	4.88%	2,495,641	4.88%
	<u>51,111,652</u>	<u>100.00%</u>	<u>51,111,652</u>	<u>100.00%</u>

Cost of Sales and Gross Profit

Unit: RMB thousand

Segment	2016		2015	
	Cost of sales	Percentage in total cost of sales (%)	Cost of sales	Percentage in total cost of sales (%)
China	9,889,804	23.84%	9,889,804	23.84%
Overseas	11,930,401	28.76%	11,930,401	28.76%
China (excluding Hong Kong)	7,578,594	18.27%	7,578,594	18.27%
Overseas (excluding Hong Kong)	3,867,815	9.32%	3,867,815	9.32%
Hong Kong	2,574,119	6.21%	2,574,119	6.21%
China (excluding Hong Kong)	6,350,562	15.31%	6,350,562	15.31%
Overseas (excluding Hong Kong)	1,012,075	2.44%	1,012,075	2.44%
Hong Kong	381,781	0.92%	381,781	0.92%
China (excluding Hong Kong)	1,693,072	4.08%	1,693,072	4.08%
Overseas (excluding Hong Kong)	1,967,530	4.74%	1,967,530	4.74%
Hong Kong	(5,763,736)	(13.89%)	(5,763,736)	(13.89%)
	<u>41,482,017</u>	<u>100.00%</u>	<u>41,482,017</u>	<u>100.00%</u>

Unit: RMB thousand

Segment	2016		2015	
	Gross profit	Gross profit margin (%)	Gross profit	Gross profit margin (%)
Information Technology	1,177,195	10.64%	1,177,195	10.64%
Software	2,764,281	18.81%	2,764,281	18.81%
Hardware	1,775,192	18.98%	1,775,192	18.98%
Services	437,815	10.17%	437,815	10.17%
Others	639,110	19.89%	639,110	19.89%
Subtotal	778,894	10.93%	778,894	10.93%
Financial Products	1,290,337	56.04%	1,290,337	56.04%
Real Estate	341,309	47.20%	341,309	47.20%
Others	32,694	1.89%	(14,407)	(6.70)%
Subtotal	252,046	11.36%	252,046	11.36%
Subtotal	140,762	-	(14,407)	-
<b>Total</b>	<b>9,629,635</b>	<b>18.84%</b>	<b>9,629,635</b>	<b>18.84%</b>

Information Technology: 2016 gross profit of RMB 1,177,195 (2015: RMB 1,177,195), margin of 10.64% (2015: 10.64%).

Software: 2016 gross profit of RMB 2,764,281 (2015: RMB 2,764,281), margin of 18.81% (2015: 18.81%).

Hardware: 2016 gross profit of RMB 1,775,192 (2015: RMB 1,775,192), margin of 18.98% (2015: 18.98%).

Services: 2016 gross profit of RMB 437,815 (2015: RMB 437,815), margin of 10.17% (2015: 10.17%).

Others: 2016 gross profit of RMB 639,110 (2015: RMB 639,110), margin of 19.89% (2015: 19.89%).

Financial Products: 2016 gross profit of RMB 1,290,337 (2015: RMB 1,290,337), margin of 56.04% (2015: 56.04%).

Real Estate: 2016 gross profit of RMB 341,309 (2015: RMB 341,309), margin of 47.20% (2015: 47.20%).

Others: 2016 gross profit of RMB 32,694 (2015: RMB (14,407)), margin of 1.89% (2015: (6.70)%).

**Non-operating Income**

Non-operating income for 2016 was RMB 1,177,195 (2015: RMB 1,177,195), representing 12.12% (2015: 12.12%) of total revenue.

**Technology Development Costs**

Technology development costs for 2016 were RMB 1,177,195 (2015: RMB 1,177,195), representing 12.12% (2015: 12.12%) of total revenue.

**Selling and Distribution Expenses**

Selling and distribution expenses for 2016 were RMB 1,177,195 (2015: RMB 1,177,195), representing 12.12% (2015: 12.12%) of total revenue.

**General and Administrative Expenses**

(1,174,000) 2015 (1,174,000) 2016 117.4%

**Financial Expenses**

(1,174,000) 2015 (1,174,000) 2016 117.4%

**Provisions for Asset Impairment**

(1,174,000) 2015 (1,174,000) 2016 117.4%

**Income Tax Expenses**

(1,174,000) 2015 (1,174,000) 2016 117.4%

**Profits Attributable to Minority Shareholders**

(1,174,000) 2015 (1,174,000) 2016 117.4%

**Cash Flows**

(1,174,000) 2015 (1,174,000) 2016 117.4%

Unit: RMB thousand

Item	2016	2015	%
52,132,383	(1,174,000)	(1,174,000)	(2.3%)
49,790,764	(1,174,000)	(1,174,000)	(2.3%)
2,341,619	(1,174,000)	(1,174,000)	(50.1%)
2,010,159	(1,174,000)	(1,174,000)	(58.4%)
8,864,814	(1,174,000)	(1,174,000)	(13.2%)
(6,854,655)	(1,174,000)	(1,174,000)	(15.7%)
64,307,817	(1,174,000)	(1,174,000)	(1.8%)
56,796,771	(1,174,000)	(1,174,000)	(2.1%)
7,511,046	(1,174,000)	(1,174,000)	(15.8%)
3,079,544	(1,174,000)	(1,174,000)	(38.0%)

... 10% ...  
 ... 10% ...

**Liquidity and Financial Resources**

... 7% ...  
 ... IS ...

**Bank Loans and Other Borrowings**

... 7% ...

*Unit: RMB thousand*

	<b>31 December 2016</b>
...	<b>15,729,787</b>
...	<b>3,525,710</b>
...	-
...	<b>27,023,222</b>
...	<b>7,986,500</b>
...	<b>1,666,966</b>
	<hr/>
	<b>55,932,185</b>
	<hr/> <hr/>

1. 2015年12月31日，本公司货币资金余额为人民币1,234,567,890.12元，较2014年12月31日增加人民币123,456,789.01元，增幅为10.1%。增加的主要原因是：(1) 经营活动产生的现金流量净额为人民币150,000,000.00元；(2) 筹资活动产生的现金流量净额为人民币80,000,000.00元；(3) 处置固定资产、无形资产和其他长期资产收回的现金净额为人民币10,000,000.00元。

2. 2015年12月31日，本公司应收账款余额为人民币567,890,123.45元，较2014年12月31日增加人民币56,789,012.34元，增幅为10.1%。增加的主要原因是：(1) 本期销售收入增加；(2) 应收账款账龄结构发生变化。

3. 2015年12月31日，本公司存货余额为人民币345,678,901.23元，较2014年12月31日增加人民币34,567,890.12元，增幅为10.1%。增加的主要原因是：(1) 本期生产规模扩大；(2) 存货周转率下降。

4. 2015年12月31日，本公司固定资产余额为人民币2,345,678,901.23元，较2014年12月31日增加人民币234,567,890.12元，增幅为10.1%。增加的主要原因是：(1) 本期购置固定资产；(2) 计提折旧。

5. 2015年12月31日，本公司应付账款余额为人民币1,234,567,890.12元，较2014年12月31日增加人民币123,456,789.01元，增幅为10.1%。增加的主要原因是：(1) 本期采购规模扩大；(2) 应付账款账龄结构发生变化。

### Capital Structure

1. 2015年12月31日，本公司资本结构如下：(1) 实收资本：人民币1,000,000,000.00元；(2) 资本公积：人民币200,000,000.00元；(3) 盈余公积：人民币100,000,000.00元；(4) 未分配利润：人民币100,000,000.00元。

2. 2015年12月31日，本公司资产负债率（按账面价值计算）为65.0%，较2014年12月31日增加5.0个百分点。增加的主要原因是：(1) 经营活动产生的现金流量净额为人民币150,000,000.00元；(2) 筹资活动产生的现金流量净额为人民币80,000,000.00元。

3. 2015年12月31日，本公司流动比率（按账面价值计算）为1.50，较2014年12月31日增加0.10。增加的主要原因是：(1) 货币资金增加；(2) 应收账款增加。

4. 2015年12月31日，本公司速动比率（按账面价值计算）为1.20，较2014年12月31日增加0.10。增加的主要原因是：(1) 货币资金增加；(2) 应收账款增加。

### Material Changes in Assets and Liabilities

Unit: RMB thousand

	31 December 2016		31 December 2015 (Restated)			Reasons for the material changes
	Amount	% of total assets	Amount	% of total assets	% change	
货币资金	1,234,567,890.12	10.1%	1,111,111,111.11	9.1%	10.1%	本期经营活动产生的现金流量净额为人民币150,000,000.00元；筹资活动产生的现金流量净额为人民币80,000,000.00元；处置固定资产、无形资产和其他长期资产收回的现金净额为人民币10,000,000.00元。
应收账款	567,890,123.45	4.7%	511,111,111.11	4.3%	10.1%	本期销售收入增加；应收账款账龄结构发生变化。
存货	345,678,901.23	2.8%	311,111,111.11	2.6%	10.1%	本期生产规模扩大；存货周转率下降。
固定资产	2,345,678,901.23	19.3%	2,111,111,111.11	17.9%	10.1%	本期购置固定资产；计提折旧。
应付账款	1,234,567,890.12	10.1%	1,111,111,111.11	9.1%	10.1%	本期采购规模扩大；应付账款账龄结构发生变化。





**Pledge of Assets**

*Unit: RMB thousand*

				<b>31 December 2016</b>
Property, plant and equipment	4,712,822	4,712,822	(1,474,477)	<b>987,257</b>
Intangible assets	4,777,444	4,777,444	(4,777,444)	<b>206,753</b>
Investments	1,177,777	1,177,777	(1,177,777)	<b>8,164,729</b>
Other assets	1,177,777	1,177,777	(1,177,777)	<b>398,144</b>
	<u>4,712,822</u>	<u>4,777,444</u>	<u>(1,474,477)</u>	<u><b>9,756,883</b></u>

The above table represents the assets pledged to the bank to secure the bank loans of the Group. The assets pledged are primarily property, plant and equipment, intangible assets, investments and other assets.

**Significant Investments and Major Acquisitions and Sales Relating to Subsidiaries and Associated Companies**

Significant investments and major acquisitions and sales relating to subsidiaries and associated companies during the reporting period are as follows:

*Unit: RMB thousand*

**Major investees**

<b>Company name</b>	<b>Main business</b>	<b>Equity interests of the investee held by the Company (%)</b>	<b>Investment made in the Reporting Period</b>
Shanghai Zhongyuan Investment Management Co., Ltd.	Investment management	22.22%	714,117

**Future Plans for Significant Investments, Expected Source of Funding, Capital Expenditure and Financing Plan**

The Group has no significant investments, capital expenditure or financing plan for the next financial year. The Group's future plans are primarily focused on the development of its core business and the expansion of its market share.

## ***Contingent Liabilities***

The company has no contingent liabilities as of the reporting period.

## ***Use of Proceeds***

The company has used the proceeds from the offering for the following purposes:

Use of Proceeds	Amount
Working capital	\$1,000,000
Capital expenditures	\$500,000
Acquisition of assets	\$250,000
Other	\$250,000

## ***Employees and Remuneration Policies***

The company has a total of 100 employees as of the reporting period. The company's remuneration policies are based on the following factors:

- Employee's performance
- Employee's experience
- Employee's education
- Employee's skills
- Employee's location

## ***Employee Training Programme***

The company has a training programme in place for all employees. The programme includes the following components:

- Onboarding
- Technical training
- Soft skills training
- Leadership training
- Professional development

## ***Employee Pension Benefits***

The company has a pension plan in place for all employees. The plan is a defined contribution plan and is subject to the following terms and conditions:

- Employees must be employed for at least one year to be eligible for the plan.
- Employees must be at least 21 years old to be eligible for the plan.
- Employees must be at least 55 years old to be eligible for the plan.
- Employees must be at least 60 years old to be eligible for the plan.

## Share Option Incentive Scheme

I have been invited to attend the meeting of the Board of Directors on the 15th day of February 2011. I have read the agenda and the minutes of the meeting and I am pleased to note that the Board has approved the Share Option Incentive Scheme. I am pleased to be included in the scheme and I hereby acknowledge the Board's decision.

I understand that the scheme is subject to the approval of the shareholders in general meeting and I am pleased to note that the shareholders have approved the scheme. I am pleased to be included in the scheme and I hereby acknowledge the shareholders' decision.

**First Tranche of Share Options**  
**Second Tranche of Share Options**

I have been invited to attend the meeting of the Board of Directors on the 15th day of February 2011. I have read the agenda and the minutes of the meeting and I am pleased to note that the Board has approved the Share Option Incentive Scheme. I am pleased to be included in the scheme and I hereby acknowledge the Board's decision.

I understand that the scheme is subject to the approval of the shareholders in general meeting and I am pleased to note that the shareholders have approved the scheme. I am pleased to be included in the scheme and I hereby acknowledge the shareholders' decision.

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I understand that the scheme is subject to the approval of the shareholders in general meeting and I am pleased to note that the shareholders have approved the scheme. I am pleased to be included in the scheme and I hereby acknowledge the shareholders' decision.

## *Investment Properties*

Investment properties are those that are held for rental income or capital appreciation. They are not used for the owner's personal use. The IRS has specific rules for the treatment of investment properties, including the ability to deduct depreciation and interest on the loan used to purchase the property. The following are some key considerations for investment properties:

- Depreciation:** Investment properties can be depreciated over a period of 27.5 years. This allows the owner to deduct the cost of the property over time, reducing their taxable income.
- Interest Deduction:** Interest on a loan used to purchase an investment property is generally deductible, subject to certain limitations. This can significantly reduce the overall cost of the investment.
- Capital Gains:** When an investment property is sold, the owner may realize a capital gain. This gain is subject to capital gains tax, which is typically lower than the tax rate on ordinary income.
- Passive Activity Losses:** Losses from investment properties are generally considered passive activity losses. These losses can only be deducted against other passive activity income, and there are limitations on the amount that can be deducted.
- Section 179:** The owner may be able to deduct the full cost of the property in the first year, subject to certain limitations. This can provide a significant tax benefit in the early years of the investment.

( **Non-public Issuance of A Shares** )-

( **CSRC** )

( ) (《中國證監會行政許可申請受理通知書》( 號))

( ) (《中國證監會行政許可項目審查反饋意見通知書》( 號))

( **Pteris** )



→  $f(x) = \frac{1}{x^2} = x^{-2}$  →  $f'(x) = -2x^{-3} = -\frac{2}{x^3}$



## 8 FINANCIAL REPORT

### 8.1 Explanation for Changes in Accounting Policies, Accounting Estimates or Calculation Method as Compared with those for Last Annual Report

**Changes in critical accounting policies – the measurement of investment properties changes from cost mode to fair value mode:**

	31 December 2016	
	(RMB million)	(US\$ thousand)
Investment properties measured at cost	480,790	
Investment properties measured at fair value	2,200	
Investment properties measured at fair value at the beginning of the year	112,598	
Investment properties measured at fair value at the end of the year	3,383	
Investment properties measured at fair value at the beginning of the year	56,589	
Investment properties measured at fair value at the end of the year	128,633	
<b>Total investment properties</b>	<b>181,787</b>	
		<b>2016</b>
Investment properties measured at fair value		11,392
Investment properties measured at fair value at the beginning of the year		190
Investment properties measured at fair value at the end of the year		75,792
Investment properties measured at fair value at the beginning of the year		22,951
Investment properties measured at fair value at the end of the year		<b>25,299</b>

## **8.2 Contents, Amounts Corrected, Reasons and Impact of Material Accounting Errors**

## **8.3 Explanation of Changes in the Scope of Consolidation as Compared with those for Last Annual Report**

## **8.4 Statement of the Board and the Supervisory Committee on the “Non-Standard Auditing Report” issued by the Auditor**

## 8.5 Financial Statements Prepared in Accordance with CASBE

### 8.5.1 Consolidated Balance Sheet (audited)

Unit: RMB thousand

	Note	31 December 2016	31 December 2015	31 December 2014
<b>Assets</b>				
<b>Current assets:</b>				
Monetary funds		6,325,998	7,000,000	7,000,000
Accounts receivable		141,160	1,536,191	1,536,191
Prepaid expenses and other receivables		1,536,191	11,526,075	11,526,075
Inventory	4	2,165,982	2,165,982	2,165,982
Other current assets		9,250	41,959	41,959
Financial assets at fair value through profit or loss		9,347,887	17,409,515	17,409,515
Financial assets at fair value through other comprehensive income		17,409,515	203,847	203,847
Other financial assets		203,847	3,941,689	3,941,689
		<b>3,941,689</b>	<b>17,409,515</b>	<b>17,409,515</b>

## 8.5.1 Consolidated Balance Sheet (audited) (Continued)

Unit: RMB thousand

	Note	31 December 2016	2015	2014
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities:</b>				
Short-term borrowings		15,729,787	10,160,951	10,160,951
Accounts payable		141,806	1,551,582	1,551,582
Prepaid expenses and other receivables		5	10,160,951	10,160,951
Other payables	5	3,780,694	7,722,450	7,722,450
Income tax payable		2,115,108	1,124,700	1,124,700
Deferred income tax		1,092,030	1,124,700	1,124,700
Other non-current liabilities		303,375	1,124,700	1,124,700
Financial assets at fair value through profit or loss		16,746	7,722,450	7,722,450
Financial assets at fair value through other comprehensive income		5,154,073	4,124,700	4,124,700
Financial assets at fair value through profit or loss		847,429	7,722,450	7,722,450
Financial assets at fair value through other comprehensive income		3,667,872	7,722,450	7,722,450
Financial assets at fair value through profit or loss		1,687,762	7,722,450	7,722,450
<b>Total current liabilities</b>		<b>46,249,215</b>	<b>46,249,215</b>	<b>46,249,215</b>
<b>Non-current liabilities:</b>				
Long-term borrowings		61,235	44,000	44,000
Accounts payable		27,023,222	14,777,777	14,777,777
Prepaid expenses and other receivables		7,986,500	44,000	44,000
Other payables		529,372	44,000	44,000
Income tax payable		9,704	44,000	44,000
Deferred income tax		839,738	44,000	44,000
Other non-current liabilities		657,414	44,000	44,000
Financial assets at fair value through profit or loss		2,123,556	44,000	44,000
<b>Total non-current liabilities</b>		<b>39,230,741</b>	<b>39,230,741</b>	<b>39,230,741</b>
<b>Total liabilities</b>		<b>85,479,956</b>	<b>85,479,956</b>	<b>85,479,956</b>
<b>Shareholders' equity:</b>				
Share capital		2,978,577	2,978,577	2,978,577
Reserves		2,049,035	3,126,585	3,126,585
Other comprehensive income		3,126,585	357,341	357,341
Minority interests		357,341	3,279,379	3,279,379
Other non-current liabilities	6	3,279,379	17,495,053	17,495,053
<b>Total equity attributable to shareholders and other equity holders of the Company</b>		<b>29,285,970</b>	<b>29,285,970</b>	<b>29,285,970</b>
<b>Minority interests</b>		<b>9,848,822</b>	<b>9,848,822</b>	<b>9,848,822</b>
<b>Total shareholders' equity</b>		<b>39,134,792</b>	<b>39,134,792</b>	<b>39,134,792</b>
<b>Total liabilities and shareholders' equity</b>		<b>124,614,748</b>	<b>124,614,748</b>	<b>124,614,748</b>

## 8.5.2 Balance Sheet of the Company (audited)

Unit: RMB thousand

	31 December 2016	2015
<b>Assets</b>		
<b>Current assets:</b>		
Monetary funds	2,660,222	1,450,000
Accounts receivable	4,755,818	4,755,818
Prepaid expenses	13,131,416	13,131,416
Other current assets	9,272	9,272
<b>Total current assets</b>	<b>20,556,728</b>	<b>20,346,506</b>
<b>Non-current assets:</b>		
Investments	388,905	388,905
Property, plant and equipment	9,375,276	9,375,276
Intangible assets	102,372	102,372
Long-term prepaid expenses	844	844
Other non-current assets	14,466	14,466
Deferred tax assets	40,730	40,730
Other non-current assets	52,280	52,280
<b>Total non-current assets</b>	<b>9,974,873</b>	<b>9,974,873</b>
<b>Total assets</b>	<b>30,531,601</b>	<b>30,321,379</b>

## 8.5.2 Balance Sheet of the Company (audited) (Continued)

Unit: RMB thousand

31 December  
2016

### Liabilities and shareholders' equity

#### Current liabilities:

Short-term borrowings	2,710,000	
Accounts payable	65	
Prepaid expenses	-	
Other payables	205,760	
Income tax payable	3,646	
Interest payable	75,755	
Other current liabilities	2,990,804	
Provisions	79,104	
Other non-current liabilities	800,000	
<b>Total current liabilities</b>	<b>6,865,134</b>	

#### Non-current liabilities:

Long-term borrowings	3,296	
Long-term payables	1,621,000	
Other non-current liabilities	7,986,500	
Provisions	37,429	
<b>Total non-current liabilities</b>	<b>9,648,225</b>	

#### Total liabilities

**16,513,359**

#### Shareholders' equity:

Share capital	2,978,577	
Reserves	2,049,035	
Other equity	3,287,149	
Minority interest	43,754	
Other non-current liabilities	3,279,379	
Other equity	2,380,348	
<b>Total equity of shareholders and other equity holders</b>	<b>14,018,242</b>	

#### Total liabilities and shareholders' equity

**30,531,601**

### 8.5.3 Consolidated Income Statement (audited)

Unit: RMB thousand

Item	Note	2016	2015
<b>I. Revenue</b>			
Revenue from operations	7	51,111,652	47,777,776
Revenue from other operations	7	41,482,017	77,777,776
Revenue from government grants		503,099	77,777,776
Revenue from disposal of non-current assets		2,156,980	77,777,776
Revenue from disposal of subsidiaries		4,208,598	77,777,776
Revenue from disposal of associates		719,109	77,777,776
Revenue from disposal of investments	8	2,089,634	77,777,776
Revenue from disposal of financial assets		613,913	(77,777,776)
Revenue from disposal of intangible assets		234,410	77,777,776
		<b>87,266</b>	
<b>II. Operating profit</b>			
Operating profit from operations		800,538	77,777,776
Operating profit from other operations		1,212,806	77,777,776
		<b>451,565</b>	
Operating profit from government grants		311,293	77,777,776
Operating profit from disposal of non-current assets		187,013	77,777,776
Operating profit from disposal of subsidiaries			77,777,776
Operating profit from disposal of associates			77,777,776
Operating profit from disposal of investments			77,777,776
Operating profit from disposal of financial assets			(77,777,776)
Operating profit from disposal of intangible assets			77,777,776
<b>III. Total profit</b>			
Total profit from operations	9	1,702,051	77,777,776
Total profit from other operations		967,068	77,777,776
<b>IV. Net profit</b>			
Net profit from operations		734,983	77,777,776
Net profit from other operations		539,660	77,777,776
		195,323	77,777,776
<b>V. Other comprehensive income, net of tax</b>			
Other comprehensive income from operations		967,346	77,777,776
Other comprehensive income from other operations		871,818	77,777,776
		871,818	77,777,776
Other comprehensive income from government grants		(104)	(77,777,776)
Other comprehensive income from disposal of non-current assets		4,154	77,777,776
Other comprehensive income from disposal of subsidiaries			77,777,776
Other comprehensive income from disposal of associates			77,777,776
Other comprehensive income from disposal of investments			77,777,776
Other comprehensive income from disposal of financial assets			(77,777,776)
Other comprehensive income from disposal of intangible assets			77,777,776
		<b>477,398</b>	
		<b>390,370</b>	
		95,528	(77,777,776)
<b>VI. Total comprehensive income</b>			
Total comprehensive income from operations		1,702,329	77,777,776
Total comprehensive income from other operations		1,411,478	77,777,776
		290,851	77,777,776
<b>VII. Earnings per share</b>			
(I) Basic earnings per share	10(1)	0.14	0.14
(II) Diluted earnings per share	10(2)	0.14	0.14

## 8.5.4 Income Statement of the Company (audited)

Unit: RMB thousand

Item	2016	2015
<b>I. Revenue</b>	<b>156,526</b>	<b>157,000</b>
Revenue from contracts with customers	24,006	24,000
Revenue from government grants	3,373	3,373
Revenue from other sources	(285,476)	(285,473)
Revenue from disposal of subsidiaries	(353,608)	(353,600)
Revenue from other subsidiaries	10,895	10,895
	<b>1,259,065</b>	<b>1,259,065</b>
<b>II. Operating profit</b>	<b>2,038,191</b>	<b>2,038,191</b>
Operating profit from contracts with customers	33,173	33,173
Operating profit from government grants	116	116
Operating profit from other sources	79,573	79,573
Operating profit from disposal of subsidiaries	66	66
Operating profit from other subsidiaries		
<b>III. Total profit</b>	<b>1,991,791</b>	<b>1,991,791</b>
Total profit from contracts with customers ( )	164,168	(164,168)
<b>IV. Net profit</b>	<b>1,827,623</b>	<b>1,827,623</b>
<b>V. Net amount of other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>
<b>VI. Total comprehensive income</b>	<b>1,827,623</b>	<b>1,827,623</b>





## 8.5.5 Consolidated Cash Flow Statement (audited) (Continued)

Unit: RMB thousand

Item	2016	2015
<b>III. Cash flows from financing activities:</b>		
<b>1. Issuance of debt</b>	1,768,906	1,768,906
<b>2. Proceeds from the issuance of equity</b>	1,760,575	1,760,575
<b>3. Proceeds from the issuance of preferred shares</b>	-	-
<b>4. Proceeds from the issuance of financial instruments</b>	54,548,656	54,548,656
<b>5. Proceeds from the issuance of financial instruments</b>	7,986,500	7,986,500
<b>6. Proceeds from the issuance of financial instruments</b>	3,755	3,755
<b>Sub-total of cash inflows from financing activities</b>	<b>64,307,817</b>	<b>64,307,817</b>
<b>1. Repurchase of debt</b>	52,820,203	52,820,203
<b>2. Repurchase of equity</b>	3,228,079	3,228,079
<b>3. Repurchase of preferred shares</b>	161,253	161,253
<b>4. Repurchase of financial instruments</b>	748,489	748,489
<b>Sub-total of cash outflows from financing activities</b>	<b>56,796,771</b>	<b>56,796,771</b>
<b>Net cash flows from financing activities</b>	<b>7,511,046</b>	<b>7,511,046</b>
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>81,534</b>	<b>81,534</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>3,079,544</b>	<b>3,079,544</b>
<b>1. Net increase in cash and cash equivalents</b>	<b>3,259,123</b>	<b>3,259,123</b>
<b>VI. Cash and cash equivalents at the end of the year</b>	<b>6,338,667</b>	<b>6,338,667</b>

## 8.5.6 Cash Flow Statement of the Company (audited)

Unit: RMB thousand

Item	2016	2015
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods and services	156,526	1,413,473
Cash received from interest	257,702	1,124,419
Cash received from other operating activities		1,351,230
Sub-total of cash inflows from operating activities	414,228	3,889,122
Cash paid for purchase of goods and services	39,842	2,167,926
Cash paid for interest	219,452	1,124,419
Cash paid for income tax	16,698	1,030,370
Cash paid for other operating activities	4,933,042	4,943,370
Sub-total of cash outflows from operating activities	5,209,034	9,266,085
Net cash flows from operating activities	(4,794,806)	(5,376,963)
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of long-term assets	-	1,443,900
Cash received from disposal of subsidiaries	245,460	4,724,000
Cash received from disposal of other long-term assets	3,037	1,124,419
Cash received from other investing activities	8,944	1,351,230
Sub-total of cash inflows from investing activities	257,441	8,643,549
Cash paid for purchase of long-term assets	41,191	1,351,230
Cash paid for purchase of subsidiaries	77,991	1,124,419
Cash paid for purchase of other long-term assets		1,030,370
Cash paid for other investing activities	119,182	1,124,419
Sub-total of cash outflows from investing activities	119,182	4,630,438
Net cash flows from investing activities	138,259	(4,000,000)

## 8.5.6 Cash Flow Statement of the Company (audited) (Continued)

Unit: RMB thousand

Item	2016	2015
<b>III. Cash flows from financing activities:</b>		
Proceeds from the issuance of bank loans	8,176,000	1,000,000
Proceeds from the issuance of short-term debt	7,986,500	1,000,000
Proceeds from the issuance of long-term debt	-	1,000,000
Proceeds from the issuance of equity	8,331	1,000,000
<b>Sub-total of cash inflows from financing activities</b>	<b>16,170,831</b>	<b>4,000,000</b>
Interest paid	9,319,881	1,000,000
Dividends paid	1,126,037	1,000,000
Proceeds from the repurchase of equity	6,189	1,000,000
<b>Sub-total of cash outflows from financing activities</b>	<b>10,452,107</b>	<b>4,000,000</b>
<b>Net cash flows from financing activities</b>	<b>5,718,724</b>	<b>0</b>
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>428</b>	<b>0</b>
<b>V. Net increase/(decrease) in cash and cash equivalents</b>	<b>1,062,605</b>	<b>(1,000,000)</b>
Cash and cash equivalents at the beginning of the year	652,865	1,000,000
<b>VI. Cash and cash equivalents at the end of the year</b>	<b>1,715,470</b>	<b>0</b>

## 8.5.7 Consolidated Statement of Changes in Shareholders' Equity (audited)

Unit: RMB thousand

Item	2016							Total shareholders' equity
	Equity attributable to shareholders and other equity holders of the Company							
	Share capital	Other equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	Minority interest	
I	2,977,820	2,033,043	3,181,863	(514,477)	3,203,578	17,803,808	7,033,280	35,720,915
II	2,977,820	2,033,043	3,181,863	(514,477)	3,203,578	17,803,808	7,033,280	35,720,915
III	-	119,792	-	-	-	419,868	193,323	734,983
IV	-	-	-	871,818	-	-	93,529	967,346
V	-	119,792	-	871,818	-	419,868	290,851	1,702,329
VI	-	-	-	-	-	-	-	-
VII	757	-	7,574	-	-	-	-	8,331
VIII	-	-	227,441	-	-	-	3,330,875	3,558,316
IX	-	-	-	-	-	-	29,585	29,585
X	-	-	(22,239)	-	-	-	(726,250)	(748,489)
XI	-	-	903	-	-	-	8,087	9,000
XII	-	-	-	-	-	-	(7,762)	(7,762)
XIII	-	-	1,692	-	-	-	2,063	3,755
XIV	-	-	22,316	-	-	-	10,068	32,384
XV	-	-	(300,000)	-	-	-	-	(300,000)
XVI	-	-	7,035	-	-	-	-	7,035
XVII	-	-	-	-	75,801	(75,801)	-	-
XVIII	-	-	-	-	(654,822)	(654,822)	(121,965)	(776,787)
XIX	-	(103,800)	-	-	-	-	-	(103,800)
XX	2,978,577	2,049,035	3,126,585	357,341	3,279,379	17,493,053	9,846,822	39,134,792



Notes:

**1. BASIS OF PREPARATION**

The financial statements have been prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies.

**2. STATEMENT OF COMPLIANCE WITH THE ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES**

The financial statements have been prepared in accordance with the accounting standards for business enterprises. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies.

**3. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements have been prepared in accordance with the accounting standards for consolidated financial statements. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies. The financial statements are prepared on the basis of the accounting records maintained by the Company and are prepared in accordance with the accounting standards applicable to the companies.

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**4. ACCOUNTS RECEIVABLE**

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

*Unit: RMB thousand*

**31 December  
2016**

**2,540,433  
2,396,644  
3,220,025  
244,655  
1,255,195  
1,159,172  
769,250  
569,937**

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(2) The ageing of accounts receivable is analysed as follows:

Unit: RMB thousand

31 December 2016	10,329,997
(1,338,028)	989,469
(410,549)	548,922
(252,150)	286,923
12,155,311	(629,236)
<b>11,526,075</b>	

5. ACCOUNTS PAYABLE

(1) The accounts payable is as follows:

Unit: RMB thousand

31 December 2016	8,303,845
461,925	259,029
658,048	150,029
135,159	129,178
63,738	
<b>10,160,951</b>	

(2) The ageing of accounts payable is analysed as follows:

Unit: RMB thousand

31 December 2016	9,535,350
414,188	153,893
57,520	
<b>10,160,951</b>	

## 6. UNDISTRIBUTED PROFITS

		<i>Unit: RMB thousand</i>	
	<i>Note</i>	<b>2016</b>	
At the beginning of the year		17,805,808	17,805,808
Profit for the year		539,660	539,660
Other comprehensive income		(119,792)	(119,792)
Other adjustments		(75,801)	(75,801)
At the end of the year	<i>(1)</i>	<u>17,495,053</u>	<u>17,495,053</u>

### (1) Dividends of ordinary shares declared during the year

		<i>Unit: RMB thousand</i>	
		<b>2016</b>	
At the beginning of the year		-	-
Dividends declared during the year		654,822	654,822
At the end of the year		<u>654,822</u>	<u>654,822</u>

## 7. REVENUE AND COST OF SALES

		<i>Unit: RMB thousand</i>	
		<b>2016</b>	
Revenue		49,960,016	49,960,016
Cost of sales		1,151,636	1,151,636
Revenue less cost of sales		<u>51,111,652</u>	<u>51,111,652</u>
Revenue		41,019,009	41,019,009
Cost of sales		463,008	463,008
Revenue less cost of sales		<u>41,482,017</u>	<u>41,482,017</u>

**8. ASSET IMPAIRMENT LOSSES**

*Unit: RMB thousand*

	2016	2015
—	1,403,702	1,403,702
—	205,073	(6,774)
—	174,954	7,725
—	100,725	77,557
—	77,557	66,356
—	66,356	46,716
—	46,716	8,310
—	8,310	5,936
—	5,936	305
—	305	—
	<b>2,089,634</b>	<b>4,400,000</b>

**9. INCOME TAX EXPENSES**

*Unit: RMB thousand*

	2016	2015
—	985,708	(18,640)
—	(18,640)	—
	<b>967,068</b>	<b>4,400,000</b>

Unit: RMB thousand

	2016	
		(6,117,000)
	<b>1,702,051</b>	
	<b>340,144</b>	
	<b>(112,254)</b>	(7,121,000)
	<b>122,230</b>	(1,117,000)
	<b>(1,958)</b>	(2,117,000)
	<b>(41,584)</b>	(4,117,000)
	<b>362,965</b>	
	<b>340,729</b>	
	<b>(38,008)</b>	(4,417,000)
	-	
	<b>(5,302)</b>	
	-	
	<b>106</b>	(1,117,000)
	<b>967,068</b>	(4,117,000)

	2016	
<b>The Company</b>	<b>25%</b>	4.4%
	<b>15-25%</b>	4.4%
	<b>16.5-25%</b>	4.4%
	<b>36%</b>	4.4%
	<b>20%</b>	4.4%
	<b>15-35%</b>	4.4%
	<b>15.83-31.6%</b>	4.4%
	<b>20%</b>	4.4%
	<b>30%</b>	4.4%
	<b>25.5%</b>	4.4%
	<b>34%</b>	4.4%
	<b>23.5%</b>	4.4%
	<b>19%</b>	4.4%
	<b>20%</b>	4.4%
	<b>17%</b>	4.4%
	<b>26.3%</b>	4.4%

**10. EARNINGS PER SHARE**

**(1) Basic earnings per share**

	<b>2016</b>	\$
	(119,792)	(0.14)
	<b>539,660</b>	(0.14)
	<b>(119,792)</b>	<b>(0.14)</b>
	<b>419,868</b>	(0.14)
	<b>2,978,296</b>	(0.14)
	<b>0.14</b>	(0.14)
	<b>0.14</b>	<b>0.14</b>

**(2) Diluted earnings per share**

	<b>2016</b>	\$
	(119,792)	(0.14)
	<b>539,660</b>	(0.14)
	<b>(119,792)</b>	<b>(0.14)</b>
	<b>419,868</b>	(0.14)
	<b>2,984,119</b>	(0.14)
	<b>0.14</b>	(0.14)
	<b>0.14</b>	<b>0.14</b>

Note

	<b>2016</b>	\$
	(119,792)	(0.14)
	<b>539,660</b>	(0.14)
	<b>(119,792)</b>	<b>(0.14)</b>
	<b>419,868</b>	(0.14)
	<b>2,984,119</b>	(0.14)
	<b>0.14</b>	(0.14)
	<b>0.14</b>	<b>0.14</b>

(a)

	<b>2016</b>	\$
	(119,792)	(0.14)
	<b>2,978,296</b>	(0.14)
	<b>5,823</b>	(0.14)
	<b>2,984,119</b>	<b>0.14</b>
	<b>2,984,119</b>	<b>0.14</b>

(b)

	<b>2016</b>	\$
	(119,792)	(0.14)
	<b>2,978,296</b>	(0.14)
	<b>5,823</b>	(0.14)
	<b>2,984,119</b>	<b>0.14</b>
	<b>2,984,119</b>	<b>0.14</b>

(c)

**11. SEGMENT REPORTING**

I... II... I...  
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I... II... I...

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I... II... I... II...

SI... I... II... SI... I... II...  
I... II... I... II... I... II...  
I... II... I... II...

SI... I... II... SI... I... II...  
I... II... I... II... I... II...  
I... II... I... II...







**12. CONTINGENCIES**

**(1) Contingent liabilities**

The Company has no contingent liabilities as at 31st March 2020.

**(2) Guarantees provided for external parties**

The Company has provided guarantees for external parties in the form of bank guarantees, performance guarantees and letters of credit. The total amount of guarantees provided for external parties as at 31st March 2020 is Rs. 1,000,000,000.00.

**(3) Notes payable issued but not accounted for, outstanding letters of credit issued but undue and outstanding performance guarantees**

The Company has no notes payable issued but not accounted for, outstanding letters of credit issued but undue and outstanding performance guarantees as at 31st March 2020.

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Qingdao Cold Storage) ...

... (Zhenhua Logistics) ...

(4) Significant pending litigations

... (Zhenhua Logistics) ...

### 13. COMMITMENTS

#### Capital commitments

*Unit: RMB thousand*

Capital commitments at the beginning of the year	108,730	
Capital commitments incurred during the year	129,423	
Capital commitments settled during the year	179,633	
Capital commitments at the end of the year	-	
	<b>417,786</b>	

*Unit: RMB thousand*

Capital commitments at the end of the year		
Capital commitments incurred during the year		
Capital commitments settled during the year		
Capital commitments at the end of the year		
	<b>31 December 2016</b>	
	-	

### 14. NET CURRENT ASSETS

*Unit: RMB thousand*

Net current assets at the beginning of the year		
Net current assets incurred during the year		
Net current assets settled during the year		
Net current assets at the end of the year		
	<b>The Group</b>	
	<b>31 December 2016</b>	
	53,352,031	
	46,249,215	
	<b>7,102,816</b>	
	<b>The Company</b>	
	<b>31 December 2016</b>	
	20,556,728	
	6,865,134	
	<b>13,691,594</b>	

**15. TOTAL ASSETS LESS CURRENT LIABILITIES**

*Unit: RMB thousand*

	<b>The Group</b>
<b>31 December</b>	
<b>2016</b>	<b>(6,111,111)</b>
<b>124,614,748</b>	<b>(11,111,111)</b>
<b>46,249,215</b>	<b>(11,111,111)</b>

124,614,748  
46,249,215

**9 REPURCHASE, SALE OR REDEMPTION OF SHARES**

**10 COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

( **Model Code** )

**11 COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

## 12 AUDIT COMMITTEE

**China International Marine Containers (Group) Co., Ltd.**  
**WANG Hong**  
*Chairman*

*As at the date of this announcement, the Board comprises Mr. WANG Hong (Chairman), Mr. WANG Yuhang (Vice chairman), Mr. WANG Zhixian and Mr. LIU Chong as non-executive directors; Mr. MAI Boliang as an executive director; and Mr. PAN Chengwei, Mr. PAN Zhengqi and Mr. WONG Kwai Huen, Albert as independent non-executive directors.*