



中國機械設備工程股份有限公司

China Machinery Engineering Corporation*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(於中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號: 1829

Interim Report **2013** 中期報告



* For identification purposes only
* 僅供識別

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Chairman's Statement

董事長致辭



Strive to become a world class international engineering contracting and services provider

打造世界一流的國際工程承包與服務商

SUN Bai *Chairman*
孫柏 董事長

Dear Shareholders,

In the first half of 2013, although the global economy remained weak, as infrastructure facilities projects undertaken earlier in developed countries needed upgrade and replacement, the demand for replacing and constructing these infrastructure facilities continued to hike. Coupled with the large-scale urbanisation development of the emerging markets in recent years, the demand for infrastructure facilities development increased quickly, providing a steady growth driver for the industry.

Reviewing the business development for the first half of the year, the Group performed well in various areas including power, transportation and telecommunications sectors of infrastructure facilities construction which did not only drive forward the regional economic development, but also successfully established the “CMEC” brand in the overseas markets. During the first half of the year, the Group maintained steady growth in overall operating conditions, having satisfactorily reached its predetermined targets. In the first half of 2013, the Group recorded a total revenue of RMB10,427.4 million, representing an increase of 0.7% over the corresponding period in 2012. Gross profit amounted to RMB2,022.8 million, representing an increase of

尊敬的各位股東：

2013年上半年，儘管全球經濟繼續走弱，但隨著發達國家早期投入的基礎設施項目已進入更新換代的高峰期，對基礎設施更新建設的需求不斷提高，以及新興市場於近年大舉加快城市化建設，對基礎設施建設需求量快速提升，為行業提供了穩定的發展動力。

回顧上半年業務發展情況，集團於電力能源、交通運輸及電子通訊基礎建設領域取得不俗成績，在推動區域經濟發展的同時於海外市場成功樹立了CMEC品牌。上半年集團整體經營狀況保持穩步增長，較好實現了預定目標。2013年上半年集團總收入為人民幣10,427.4百萬元，同比穩步提升0.7%；毛利水平達人民幣2,022.8百萬元，同比增長6.2%，其中國際工程承包業務收入及利潤貢獻水平明顯提高，

6.2% over the corresponding period in 2012. Of which, the revenue and profit contribution for the International Engineering Contracting Business substantially increased, accounting for 76.8% and 87.8% of the Group's total revenue and gross profit respectively. As of June 30, 2013, the backlog of the Group's International Engineering Contracting Business amounted to US\$7,054.1 million, representing an increase of 16.6% over the corresponding period in 2012. During the first half of the year, the sound financial performance of the Group laid a solid foundation for its future development. Its remarkable project contracting capabilities and premium brand established in the emerging markets also allowed the Group to further expand its market share. As to business structure, the Group actively expanded into business segments of high quality and high gross profit while scientifically balancing the proportions of various businesses so as to further optimise the business structure of the Group.

BUSINESS REVIEW

As a leading international engineering contracting service provider, the Group has long been specialising in the contracting business and services in EPC projects. Leveraging its extensive experience in contracting overseas projects accumulated over the years and its quality project execution teams, the Group is highly recognised in the overseas project contracting market and enjoys credibility. Currently, the Group's projects are fittingly distributed in Asia, Africa, Latin America and Europe where the infrastructure projects in a number of segments including the power, transportation and telecommunications segments have achieved coordinated development. In particular, the power segment maintained good growth momentum in the first half of the year, securing project orders in many countries and regions.

In the first half of the year, the Group achieved satisfactory execution and performance of its existing projects. Coupled with the recovery of receivables by means of the Group's scientific system as well as the Group's stringent control on cost, quality, progress and safety in the course of project implementation, numerous projects were completed smoothly, which accelerated the recovery of the Group's construction payments. In the first half of the year, the power transmission and transformation project and the national dispatching centre in the Republic of Congo as well as the "N'Djamena-Djermaya 66kV high voltage power transmission project" in Chad were completed seamlessly, which strengthened the Group's healthy recovery of the construction payments and the cash position.

分別佔集團總收入及集團毛利的76.8%及87.8%。截至2013年6月30日，集團國際工程承包業務的未完成合同量達7,054.1百萬美元，同比增加16.6%。上半年集團穩健的財務業務表現為其未來發展奠定了良好的基調，集團出色的項目承包能力，以及在新興市場樹立的優質品牌也使集團的市場空間進一步擴大。在業務結構方面，集團積極拓展高質量、高毛利業務板塊，科學均衡各業務佔比，使集團的業務結構得到了進一步優化。

業務回顧

作為領先的國際工程承包與服務商，集團長期專注於EPC項目的承包與服務。多年來積累的豐富海外項目承包經驗及優質項目實施團隊，使集團在海外項目承包市場上擁有較高的認知度及良好口碑。目前，集團項目在亞非拉及歐洲地區佈局良好，電力能源、交通運輸及電子通訊等多領域基建項目協調發展，尤其是電力能源板塊於上半年發展勢頭良好，在多個國家及地區取得項目訂單。

集團上半年歷史訂單履約執行情況良好，配合集團系統科學的項目款項回收流程及項目實施過程中集團對成本、質量、進度和安全的嚴格管控，多批項目順利完工，提升了集團項目款項回收的高效性。上半年，集團於剛果共和國的輸變電項目及國家電力調控中心工程、於乍得的「加賀瑪雅－恩賈梅納66kV高壓輸電線路項目」均順利竣工，為集團健康的項目賬款回收及資金情況帶來較大貢獻。

Chairman's Statement

董事長致辭

In the first half of the year, the Group continued to accelerate the expansion of its comprehensive coverage in the worldwide market. Apart from consolidating its traditional markets, it further pushed ahead the development in emerging markets and achieved satisfactory results in the new market and project expansion capitalising on the Group's extensive experience and quality resources in the areas of power, transportation and telecommunications. In the first half of the year, new projects became effective in Angola, Zimbabwe, Bangladesh, Iraq and Turkey respectively. The Group also, for the first time, successfully entered into the Mongolian and Canadian markets which further expanded the Group's footprint worldwide. Amid intensifying market competition, the Group continued to enhance its own project capabilities and made strategic adjustments in a systematic manner according to the demand in different markets so as to maintain its industry leading position leveraging its unique "one-stop" services and differentiated strengths.

During the first half of the year, the Trading Business of the Group executed stringent risk management and voluntarily chose not to engage in trading business which involved relatively higher business risk and with lower profitability with a view to further optimising its business structure. Despite the decrease in revenue from the Trading Business for the first half of the year, with effective control on risk management, gross profit margin of such segment remained at a relatively high level.

In the first half of 2013, the Other Businesses of the Group further improved. Riding on the steady growth in the International Engineering Contracting Business, the Group actively expanded the provision of design services, logistics services, exhibitions services and tendering agency services, and proactively commenced investment-related business through extending the industry chain, which not only diversified the Group's portfolio, but also generated synergies among the business segments.

FUTURE PROSPECTS

To cope with the ever-changing market demand and enhance the integrated competitiveness of various business segments, the Group has introduced the new "Five-Year Strategic Plan" based on current market features and major economic trends. The plan clearly sets out the future direction for the development of the Group:

上半年集團繼續加速在全球市場的全面佈局，鞏固傳統市場地位的同時進一步推進新興市場的開發，並利用集團在電力能源、交通運輸及電子通訊方面的豐富經驗及優質資源在新市場及項目的拓展中取得了良好成果。上半年集團在安哥拉、津巴布韋、孟加拉、伊拉克及土耳其等國家均有新項目生效，並首次成功進入蒙古及加拿大市場，進一步拓寬了集團在全球的業務版圖。在應對日益激烈的市場競爭過程中，集團不斷提升自身項目實力，針對不同市場需求有步驟地進行策略調整，以集團獨特的「一站式」服務及差異化優勢始終保持行業領先地位。

集團貿易業務於上半年進行嚴格的風險把控，主動放棄部份高風險、低利潤的貿易業務，業務結構得到進一步優化。儘管上半年貿易業務收入水平有所下降，但風險控制效果明顯，使該業務板塊毛利率繼續保持較高水平。

2013年上半年，集團其他業務得到進一步拓展，依託國際工程承包業務的穩定發展，集團積極拓展設計、物流、展覽、招標代理等服務，並通過產業鏈的延伸積極開展投資類業務，在豐富集團業務類型的同時，充分發揮各業務板塊間的協同作用。

未來展望

為適應不斷變化的市場需求，提升各業務板塊的綜合競爭力，集團根據現時市場特點及對經濟發展大方向的判斷提出了新「五年戰略規劃」，規劃明確指出了集團未來的發展方向：

- **Transforming growth model to drive business enhancement**

Engaged in the international infrastructure facilities industry, the Group endeavours to actively optimise the layout of its existing operations, drive the continuous growth in the EPC business and achieve innovative breakthrough in investment business, while gradually develops itself as a diversified and integrated international infrastructure facilities project contractor through extending the industry chain. In addition, the Company will target at the development of both the overseas and domestic markets in a parallel manner and strive to achieve speedy growth of the Group through active integration of internal resources.

- **Adjusting business structure to rebuild competitive strengths**

Leveraging its well-established International Engineering Contracting Business, the Group will adopt a complementary strategy to utilise its strengths in internal resources while innovate the industry chain, especially strengthening the competitiveness of its core assignments especially project financing.

- **Pursuing merger and acquisition opportunities to achieve exponential growth**

The Group will fully utilise its premium capital platform as a listed company to achieve exponential growth of the inorganic businesses of the Company through strategic asset investment such as equity investments and mergers and acquisitions.

- **轉型發展模式，推動企業升級**

集團立足於國際基礎設施行業，積極進行現有業務的合理佈局，並推動EPC業務的持續增長及創新投資業務的突破，通過產業鏈延展逐步發展為多元化綜合國際基礎設施項目承包商。另外，公司在市場佈局上亦將執行海外與國內市場並行的發展路線，通過對內部資源的積極整合促進集團的快速成長。

- **調整業務結構，重塑競爭優勢**

依託集團成熟的國際工程項目承包業務，集團將採取“保長補短”的策略，利用內部資源優勢不斷加強產業鏈創新，尤其是對項目融資等核心環節競爭力的提升。

- **嘗試兼併收購，實現跨越增長**

集團將充分利用上市企業的優越資本平台，通過包括參股、併購等多種模式進行戰略性資產投資，提升公司非有機業務的跨越式增長。

Chairman's Statement

董事長致辭

Looking into the second half of the year, as the global economy shows signs of recovery, the Group will capitalise the opportunities arising from the rising market demand. Through expanding its new businesses while driving the transformation of its traditional business, the Group will leverage its market advantages over its International Engineering Contracting Business and actively develop a diversified and integrated industry chain, with an aim to providing comprehensive support for the construction of overseas contracting projects. In face of the changing market demand, the Group will continue to explore new business growth models to facilitate diversified business development and further enhance profitability.

As urbanisation in emerging markets continues to progress and their demand for infrastructure continues to increase, the Group will further optimise the scientific layout of its businesses worldwide and fully capitalise on the tremendous growth potentials in the emerging countries and markets. Simultaneously, the Group will closely monitor the development of the domestic infrastructure market and capitalise its own quality resources to gradually expand the infrastructure and ancillary businesses in Mainland China.

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to all our Shareholders and stakeholders in various sectors for their concern and support for CMEC. I would also like to express my heartfelt gratitude to all our employees for their diligent services.

SUN Bai

Chairman

Beijing, the PRC
September 23, 2013

展望下半年，國際經濟環境復蘇跡象明顯，集團將緊抓市場需求復蘇之勢，通過新業務的不斷拓展帶動傳統業務的轉型，依託集團國際工程承包業務的市場優勢積極打造多元一體化產業鏈，為海外承包項目的建設服務提供全面支持。隨著市場需求的不斷變化，集團將繼續摸索新的業務成長方式，促進業務的多元化發展及利潤的進一步提升。

在新興市場城市化進程不斷推進、對基建需求不斷增加的過程中，集團將進一步完善業務在全球的科學佈局，充分開發新興國家市場的巨大增長潛力。與此同時，集團亦將積極關注國內基建市場的發展，利用自身優質資源，逐步拓展國內基建及輔助業務。

在此，我謹代表董事會向一直以來關心和
支持中國機械工程的廣大股東、社會各界
人士及與我們一同奮鬥的集團全體同仁表
示衷心的感謝！

孫柏

董事長

中國北京
2013年9月23日

The Company was established in 1978 and was the first state-owned industrial and trading enterprise in the PRC. The Company is a subsidiary controlled by SINOMACH. The Company was listed on the Main Board of the Stock Exchange on December 21, 2012 at an issue price of HK\$5.4 per H Share. As at June 30, 2013, the Company had a total of 908,270,000 H Shares and 3,217,430,000 Domestic Shares issued.

Principal activities: The Company is a leading international engineering contracting and services provider with a primary focus on EPC projects with particular expertise in the power sector, capable of providing one-stop customized and integrated engineering contracting solutions and services. The Company also conducts the Trading Business and Other Businesses.

Overall strategic objectives of the Group for the future: The Group aims to adjust its business structure and redefine its core business competitiveness, while endeavour to innovate its business, transform its business model and continue to enhance the quality of management so as to ensure the level of development and achieve long-term growth.

International Engineering Contracting Business: With over 30 years of experience in the International Engineering Contracting Business, the Company is able to provide project owners with one-stop customized and integrated turnkey solutions and services to manage and implement the engineering contracting projects, especially in developing countries, and also undertakes engineering contracting projects in more than 47 countries, primarily in Asia and Africa. Power, transportation and telecommunications sectors are the Company's Core Sectors. The Company is also engaged in the non-Core Sectors, such as water supply and treatment projects, building and construction projects, manufacturing and processing plant projects and mining and resources exploitation projects.

Trading Business: The Company conducts the Trading Business through the sales and marketing network which covers over 150 countries and regions. The sales and marketing network is established through years of international engineering contracting and trading experiences and business transactions involving export and import of products and services to and from these countries and regions.

本公司成立於1978年，是中國第一家國有工貿企業，是由國機控股的附屬公司。本公司於2012年12月21日在聯交所主板上市，發行價為每股H股5.4港元。於2013年6月30日，本公司已發行合共908,270,000股H股及3,217,430,000股內資股。

主要業務：本公司是領先的國際工程承包及服務供應商，主要專注於EPC項目，特別專長於電力能源行業，能夠提供一站式訂制及綜合工程承包方案及服務。本公司亦從事貿易業務及其他業務。

未來集團整體戰略目標：集團致力於調整業務結構，重塑核心業務競爭力，著力業務創新，轉型發展模式，持續提升管理水平，以確保發展質量，實現長遠增長。

國際工程承包業務：本公司在國際工程承包業務方面擁有逾30年經驗，能夠為項目業主提供管理及實施工程承包項目的一站式訂製及綜合交鑰匙方案及服務，尤其是在發展中國家，並已在超過47個國家（主要在亞洲及非洲）承接工程承包項目。電力能源、交通運輸及電子通訊行業是本公司的核心行業。本公司亦從事非核心行業，如供水及水處理項目、房屋及建築項目、製造和加工工廠項目以及採礦和資源開採項目。

貿易業務：本公司通過覆蓋已超過150個國家及地區的銷售及市場營銷網絡進行貿易業務。銷售及市場營銷網絡是通過涉及向此等國家及地區出口和自此等國家及地區進口產品及服務的多年國際工程承包及貿易經驗以及業務交易而建立。

Company Profile

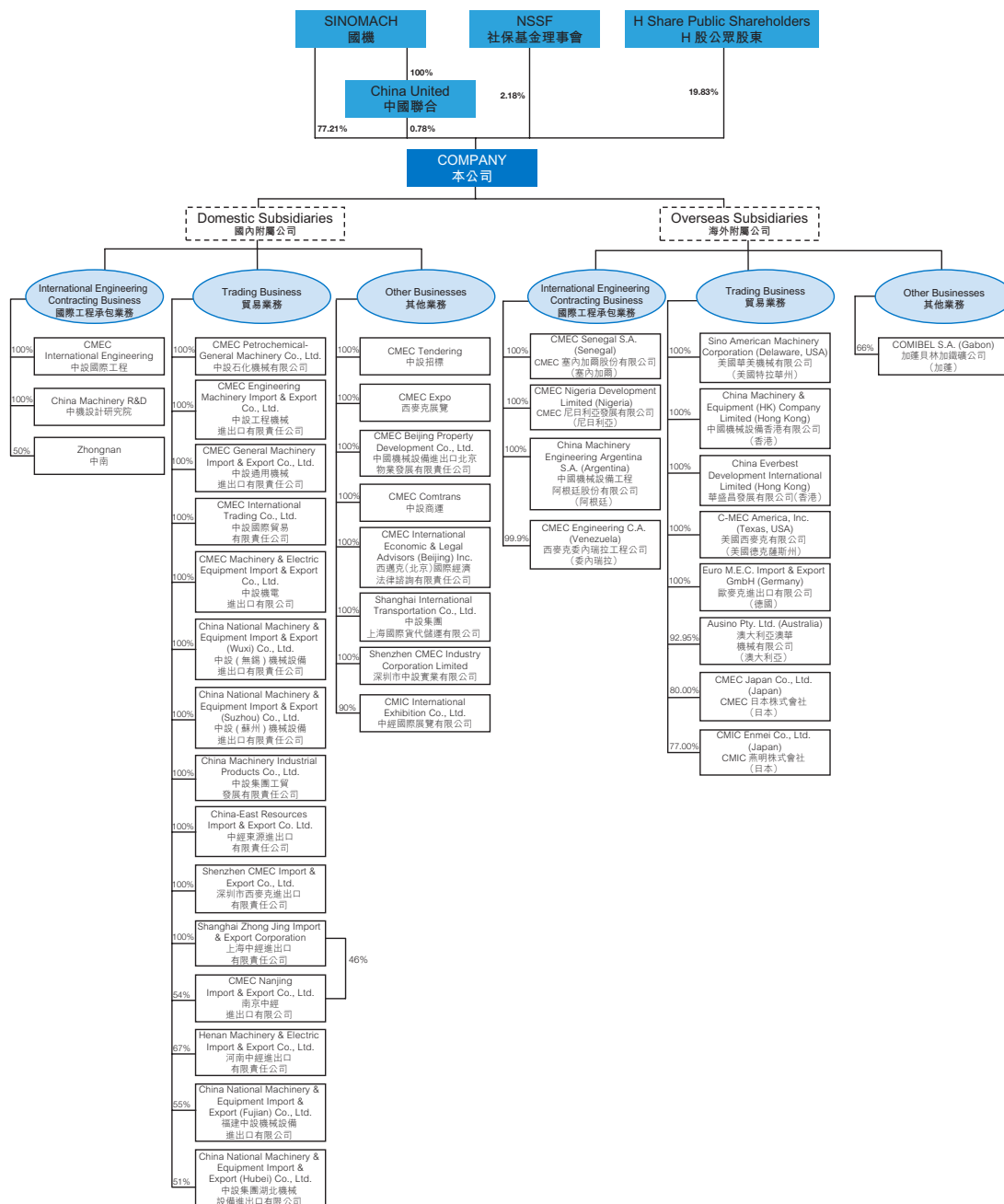
公司簡介

Other Businesses: To a lesser extent, the Company is involved in the Other Businesses that provide design services, logistics services, exhibition services, tendering agency services and other services (including export-import agency services).

Corporate Structure: As at June 30, 2013, the Company's corporate structure was as follows:

其他業務：本公司從事較小程度的其他業務，提供設計服務、物流服務、展覽服務、招標代理服務及其他服務（包括進出口代理服務）。

企業架構：於2013年6月30日，本公司企業架構如下：



Unaudited Interim Results 未經審計中期業績

The Board hereby announces the unaudited operating results of the Group for the six months ended June 30, 2013 (the “**Period**”), together with the operating results for the six months ended June 30, 2012 (the “**Corresponding Period in 2012**”) for comparison. For the six months ended June 30, 2013, the consolidated revenue of the Group amounted to RMB10,427.4 million, representing an increase of 0.7% over the Corresponding Period in 2012; profit before taxation amounted to RMB1,357.1 million, representing an increase of 1.2% over the Corresponding Period in 2012; profit attributable to the Shareholders of the Company amounted to RMB1,000.8 million, representing an increase of 1.0% over the Corresponding Period in 2012; basic earnings per Share attributable to Shareholders of the Company amounted to approximately RMB0.24, representing a decrease of 20.1% as compared with that in the Corresponding Period in 2012.

董事會謹此宣佈本集團於截至2013年6月30日止六個月（「**本期間**」）的未經審計經營業績，連同截至2012年6月30日止六個月（「**2012年相應期間**」）的經營業績，以作比較。截至2013年6月30日止六個月，本集團合併收入為人民幣10,427.4百萬元，較2012年相應期間增加0.7%；除稅前溢利為人民幣1,357.1百萬元，較2012年相應期間增加1.2%；本公司股東應佔溢利為人民幣1,000.8百萬元，較2012年相應期間增加1.0%；本公司股東應佔每股基本盈利約為人民幣0.24元，較2012年相應期間減少20.1%。

Key Operating and Financial Data

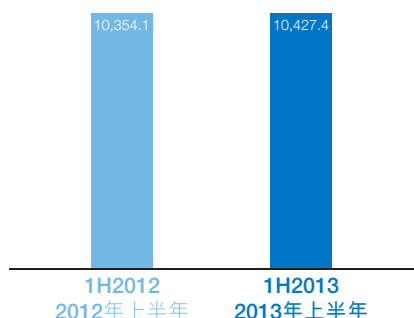
重要經營及財務數據

1. Revenue

收入

Unit: RMB million

單位：人民幣百萬元

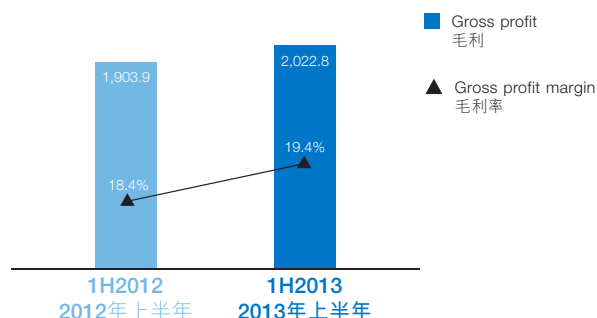


2. Gross Profit and Gross Profit Margins

毛利及毛利率

Unit: RMB million

單位：人民幣百萬元

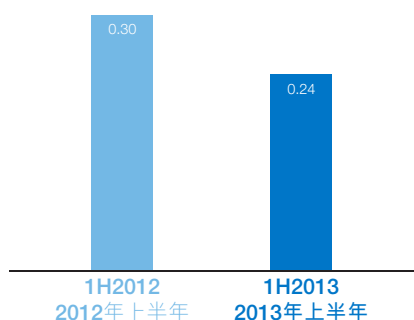


3. Basic Earnings per Share

每股基本盈利

Unit: RMB

單位：人民幣元

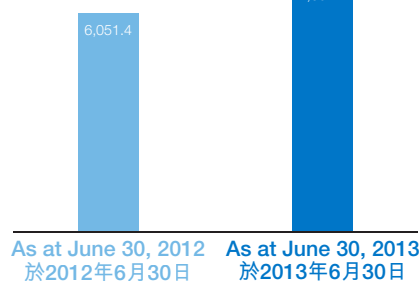


4. Backlog for the International Engineering Contracting Business

國際工程承包業務未完成合同量

Unit: US\$ million

單位：百萬美元

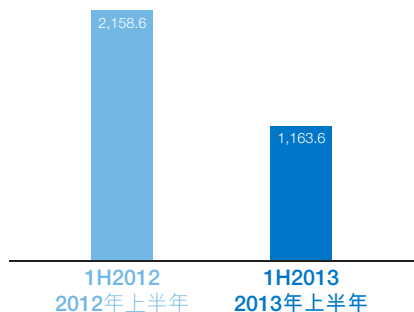


5. Newly Effective Contract Value for the International Engineering Contracting Business

國際工程承包業務的新生效合同金額

Unit: US\$ million

單位：百萬美元



6. Signed Contracts Pending to be Effective for the International Engineering Contracting Business

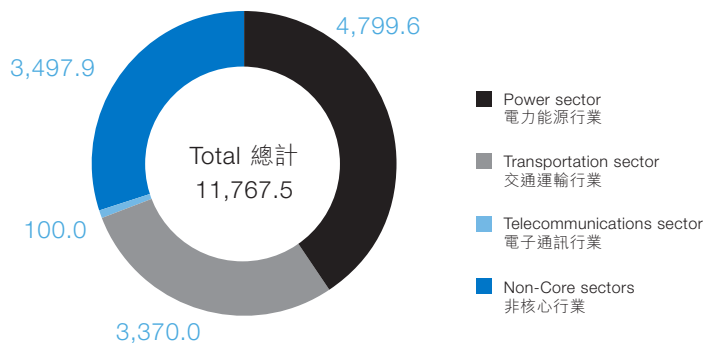
國際工程承包業務的已簽約待生效合同

As at June 30, 2013

於2013年6月30日

Unit: US\$ million

單位：百萬美元



Financial Highlights

財務摘要

For the six months ended June 30

截至6月30日止六個月

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入	10,427,405	10,354,140
Gross profit	毛利	2,022,800	1,903,960
Other revenue and other income/(expenses), net	其他收入及其他收入/(開支)淨額	49,284	(18,874)
Operating expenses	經營開支	(819,730)	(789,744)
Profit from operations	經營溢利	1,252,354	1,095,342
Profit before taxation	除稅前溢利	1,357,116	1,341,192
Income tax	所得稅	(355,760)	(351,694)
Profit for the Period	本期間內溢利	1,001,356	989,498
Total other comprehensive income	其他綜合收益總額	(4,997)	978
Total comprehensive income for the Period	本期間內綜合收益總額	996,359	990,476
Profit attributable to:	溢利歸屬於：		
– Shareholders of the Company	– 本公司股東	1,000,718	990,768
– Non-controlling interests	– 非控股權益	638	(1,270)
Total comprehensive income attributable to:	綜合收益總額歸屬於：		
– Shareholders of the Company	– 本公司股東	995,680	991,256
– Non-controlling interests	– 非控股權益	679	(780)
Basic and diluted earnings per share (expressed in RMB per share)	每股基本及攤薄盈利 (每股以人民幣計值)	0.24	0.30
Total non-current assets	非流動資產總額	6,385,175	6,833,778
Total current assets	流動資產總額	26,950,708	27,936,051
Total assets	資產總額	33,335,883	34,769,829
Total non-current liabilities	非流動負債總額	491,034	581,888
Total current liabilities	流動負債總額	22,149,185	24,270,518
Total liabilities	負債總額	22,640,219	24,852,406
Equity attributable to Shareholders of the Company	本公司股東應佔權益	10,697,903	9,920,341
Non-controlling interests	非控股權益	(2,239)	(2,918)
Total equity	權益總額	10,695,664	9,917,423
Total equity and liabilities	權益及負債總額	33,335,883	34,769,829

Note:

The financial information of the Group for the six months ended June 30, 2012 and 2013 are set forth on pages 69 to 114, and is presented on the basis set out in note 2 to the unaudited interim financial report.

附註：

本集團截至2012年及2013年6月30日止六個月的財務資料載列於第69頁至114頁，按未經審計中期財務報告附註2所載基準而呈列。

Management Discussion and Analysis

管理層討論及分析

I INDUSTRY OVERVIEW

During the first half of 2013, the global economy continued to be volatile. The trend of stagnant economic growth is a result of weak economic recovery in Europe and the United States and the slow growth of emerging economies. Compared with the international market, the economic and social development in China continued its steady growth. However, there were still risks and challenges.

With respect to the International Engineering Contracting Business, the global infrastructure market is expected to maintain a steady growth in 2013. This is due to (i) the developing countries' continued increase in their infrastructure investment and acceleration of urbanization, and (ii) the developed countries' increased investment in infrastructure facilities and renovation of existing infrastructure facilities in order to stimulate economic recovery. Meanwhile, the emerging markets as dominated by the Asia Pacific region and the African region are expected to continue to lead the global market.

As to the international engineering contracting industry, the power, transportation and telecommunications infrastructure markets continued to grow steadily. To promote regional economic growth, as various governments (especially the PRC government) attached increasing importance to the development of power infrastructure facilities in developing countries, the global power generation capacity continued to increase. With respect to the transportation industry, roads and railways development reached renovation and construction peak, whereas investment in ports and airport construction was growing rapidly in emerging markets. The telecommunications infrastructure market experienced recovery following the active economy and private investments. The cable network investments grew rapidly driven by the growth in broadband user base, while the wireless network investments showed greater growth potential driven by the expansion in cell phone and mobile broadband user base. In connection with the funding structure of the infrastructure facilities, government investments remained the major source of funding.

I 行業概覽

2013年上半年，國際市場依舊波動，歐洲和美國的經濟恢復乏力，新興經濟體增速緩慢等使世界經濟低速增長態勢延續。相較於國際市場，中國經濟社會發展呈現繼續穩健增長態勢，但仍面臨風險和挑戰。

就本集團的國際工程承包項目而言，由於(i)發展中國家繼續加大基建投入及其城市化進程加快，以及(ii)發達國家為刺激經濟復蘇，加大基礎設施投資及更新已有基礎設施，2013年全球基建市場將保持穩定增長，以亞太和非洲地區為代表的新興國家市場將繼續領跑全球。

就國際工程承包行業而言，電力能源、交通運輸和電子通訊基建市場繼續穩定增長。為推動區域經濟增長，各國政府特別是中國政府對發展中國家電力能源基礎設施建設的重視程度日益提高，全球發電裝機規模持續擴大。交通運輸行業中，公路和鐵路迎來更新和建設高峰，港口與機場建設投資在新興市場迅速增長。電子通訊基建市場隨着經濟和私人投資的活躍實現復蘇，有線網絡投資受寬帶用戶數量增長快速上升，無線網絡投資隨手機和移動寬帶用戶數上升有較大的增長空間。就基礎設施建設資金來源結構而言，政府投資仍是主要的資金來源。

Management Discussion and Analysis

管理層討論及分析

With slow growth in the global economy but steady economic development within China, exports in China, in 2010, resumed the same level it achieved before the financial crisis. In spite of the rising labour cost in recent years, due to the increasing price of Chinese export products, exports in China remain highly competitive. Given the global economic trends, conflicts in trade, Renminbi exchange rate movements and increase in production and operating costs, the external trade of China is expected to experience a slowdown.

II BUSINESS REVIEW

During the first half of 2013, the Company maintained steady growth in its overall business and accomplished various business objectives. In particular, revenue and gross profit generated from the International Engineering Contracting Business grew substantially. As to the Trading Business, effective risk management had been implemented. Other Businesses recorded steady growth. International Engineering Contracting Business accounted for 76.8% of the total revenue for the six months ended June 30, 2013; whereas its gross profit accounted for 87.8% of the total gross profit. As the contribution from the Group's more profitable and better quality power segment increased significantly, the Group's business structure was further optimized.

A. International Engineering Contracting Business

We are a leading international engineering contracting and services provider with a primary focus on EPC projects and particular expertise in the power sector. The Group's International Engineering Contracting Business is one of the traditional core businesses of the Group. It represents approximately 76.8% of the Group's total revenue for the six months ended June 30, 2013. In particular, revenue from the power sector accounted for approximately 88.9% of the Group's total revenue of International Engineering Contracting Business; whereas gross profit accounted for approximately 95.9% of the Group's total profit of International Engineering Contracting Business. Gross profit margin maintained at an industry leading level of 23.9%.

在世界經濟低速增長而國內經濟穩健發展的形勢下，中國的出口額在2010年已重回其金融危機前水平。儘管近幾年來勞動力成本上漲，但由於中國的出口產品價格上漲有限，中國出口仍具有競爭力。受到全球經濟走勢、貿易摩擦、人民幣匯率變動和生產經營成本增加的影響，中國對外貿易增長存在放緩預期。

II 業務概覽

2013年上半年公司總體業務保持平穩增長，實現了多項業務目標。其中，國際工程承包業務收入、毛利同比顯著增長；貿易業務風險得到有效管控；其他業務規模有穩定增長。截至2013年6月30日止六個月，國際工程承包業務佔比為76.8%，毛利佔87.8%，本集團盈利更強、質量更優的電力能源板塊佔比大幅提升，本集團業務結構得到進一步優化。

A. 國際工程承包業務

本集團是國際領先的工程承包與服務商，主要專注於EPC項目，特別專長於電力能源行業。本集團的國際工程承包業務為本集團傳統核心業務之一，約佔截至2013年6月30日止六個月本集團總收入約76.8%。其中，電力能源行業收入佔本集團國際工程承包業務總收入約88.9%，毛利佔本集團國際工程承包業務總溢利約95.9%，毛利率保持在23.9%，處於行業領先水平。

Management Discussion and Analysis

管理層討論及分析

Details of the Group's International Engineering Contracting Business for the six months ended June 30, 2013, compared with those for the periods indicated below, are set out in the table below:

下表載列截至2013年6月30日止六個月國際工程承包業務詳情，以及於下列所示期間的比較數字：

				Six months ended June 30, 2013	% of Total	Six months ended June 30, 2012	Increase/ (decrease)
				截至2013年6月30日止六個月	總額的%	截至2012年6月30日止六個月	增加/ (減少)
				RMB million		RMB million	
				人民幣百萬元		人民幣百萬元	
Revenue	Power	收入	電力能源	7,117.3	88.9%	5,020.6	41.8%
	Transportation		交通運輸	270.8	3.4%	524.0	(48.3%)
	Telecommunications		電子通訊	132.1	1.7%	345.7	(61.8%)
	Non-Core Sectors		非核心行業	483.9	6.0%	535.8	(9.7%)
	Total		總計	8,004.1	100%	6,426.1	24.6%
Gross profit	Power	毛利	電力能源	1,702.1	95.9%	1,299.3	31.0%
	Transportation		交通運輸	33.4	1.9%	79.5	(58.0%)
	Telecommunications		電子通訊	17.3	0.9%	27.8	(37.8%)
	Non-Core Sectors		非核心行業	22.8	1.3%	35.1	(35.0%)
	Total		總計	1,775.6	100%	1,441.7	23.2%

				Six months ended June 30, 2013	% of Total	Six months ended June 30, 2012	Increase/ (decrease)
				截至2013年6月30日止六個月	總額的%	截至2012年6月30日止六個月	增加/ (減少)
				US\$ million		US\$ million	
				百萬美元		百萬美元	
Newly effective contract value	Power	新生效合同金額	電力能源	702.4	60.4%	2,138.9	(67.2)%
	Transportation		交通運輸	120.4	10.4%	2.5	>100%
	Telecommunications		電子通訊	183.2	15.7%	10.1	>100%
	Non-Core Sectors		非核心行業	157.6	13.5%	7.1	>100%
	Total		總計	1,163.6	100%	2,158.6	(46.1)%

Management Discussion and Analysis

管理層討論及分析

				As at June 30, 2013 於2013年 6月30日 US\$ million 百萬美元	% of total 總額的%	As at June 30, 2012 於2012年 6月30日 US\$ million 百萬美元	Increase/ (decrease) 增加/ (減少)
Backlog		未完成					
	Power	合同量	電力能源	5,848.5	82.9%	5,144.3	13.7%
	Transportation		交通運輸	376.9	5.3%	388.5	(3.0)%
	Telecommunications		電子通訊	267.1	3.8%	165.6	61.3%
	Non-Core Sectors		非核心行業	561.6	8.0%	353.0	59.1%
Total		總計	7,054.1	100%	6,051.4	16.6%	

				As at June 30, 2013 於2013年 6月30日 US\$ million 百萬美元	% of total 總額的%	As at 31 December 2012 於2012年 12月31日 US\$ million 百萬美元	Increase/ (decrease) 增加/ (減少)
Signed contracts pending to be effective		已簽約 待生效					
	Power	合同	電力能源	4,799.6	40.8%	5,172.8	(7.2)%
	Transportation		交通運輸	3,370.0	28.6%	3,630.4	(7.2)%
	Telecommunications		電子通訊	100.0	0.9%	283.2	(64.7)%
	Non-Core Sectors		非核心行業	3,497.9	29.7%	3,015.9	16.0%
Total		總計	11,767.5	100%	12,102.3	(2.8)%	

Management Discussion and Analysis

管理層討論及分析

The following table sets forth a breakdown of the international engineering contracting projects completed by the Group in the power, transportation and telecommunications sectors and the non-Core Sectors for the six months ended June 30, 2013:

下表載列本集團於截至2013年6月30日止六個月在電力能源、交通運輸及電子通訊行業以及非核心行業完成的國際工程承包項目明細：

		Six months ended June 30, 2013 截至2013年 6月30日止六個月
Power	電力能源	5
Transportation	交通運輸	2
Telecommunications	電子通訊	-
Non-Core Sectors	非核心行業	2
Total	總計	9

The following table sets forth a breakdown of the international engineering contracting projects that were ongoing as at June 30, 2013, in the power, transportation and telecommunications sectors and the non-Core Sectors:

下表載列於2013年6月30日在電力能源、交通運輸及電子通訊行業以及非核心行業在建的國際工程承包項目明細：

		As at June 30, 2013 於2013年6月30日
Power	電力能源	43
Transportation	交通運輸	5
Telecommunications	電子通訊	9
Non-Core Sectors	非核心行業	13
Total	總計	70

Management Discussion and Analysis

管理層討論及分析

For the four years ended December 31, 2012 and the six months ended June 30, 2013, the Group had undertaken engineering contracting projects in 47 countries over the world, primarily in Asia, Africa, Europe and South America.

截至2012年12月31日止四個年度及截至2013年6月30日止六個月，本集團的工程承包項目遍及全球47個國家，主要在亞洲、非洲、歐洲及南美洲。

The following map indicates the locations of our engineering contracting projects from 2009 to 2012 and for the six months ended June 30, 2013:

以下地圖顯示於2009年至2012年以及截至2013年6月30日止六個月我們工程承包項目的位置：



The following table sets forth a breakdown of the revenue from the Group's international engineering contracting projects by geographic locations for the six months ended June 30, 2013, compared with those for the Corresponding Period in 2012:

下表載列於本集團截至2013年6月30日止六個月與2012年相應期間按地區劃分的國際工程承包項目收入明細：

		Six months ended June 30, 截至6月30日止六個月			
		2013 2013年		2012 2012年	
		RMB million 人民幣百萬元		RMB million 人民幣百萬元	
			%		%
Asia	亞洲	2,366.7	29.6%	1,609.9	25.1%
Africa	非洲	2,508.6	31.3%	2,252.8	35.0%
Europe	歐洲	2,108.2	26.3%	1,605.2	25.0%
South America	南美	1,020.6	12.8%	958.2	14.9%
Total	總計	8,004.1	100%	6,426.1	100%

Management Discussion and Analysis

管理層討論及分析

1. Satisfactory Project Performance

As of June 30, 2013, the total backlog for the Group was US\$7,054.1 million, representing an increase of 16.6% compared with the same period in 2012, of which, 82.9%, 5.3%, 3.8% and 8.0% of the contract values were attributable to the power sector, transportation sector, telecommunications sector and the Group's non-Core Sectors, respectively.

The execution of projects under the International Engineering Contracting Business was satisfactory. The Group has implemented stringent control and management over cost, quality, progress and safety of the projects. The projects were completed as scheduled. The Republic of Congo power transmission and transformation project and the national dispatching centre project were approved for final acceptance and were fully delivered to the project owner in June 2013. The "N'Djamena-Djermaya 66kV high voltage power transmission project" in Chad was completed and came into operation in March 2013.

In addition, as the central power plant and emergency power generation project in Venezuela was subject to a volatile external political environment, the Group prepared an emergency alternative proposal in advance, adopted closed-end management in the project site and strengthened the communication with local authorities. Meanwhile, the Group advanced the projects steadily according to the construction plans and effectively monitored the construction period and managed the risks. To align with the local technology standards, for the power plant project in the Republic of Belarus, the president of the Company led his team in person and engaged in a technology exchange with the project owner and the Electric Power Research Institute of the Republic of Belarus, in respect of transformation of construction blueprints. Breakthroughs in technology bottlenecks were achieved, successfully aligning the Company's technological standards with those in the quasi-developed regions and establishing a solid foundation for the Company's continuous business expansion in the Commonwealth of Independent States regions.

1. 履約情況良好

截至2013年6月30日，本集團的未完成合同量為7,054.1百萬美元，同比增長16.6%。其中，電力能源行業佔比82.9%，交通運輸行業佔比5.3%，電子通訊行業佔比3.8%，其他非核心行業佔比8.0%。

國際工程承包業務的項目執行情況良好。本集團狠抓項目的成本、質量、進度和安全管控，項目按期完工。剛果共和國輸變電項目及國家電力調度中心工程於2013年6月通過了最終驗收全線移交項目業主。乍得「加賀瑪雅－恩賈梅納66kV高壓輸電線路項目」於2013年3月竣工通電。

此外，鑒於委內瑞拉中央電廠、應急發電項目面臨所在國動蕩的外部政局環境，本集團提前做好應急準備方案，採取項目駐地封閉式管理，加強與當地相關機構溝通，按照預定計劃穩步推進，較好的把握了工期和風險。白俄羅斯燃機電站項目由於要使用當地的技術標準，公司總裁親自帶隊與項目業主及白俄電力設計院就施工圖紙轉化工作進行技術交流、突破技術難點，成功的實現了與準發達地區技術標準的銜接，同時為公司持續開拓獨聯體地區國家業務打下了堅實的基礎。

Management Discussion and Analysis

管理層討論及分析

2. Steady Growth in Market Development

For the six months ended June 30, 2013, newly effective contract value of the Group amounted to US\$1,163.6 million, representing a decrease of 46.1% compared with the same period in 2012. As a result of the becoming effective of certain projects considerably high in value in the first half of 2012, the newly effective contract value was significant in the first half of 2012. Excluding the effect of these projects considerably high in value, newly effective contract value of the remaining projects of the Company for the six months ended June 30, 2013 was on par with that for the same period in 2012.

During the first half of 2013, apart from steadily progressing in its existing and traditional markets, the Group stepped up its efforts to develop new markets. As to progressive development in matured markets, there were projects that became effective in Angola, Zimbabwe and the Republic of Congo in Africa; Bangladesh and Iraq in Asia; and Turkey in Europe respectively. In April 2013, a contract was signed and became effective for a project of a heat supply station and its ancillary facilities in Mongolia. The project represents the pilot project of the Group in this market. Furthermore, in January 2013, a contract was signed for the Philips student apartment project in Canada, signifying the Group's first move into the infrastructure sector in North America. The Group also aimed to further strengthen its own innovation capabilities and overall strategic market planning to highlight its differentiated strengths so as to cope with the intensifying market competition.

As at June 30, 2013, the signed contracts pending to be effective under the International Engineering Contracting Business of the Group amounted to US\$11,767.5 million, of which the power sector accounted for 40.8%.

2. 市場開發穩步推進

截至2013年6月30日止六個月，本集團新生效合同額為11.636億美元，同比下降46.1%。由於2012年上半年本集團有若干特大金額項目生效，導致2012年上半年新生效金額很大。倘若除該等項目的影響，本公司其餘項目於截至2013年6月30日止六個月的新生效合同額相比2012年同期屬於正常狀態。

2013年上半年，本集團在原有傳統市場穩步推進的同時，加大新市場開發力度。在成熟市場滾動開發方面，在非洲的安哥拉、津巴布韋、剛果共和國；亞洲的孟加拉、伊拉克；歐洲的土耳其等均有項目生效。2013年4月，蒙古供熱站及附屬設施建設項目的簽約和生效，是本集團首次進入該國市場。另外，2013年1月加拿大菲利普學生公寓項目的簽約，標誌着本集團首次進入北美基礎設施建設領域。本集團也銳意進一步加強自身的創新能力和整體策劃市場的能力，突出差異化優勢，以應對日趨激烈的市場競爭。

截至2013年6月30日止，本集團的國際工程承包業務已簽約待生效合同額為117.675億美元，其中電力能源佔40.8%。

Management Discussion and Analysis

管理層討論及分析

B. Trading Business

During the first half of 2013, the Group focused on maintaining a sustainable development for its Trading Business, and strictly managed the relevant risk, instead of purely pursuing expansion in scale. Thus, the Group chose not to take up certain large scale commodity trading or similar trading business which involved relatively higher business risk but lower profitability. Despite the decrease in revenue from the Trading Business, with effective control on risk management, gross profit margin remained at a relatively high level within the industry. In addition, the decrease in revenue from the Trading Business was mainly due to the Group's termination of operations in the Sanctioned Countries and certain parts of the Group's businesses required adjustments.

Details of the Group's Trading Business for the six months ended June 30, 2013, compared with those for the Corresponding Period in 2012, are set out in the table below:

B. 貿易業務

2013年上半年本集團貿易業務側重穩健發展、嚴格把控風險，並非一味追求規模的增長，主動放棄一些風險較高、利潤較低的大宗商品貿易或類似的貿易業務。儘管貿易業務收入有所下降，但風險控制效果明顯，毛利率仍然保持在行業內較高水平。此外，貿易業務收入下降的主要原因是由於本集團終止了在受制裁國家的經營，部份業務需要一個調整過程。

下表載列本集團截至2013年6月30日止六個月貿易業務詳情連同2012年相應期間的比較數字：

				Six months ended June 30, 2013	% of Total	Six months ended June 30, 2012	Increase/ (decrease)
				截至2013年6月30日止六個月	總額的%	截至2012年6月30日止六個月	增加/ (減少)
				RMB million		RMB million	
				人民幣百萬元		人民幣百萬元	
Revenue	International trade	收入	國際貿易	1,615.8	81.4%	2,851.0	(43.3%)
	Domestic trade		國內貿易	369.3	18.6%	671.2	(45.0%)
Total		總計		1,985.1	100%	3,522.2	(43.6%)
Gross profit	International trade	毛利	國際貿易	96.9	87.1%	234.1	(58.6%)
	Domestic trade		國內貿易	14.3	12.9%	34.1	(58.1%)
Total		總計		111.2	100%	268.2	(58.5%)

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C. Other Businesses

In addition to the Group's International Engineering Contracting Business and Trading Business, the Group also operates the Other Businesses, including the provision of design services, logistics services, exhibitions services, tendering agency services, and other services (including the export-import agency services), and conducting strategic equity investment. During the first half of the year, revenue from the Other Businesses recorded considerable growth as compared with the same period in 2012, whereas gross profit margin decreased slightly but remained at a relatively high level within the industry.

Details of the Group's Other Businesses for the six months ended June 30, 2013, compared with those for the Corresponding Period in, 2012, are set out in the table below:

C. 其他業務

除了本集團的國際工程承包業務及貿易業務外，本集團亦經營其他業務，包括提供設計服務、物流服務、展覽服務、招標代理服務及其他服務（包括進出口代理服務），並開展戰略性股權投資。今年上半年其他業務收入較2012年同期有一定幅度增長，毛利率略有下降但仍處於行業較高水平。

下表載列本集團截至2013年6月30日止六個月其他業務詳情連同2012年相應期間的比較數字：

				Six months ended June 30, 2013	% of Total	Six months ended June 30, 2012	Increase/ (decrease)
				截至2013年6月30日止六個月	總額的%	截至2012年6月30日止六個月	增加/ (減少)
				RMB million		RMB million	
				人民幣百萬元		人民幣百萬元	
Revenue	Logistics services	收入	物流服務	160.9	36.7%	106.8	50.7%
	Design services		設計服務	126.5	28.9%	101.0	25.2%
	Exhibition services		展覽服務	114.4	26.1%	113.9	0.4%
	Tendering agency services		招標代理服務	5.5	1.3%	15.9	(65.4%)
	Export-import agency services		進出口代理服務	10.4	2.4%	27.7	(62.5%)
	Other		其他	20.5	4.6%	40.5	(49.4%)
	Total		總計	438.2	100%	405.8	8.0%
Gross profit	Total	毛利	總計	136.0	100%	194.0	(29.9%)

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III HUMAN RESOURCES

As at June 30, 2013, the Group had approximately 2,487 (December 31, 2012: 2,384) employees. Employees' remuneration comprises basic salary and performance salary. The performance salary is determined according to the assessment of performance of all the staff. The Company does not adopt any pre- or post-IPO share award scheme or share option scheme as incentive to eligible employees.

The Company provides systematic and effective training for the employees. The Company also provides sustainable and specific educational training for the senior management, middle management as well as technical and operational staff with a view to improving the quality and ability of the staff at different levels.

IV FINANCIAL POSITION AND OPERATING RESULTS

The following discussion should be read in conjunction with the unaudited interim financial statements of the Group together with the accompanying notes included in this interim report and other sections therein.

1. Overview

For the six months ended June 30, 2013, revenue and gross profit of the Group slightly improved. In particular, operating profit grew substantially, mainly benefiting from the higher level of gross profit margin of the core business of the Group, i.e. International Engineering Contracting Business. Revenue grew by 24.6% compared with the same period in 2012. With stronger profitability, contribution from the Group's power segment increased and the Group's business structure was further optimized.

III 人力資源

於2013年6月30日，本集團擁有員工約2,487人（2012年12月31日：2,384人）。員工薪酬包括基本薪金及績效薪金。績效薪金乃根據全體員工的表現評估釐定。本公司概無採納任何首次公開發售前或後股份獎勵計劃或購股權計劃，作為對合資格僱員的獎勵。

本公司為員工提供有系統及有效的培訓。本公司亦為高級管理層、中級管理層以及技術及營運人員提供可持續及特別教育培訓，旨在提升不同級別員工的質素及能力。

IV 財務狀況及經營業績

以下討論應與本集團的未經審計中期財務報表，連同本中期報告所載的隨附附註及當中其他章節一併閱讀。

1. 概覽

截至2013年6月30日止六個月，本集團收入和毛利均保持了小幅增長，特別突出的是經營溢利取得了較大增長。這主要得益於本集團的核心業務，即國際工程承包業務在保持較高毛利率水平的情況下，收入同比增長達24.6%，本集團盈利更強、質量更優的電力能源板塊佔比上升，本集團業務結構進一步優化。

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2. Revenue

The Group generated its revenue from its International Engineering Contracting Business, Trading Business and Other Businesses.

During the six months ended June 30, 2013, the Group's revenue amounted to approximately RMB10,427.4 million, representing an increase of approximately 0.7% compared with the Group's revenue for the same period in 2012.

The following table sets out, for the periods indicated, the amount and percentage of the Group's total revenue by each of the Group's three business segments:

2. 收入

本集團的收入來自國際工程承包業務、貿易業務及其他業務。

截至2013年6月30日止六個月，本集團的收入約為人民幣10,427.4百萬元，較本集團於2012年同期的收入增加約0.7%。

下表載列於所示期間本集團三個業務分部各自的收入金額及佔本集團總收入的百分比：

		Six months ended June 30, 截至6月30日止六個月			
		2013 2013年		2012 2012年	
		<i>RMB million</i> 人民幣百萬元	%	<i>RMB million</i> 人民幣百萬元	%
International Engineering Contracting Business		國際工程承包業務			
Power	電力能源	7,117.3	68.3%	5,020.6	48.5%
Transportation	交通運輸	270.8	2.6%	524.0	5.1%
Telecommunications	電子通訊	132.1	1.3%	345.7	3.3%
Non-Core Sectors	非核心行業	483.9	4.6%	535.8	5.2%
Trading Business		貿易業務			
International trade	國際貿易	1,615.8	15.5%	2,851.0	27.5%
Domestic trade	國內貿易	369.3	3.5%	671.2	6.5%
Other Businesses		其他業務			
		438.2	4.2%	405.8	3.9%
Total	總計	10,427.4	100%	10,354.1	100%

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1) International Engineering Contracting Business

For the six months ended June 30, 2013, the Group's revenue generated from the International Engineering Contracting Business amounted to approximately RMB8,004.1 million, which accounted for approximately 76.8% of the total revenue for the Period, representing an increase of approximately 24.6% compared with approximately RMB6,426.1 million in the same period in 2012, primarily due to the increase in revenue from projects in the power sector.

For the six months ended June 30, 2013, revenue from the power sector amounted to RMB7,117.3 million, representing an increase of 41.8% as compared with RMB5,020.6 million in the same period in 2012, mainly due to the significant progress of the power station projects in Asia and Europe in 2013.

For the six months ended June 30, 2013, revenue from the transportation sector amounted to RMB270.8 million, representing a decrease of 48.3% as compared with RMB524.0 million in the same period in 2012, primarily attributable to the completion of the construction of the vessel projects by project owners in Asia and Europe which took place in 2012.

For the six months ended June 30, 2013, revenue from the telecommunications sector amounted to RMB132.1 million, representing a decrease of 61.8% as compared with RMB345.7 million in the same period in 2012, mainly due to the slower progress of the telecommunications projects in Asia.

For the six months ended June 30, 2013, revenue from the non-Core Sector amounted to RMB483.9 million, representing a decrease of 9.7% as compared with RMB535.8 million in the same period in 2012, primarily attributable to the slower progress of the water treatment project in Africa in 2013.

1) 國際工程承包業務

截至2013年6月30日止六個月，本集團的國際工程承包業務收入約為人民幣8,004.1百萬元，佔於本期間總收入約76.8%及較2012年同期約人民幣6,426.1百萬元增加約24.6%，主要由於電力能源板塊項目收入增長。

截至2013年6月30日止六個月，電力能源行業收入為人民幣7,117.3百萬元，比2012年同期人民幣5,020.6百萬元增長41.8%，主要由於在位於亞洲和歐洲的電站項目於2013年取得較大進展。

截至2013年6月30日止六個月，交通運輸行業收入為人民幣270.8百萬元，比2012年同期人民幣524.0百萬元下降48.3%，主要由於與亞洲、歐洲項目業主興建船舶項目於2012年完工。

截至2013年6月30日止六個月，電子通訊行業收入為人民幣132.1百萬元，比2012年同期人民幣345.7百萬元下降61.8%，主要由於在亞洲的電子通訊項目實現的進度相對較低。

截至2013年6月30日止六個月，非核心行業收入為人民幣483.9百萬元，比2012年同期人民幣535.8百萬元下降9.7%，主要原因是在位於非洲的水處理項目於2013年進展較低。

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2) Trading Business

For the six months ended June 30, 2013, the Group's revenue generated from the Trading Business amounted to approximately RMB1,985.1 million, which accounted for approximately 19.0% of the Group's total revenue for the Period, representing a decrease of approximately 43.6% compared with approximately RMB3,522.2 million in the same period in 2012, due to the considerable decrease in revenue from international and domestic trade for the six months ended June 30, 2013.

For the six months ended June 30, 2013, revenue from international trade amounted to RMB1,615.8 million, representing a decrease of 43.3% as compared with RMB2,851.0 million in the same period in 2012, primarily due to the completion and delivery of complete sets of equipment exported to Africa on non-recurring basis in 2012 which had a higher profit margin.

For the six months ended June 30, 2013, revenue from domestic trade amounted to RMB369.3 million, representing a decrease of 45.0% as compared with RMB671.2 million in the same period in 2012, mainly as a result of the relevant risk management measures adopted to cope with the domestic economic landscape leading to a lower transaction volume.

3) Other Businesses

The Group's revenue generated from the Other Businesses amounted to approximately RMB438.2 million, which accounted for approximately 4.2% of the Group's total revenue for the Period, representing an increase of approximately 8.0% compared with approximately RMB405.8 million in the same period in 2012, primarily due to the increase in revenue from logistics services and design services.

2) 貿易業務

截至2013年6月30日止六個月，本集團的貿易業務收入約為人民幣1,985.1百萬元，佔本集團於本期間總收入約19.0%及較2012年同期約人民幣3,522.2百萬元減少約43.6%，由於截至2013年6月30日止六個月國際、國內貿易收入都出現了一定的下降。

截至2013年6月30日止六個月，國際貿易收入為人民幣1,615.8百萬元，比2012年同期人民幣2,851.0百萬元下降43.3%，主要由於毛利較高的出口非洲的非持續性成套設備業務於2012年完成交貨。

截至2013年6月30日止六個月，國內貿易收入為人民幣369.3百萬元，比2012年同期671.2百萬元下降45.0%，主要由於為應對國內經濟形勢，而進行相應風險控制而降低了交易量。

3) 其他業務

截至2013年6月30日止六個月，本集團的其他業務收入約為人民幣438.2百萬元，佔本集團於本期間總收入約4.2%及較2012年同期約人民幣405.8百萬元增加約8.0%，主要由於物流服務和設計服務收入的增加。

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3. Cost of Sales

The Group's cost of sales decreased by approximately 0.5% to approximately RMB8,404.6 million for the six months ended June 30, 2013 compared with approximately RMB8,450.2 million in the same period in 2012.

4. Gross Profit and Gross Profit Margin

1) Gross Profit

During the six months ended June 30, 2013, the Group's gross profit amounted to approximately RMB2,022.8 million, representing an increase of approximately 6.2% compared with approximately 1,903.9 million in the same period in 2012.

Gross profit of the Group for the six months ended June 30, 2013 consists of the following:

3. 銷售成本

截至2013年6月30日止六個月，本集團的銷售成本約為人民幣8,404.6百萬元，而2012年同期則約為人民幣8,450.2百萬元，減幅約為0.5%。

4. 毛利及毛利率

1) 毛利

截至2013年6月30日止六個月，本集團的毛利約為人民幣2,022.8百萬元，較2012年同期約人民幣1,903.9百萬元增加約6.2%。

截至2013年6月30日止六個月，本集團毛利構成情況如下：

		Six months ended June 30, 截至6月30日止六個月			
		2013 2013年		2012 2012年	
		RMB million 人民幣百萬元		RMB million 人民幣百萬元	%
International Engineering					
Contracting Business 國際工程承包業務					
Power	電力能源	1,702.1	84.1%	1,299.3	68.2%
Transportation	交通運輸	33.4	1.7%	79.5	4.2%
Telecommunications	電子通訊	17.3	0.9%	27.8	1.5%
Non-Core Sectors	非核心行業	22.8	1.1%	35.1	1.8%
Trading Business 貿易業務					
International trade	國際貿易	96.9	4.8%	234.1	12.3%
Domestic trade	國內貿易	14.3	0.7%	34.1	1.8%
Other Businesses 其他業務		136.0	6.7%	194.0	10.2%
Total	總計	2,022.8	100%	1,903.9	100%

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i) *International Engineering Contracting Business*

For the six months ended June 30, 2013, the Group's gross profit from the International Engineering Contracting Business amounted to approximately RMB1,775.6 million, which accounted for approximately 87.8% of the Group's total gross profit for the Period, representing an increase of approximately 23.2% compared with approximately RMB1,441.7 million in the same period in 2012, primarily due to the increase in gross profit in the power sector.

For the six months ended June 30, 2013, gross profit of the power sector amounted to RMB1,702.1 million, representing an increase of 31.0% as compared with RMB1,299.3 million in the same period in 2012, primarily due to the significant progress in the power station projects in Asia and Europe in 2013.

For the six months ended June 30, 2013, gross profit of the transportation sector amounted to RMB33.4 million, representing a decrease of 58.0% as compared with RMB79.5 million in the same period in 2012, mainly attributable to the completion of a road construction project in Africa in 2012.

For the six months ended June 30, 2013, gross profit of the telecommunications sector amounted to RMB17.3 million, representing a decrease of 37.8% as compared with RMB27.8 million in the same period in 2012, primarily due to the slower progress of the telecommunications projects in Asia.

i) 國際工程承包業務

截至2013年6月30日止六個月，本集團國際工程承包業務的毛利約為人民幣1,775.6百萬元，佔本集團本期間總毛利約87.8%及較2012年同期約人民幣1,441.7百萬元增加約23.2%，主要由於電力能源行業毛利的增長。

截至2013年6月30日止六個月，電力能源行業毛利為人民幣1,702.1百萬元，比2012年同期人民幣1,299.3百萬元增長31.0%，主要由於在位於亞洲及歐洲的電站項目於2013年取得較大進展。

截至2013年6月30日止六個月，交通運輸行業毛利為人民幣33.4百萬元，比2012年同期人民幣79.5百萬元下降58.0%，主要由於在非洲的一個公路建設項目已於2012年完工。

截至2013年6月30日止六個月，電子通訊行業毛利為人民幣17.3百萬元，比2012年同期人民幣27.8百萬元下降37.8%，主要由於在亞洲的電子通訊項目實現的進度相對較低。

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For the six months ended June 30, 2013, gross profit of the non-Core Sectors amounted to RMB22.8 million, representing a decrease of 35.0% as compared with RMB35.1 million in the same period in 2012, primarily attributable to the foreseeable losses estimated as a result of the changes in the work scope and workload of a cement plant construction project in Asia. This project was suspended due to unstable local political conditions in prior years and resumed construction during the Period as local political conditions became stable.

ii) *Trading Business*

For the six months ended June 30, 2013, the Group's gross profit from the Trading Business amounted to approximately RMB111.2 million, which accounted for approximately 5.5% of the Group's total gross profit for the Period, representing a decrease of approximately 58.5% compared with approximately RMB268.2 million in the same period in 2012, primarily due to the completion and delivery of complete sets of equipment exported to Africa on non-recurring basis in 2012 which had a higher profit margin.

iii) *Other Businesses*

For the six months ended June 30, 2013, the Group's gross profit from the Other Businesses amounted to approximately RMB136.0 million, which accounted for approximately 6.7% of the Group's total gross profit for the Period, representing a decrease of approximately 29.9% compared with approximately RMB194.0 million in the same period in 2012, primarily due to the decrease in business with higher gross profit margin such as import and export agency services and tendering services.

截至2013年6月30日止六個月，非核心的行業毛利為人民幣22.8百萬元，比2012年同期人民幣35.1百萬元下降35.0%，主要由於在亞洲的水泥廠建設項目的工作範圍和工作量發生變化而導致的預期虧損。該項目在以前年度受當地政治局勢動盪影響，處於停工狀態。本期間，因當地政治局勢轉於穩定，項目重新復工。

ii) *貿易業務*

截至2013年6月30日止六個月，本集團貿易業務的毛利約為人民幣111.2百萬元，佔本集團本期間總毛利約5.5%及較2012年同期約人民幣268.2百萬元減少約58.5%，主要由於毛利較高的出口非洲的非持續性成套設備於2012年完成交貨。

iii) *其他業務*

截至2013年6月30日止六個月，本集團其他業務的毛利約為人民幣136.0百萬元，佔本集團本期間總毛利約6.7%及較2012年同期約人民幣194.0百萬元減少約29.9%，主要由於進出口代理服務及招標服務等具有較高毛利的業務有所減少。

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2) Gross Profit Margin

During the six months ended June 30, 2013, the Group's gross profit margin increased to approximately 19.4%, compared with approximately 18.4% in the same period in 2012.

Gross profit margins of the Group for the six months ended June 30, 2013 are set out in the following table:

		Six months ended June 30, 截至6月30日止六個月	
		2013 2013年 %	2012 2012年 %
International Engineering			
Contracting Business	國際工程承包業務	22.2%	22.4%
Power	電力能源	23.9%	25.9%
Transportation	交通運輸	12.3%	15.2%
Telecommunications	電子通訊	13.1%	8.0%
Non-Core Sectors	非核心行業	4.7%	6.6%
Trading Business			
Trading Business	貿易業務	5.6%	7.6%
International trade	國際貿易	6.0%	8.2%
Domestic trade	國內貿易	3.9%	5.1%
Other Businesses		31.0%	47.8%
Total		19.4%	18.4%

i) International Engineering Contracting Business

For the six months ended June 30, 2013, the Group's gross profit margin for the International Engineering Contracting Business was 22.2%, which was substantially the same as 22.4% in the same period in 2012.

2) 毛利率

截至2013年6月30日止六個月，本集團的毛利率增至約19.4%，而2012年同期則約為18.4%。

截至2013年6月30日止六個月，本集團毛利率構成情況如下：

		Six months ended June 30, 截至6月30日止六個月	
		2013 2013年 %	2012 2012年 %
International Engineering			
Contracting Business	國際工程承包業務	22.2%	22.4%
Power	電力能源	23.9%	25.9%
Transportation	交通運輸	12.3%	15.2%
Telecommunications	電子通訊	13.1%	8.0%
Non-Core Sectors	非核心行業	4.7%	6.6%
Trading Business			
Trading Business	貿易業務	5.6%	7.6%
International trade	國際貿易	6.0%	8.2%
Domestic trade	國內貿易	3.9%	5.1%
Other Businesses		31.0%	47.8%
Total		19.4%	18.4%

i) 國際工程承包業務

截至2013年6月30日止六個月，本集團國際工程承包業務的毛利率為22.2%，與2012年同期的22.4%基本持平。

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For the six months ended June 30, 2013, gross profit margin of the power sector decreased to 23.9%, as compared with 25.9% in the same period in 2012, mainly attributable to the completion of projects with higher gross profit margin in Africa in 2012.

For the six months ended June 30, 2013, gross profit margin of the transportation sector decreased to 12.3%, compared with 15.2% in the same period in 2012, primarily due to the completion of a road construction project in Africa in 2012.

For the six months ended June 30, 2013, gross profit margin of the telecommunications sector increased to 13.1%, representing an increase of 5.1% compared with 8.0% in the same period in 2012, mainly attributable to the execution of telecommunications projects with higher gross profit margin in Africa and Asia in 2013.

For the six months ended June 30, 2013, gross profit margin of the non-Core Sectors decreased to 4.7%, as compared with 6.6% in the same period in 2012, primarily attributable to the foreseeable losses estimated as a result of the changes in the work scope and workload of a cement plant construction project in Asia. This project was suspended due to unstable local political conditions in prior years and resumed construction during the Period as local political conditions became stable.

截至2013年6月30日止六個月，電力能源行業毛利率降至23.9%，而2012年同期則為25.9%，主要由於在位於非洲的較高毛利率項目完工。

截至2013年6月30日止六個月，交通運輸行業毛利率降至12.3%，而2012年同期則為15.2%，主要由於在非洲的一個公路建設項目已於2012年完工。

截至2013年6月30日止六個月，電子通訊行業毛利率升至13.1%，比2012年同期8.0%，上升了5.1%，主要由於2013年在位於非洲和亞洲的電子通訊較高毛利率項目的執行。

截至2013年6月30日止六個月，非核心的行業毛利率降至4.7%，而2012年同期則為6.6%，主要由於在亞洲的水泥廠建設項目的工作範圍和工作量發生變化而導致的預期虧損。該項目在以前年度受當地政治局勢動盪影響，處於停工狀態。本期間，因當地政治局勢轉於穩定，項目重新復工。

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ii) Trading Business

For the six months ended June 30, 2013, the Group's gross profit margin for the Trading Business decreased to approximately 5.6%, compared with approximately 7.6% in the same period in 2012, primarily due to the completion and delivery of complete sets of equipment exported to Africa on a non-recurring basis with higher profit margin in 2012.

iii) Other Business

For the six months ended June 30, 2013, the Group's gross profit margin for the Other Businesses decreased to approximately 31.0%, compared with approximately 47.8% in the same period in 2012, primarily due to the decrease in business with higher profit margin including import and export agency services and tendering services.

5. Other Revenue

The Group's other revenue decreased by approximately 43.5% to approximately RMB1.3 million for the six months ended June 30, 2013 compared with approximately RMB2.3 million for the same period in 2012. This decrease is mainly attributable to the decrease in dividend income on unquoted equity securities for the Period.

6. Other Income/(Expenses), Net

The Group's other income and expenses, net amounted to approximately RMB48.0 million for the six months ended June 30, 2013 compared with other expenses of approximately RMB21.2 million for the Corresponding Period in 2012. A net income was resulted, which is mainly attributable to the income for the Period arising from a fair value change on foreign currency forward exchange contracts and an interest rate swap contract.

ii) 貿易業務

截至2013年6月30日止六個月，本集團貿易業務的毛利率減至約5.6%，而2012年同期則約為7.6%，主要由於毛利較高的出口非洲的非持續性成套設備於2012年完成交貨。

iii) 其他業務

截至2013年6月30日止六個月，本集團其他業務的毛利率減至約31.0%，而2012年同期則約為47.8%，主要由於進出口代理服務及招標服務等具有較高毛利率的業務有所減少。

5. 其他收入

截至2013年6月30日止六個月，本集團的其他收入約為人民幣1.3百萬元，較2012年同期約人民幣2.3百萬元減少約43.5%。有關減少主要由於本期間來自非流通股本證券的股息收入的減少。

6. 其他收入／(開支) 淨額

截至2013年6月30日止六個月，本集團的其他收支淨額約為人民幣48.0百萬元，而2012年相應期間的其他支出則約為人民幣21.2百萬元。錄得收入淨額主要由於遠期結售匯合同及利率掉期合同公允價值變動產生的本期間收益。

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7. Selling and Marketing Expenses

The Group's selling and marketing expenses increased by approximately 4.2% to approximately RMB525.7 million for the six months ended June 30, 2013 compared with approximately RMB504.7 million for the same period in 2012. This increase is mainly attributable to the increase in travel and marketing expenses.

8. Administrative Expenses

The Group's administrative expenses increased by approximately 16.0% to approximately RMB246.3 million for the six months ended June 30, 2013 compared with approximately RMB212.3 million for the same period in 2012. This increase is mainly attributable to the increase in wages and benefits.

9. Other Operating Expenses

The Group's other operating expenses decreased by approximately 34.4% to approximately RMB47.7 million for the six months ended June 30, 2013 compared with approximately RMB72.7 million for the same period in 2012. This decrease is mainly attributable to the decrease in impairment loss on receivables as compared with the same period in 2012.

10. Profit from Operations

The Group's profit from operations increased by approximately 14.3% to approximately RMB1,252.4 million for the six months ended June 30, 2013 compared with approximately RMB1,095.3 million for the same period in 2012. This increase is mainly attributable to the increase in gross profit of the International Engineering Contracting Business.

7. 銷售及市場營銷開支

截至2013年6月30日止六個月，本集團的銷售及市場營銷開支約為人民幣525.7百萬元，較2012年同期約人民幣504.7百萬元增加約4.2%。有關增加主要由於差旅及市場營銷費用的增加。

8. 行政開支

截至2013年6月30日止六個月，本集團的行政開支約為人民幣246.3百萬元，較2012年同期約人民幣212.3百萬元增加約16.0%。有關增加主要由於工資及福利的增加。

9. 其他經營開支

截至2013年6月30日止六個月，本集團的其他經營開支約為人民幣47.7百萬元，較2012年同期約人民幣72.7百萬元減少約34.4%。有關減少主要由於應收款項減值虧損較2012年同期減少。

10. 經營溢利

截至2013年6月30日止六個月，本集團的經營溢利約為人民幣1,252.4百萬元，較2012年同期約人民幣1,095.3百萬元增加約14.3%。有關增加主要得益於國際工程承包業務的毛利增長。

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11. Finance Income/Finance Expenses

The Group's finance income increased by approximately 55.5% to approximately RMB387.4 million for the six months ended June 30, 2013 compared with approximately RMB249.1 million for the same period in 2012. This increase is mainly attributable to the increase in interest income of cash at bank. The Group's finance expenses increased by approximately 9,316.7% to approximately RMB282.5 million for the six months ended June 30, 2013 compared with approximately RMB3.0 million for the same period in 2012. This increase is mainly attributable to the increase in exchange loss due to appreciation of RMB against USD, HKD and other foreign currencies. As a result, the Group's net finance income decreased by approximately 57.4%, amounting to approximately RMB104.9 million for the six months ended June 30, 2013 compared with the net finance income of approximately RMB246.1 million for the same period in 2012.

12. Income Tax

The Group's income tax increased by approximately 1.1% to approximately RMB355.7 million for the six months ended June 30, 2013 compared with approximately RMB351.7 million for the same period in 2012.

13. Profit for the Period

As a result of the foregoing, the Group's net profit for the Period increased by approximately 1.2% to approximately RMB1,001.4 million for the six months ended June 30, 2013 compared with approximately RMB989.5 million for the same period in 2012, and its net profit margin increased by approximately 0.04% to approximately 9.6% for the six months ended June 30, 2013 compared with approximately 9.56% for the Corresponding Period in 2012.

11. 財務收入／財務開支

截至2013年6月30日止六個月，本集團的財務收入約為人民幣387.4百萬元，較2012年同期約人民幣249.1百萬元增加約55.5%。有關增加主要由於銀行存款利息收入的增加。截至2013年6月30日止六個月，本集團的財務開支約為人民幣282.5百萬元，較2012年同期約人民幣3.0百萬元增加約9,316.7%。有關增加主要由於人民幣兌美元、港元及其他外幣升值造成外匯虧損增加。因此，截至2013年6月30日止六個月，本集團的財務收入淨額約為人民幣104.9百萬元，較2012年同期的財務收入淨額約人民幣246.1百萬元減少57.4%。

12. 所得稅

截至2013年6月30日止六個月，本集團的所得稅約為人民幣355.7百萬元，較2012年同期約人民幣351.7百萬元增加約1.1%。

13. 本期間溢利

由於上文所述，本集團截至2013年6月30日止六個月的本期間淨溢利約為人民幣1,001.4百萬元，較2012年同期約人民幣989.5百萬元增加約1.2%，而截至2013年6月30日止六個月的淨溢利率約為9.6%，較2012年相應期間約9.56%增加約0.04%。

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14. Profit Attributable to the Shareholders

The profit attributable to the Shareholders increased by approximately 1.0% to approximately RMB1,000.8 million for the six months ended June 30, 2013 compared with approximately RMB990.8 million for the same period in 2012.

15. Profit Attributable to the Holders of Non-Controlling Interests

The profit attributable to the holders of non-controlling interests of the Group amounted to approximately RMB0.6 million for the six months ended June 30, 2013 compared with a loss of approximately RMB1.3 million for the same period in 2012.

16. Liquidity and Capital Resources

As at June 30, 2013, the Group's cash and cash equivalents increased by approximately 15.1% to approximately RMB13,909.0 million compared with approximately RMB12,089.4 million as at December 31, 2012, as a result of the receipt of proceeds from Listing and decrease in time deposits.

As at June 30, 2013, the Group's borrowings decreased by approximately 15.4% to approximately RMB244.1 million compared with approximately RMB288.5 million as at December 31, 2012. Approximately RMB126.2 million (including approximately RMB81.6 million of long-term borrowings due within one year) was short-term borrowings, and the remaining, approximately RMB117.9 million, was long-term borrowings.

14. 歸屬於股東溢利

截至2013年6月30日止六個月，歸屬於股東溢利約為人民幣1,000.8百萬元，較2012年同期約人民幣990.8百萬元增加約1.0%。

15. 歸屬於非控股權益持有人溢利

截至2013年6月30日止六個月，歸屬於本集團非控股權益持有人溢利約為人民幣0.6百萬元，而2012年同期虧損約人民幣1.3百萬元。

16. 流動資金及資本資源

於2013年6月30日，本集團的現金及現金等價物約為人民幣13,909.0百萬元，較2012年12月31日約人民幣12,089.4百萬元增加約15.1%，由於上市籌借所致及定期存款的減少。

於2013年6月30日，本集團的借貸約為人民幣244.1百萬元，較2012年12月31日約人民幣288.5百萬元減少約15.4%。約人民幣126.2百萬元（包括約人民幣81.6百萬元於一年內到期的長期借貸）為短期借貸，而其餘約人民幣117.9百萬元為長期借貸。

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17. Major Investment

The Group made no major investment during the Period.

18. Major Acquisition and Disposal

The Group had no major acquisition and disposal during the Period.

19. Significant Events

(a) Events occurred within the Period

(i) Equity Custodian Agreement

On June 26, 2013, based on the controlling shareholder's undertaking before Listing to conduct preparatory work to fulfill its undertaking, SINOMACH, the controlling shareholder of the Company, entered into an Equity Custodian Agreement with the Company, pursuant to which SINOMACH has entrusted the Company to manage 100% equity interests held in China National Complete Engineering Corporation* (中國成套工程有限公司), and China National Electric Engineering Co., Ltd.* (中國電力工程有限公司) for an annual service fee of RMB1.5 million. For details, please refer to the announcement of the Company published on the websites of the Stock Exchange and the Company on June 26, 2013.

17. 主要投資

本集團於本期間並無作出主要投資。

18. 主要收購及出售

本集團於本期間並無作出主要收購及出售。

19. 重大事項

(a) 本期間發生事項

(i) 股權託管協議

於2013年6月26日，依據控股股東上市前承諾，做為履行承諾的先期工作，國機，(本公司的控股股東)與本公司訂立股權託管協議，據此，國機已委託本公司管理中國成套工程有限公司及中國電力工程有限公司的100%股權，年度服務費為人民幣1.5百萬元。有關詳情，請參閱本公司於2013年6月26日在聯交所及本公司網站刊登的公告。

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(ii) *Lifting of Chemical and Biological Weapons Proliferation Sanctions*

On June 27, 2013, the Department of State of the government of the United States of America (the “**US Government**”) published public notice no. 8361 (the “**Public Notice**”) in the Federal Register in relation to a determination to lift the Chemical and Biological Weapons Proliferation Sanctions against the Company and CMEC Machinery & Electric Equipment Import & Export Co., Ltd. as well as their respective sub-units and successors, which were imposed on them on July 9, 2002. According to the Public Notice, the Under Secretary of State for Arms Control and International Security of the US Government has determined and certified to the United States Congress that such lifting of sanctions is important to the national security interests of the United States. For details, please refer to the announcement of the Company published on the websites of the Stock Exchange and the Company on June 28, 2013.

(ii) 解除依據其生化武器制裁法的制裁

於2013年6月27日，美利堅合眾國（「**美國政府**」）國務院在《聯邦紀事》上公開發佈第8361號通告（「**通告**」），內容有關其決定解除於2002年7月9日依據其生化武器制裁法對本公司和中國機械設備工程股份有限公司及其各自的附屬公司和繼任公司實施的制裁。按通告所述，美國政府負責武器控制和國際安全的助理副國務卿決定並向美國國會作證解除有關制裁對於美國國家安全利益具有重要性。有關詳情，請參閱本公司於2013年6月28日在聯交所及本公司網站刊登的公告。

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(b) Events occurred after the Period

Memorandum of Understanding on Strategic Cooperation

On July 11, 2013, the Company and General Electric International, Inc. (the “Parties”) entered into a memorandum of understanding in relation to the strategic cooperation between the Parties. It is an intention of the memorandum to identify specific areas of cooperation that represent high strategic priorities for the Parties and are closely aligned with both Parties’ business development strategies. The Parties will explore commercial cooperation in the form of project contracting, consortium, joint investment and joint financing. For details, please refer to the announcement of the Company published on the websites of the Stock Exchange and the Company on July 11, 2013. As of the date of this report, the Parties have reached a consensus regarding their cooperation in Turkey and Nigeria.

III. Liquidity

Our principal sources of funds have been cash generated from operations and various short-term and long-term bank borrowings and lines of credit, as well as equity contributions from Shareholders. Our liquidity requirements derive primarily from our working capital needs, purchases of fixed assets and the servicing of our indebtedness.

We have historically met our working capital and other liquidity requirements principally from cash generated from operations, while financing the remainder primarily through bank borrowings and proceeds from Listing.

(b) 本期間後發生的事項

戰略合作諒解備忘錄

於2013年7月11日，本公司與通用電氣國際公司（統稱為「雙方」）訂立一份諒解備忘錄，內容有關雙方的戰略合作。該備忘錄有意明確既能夠體現雙方戰略重點，又與雙方業務發展戰略聯繫緊密的具體合作領域。雙方將在商業合作層面以項目承包、聯合體、共同投資及共同融資等多種合作模式進行合作。有關詳情，請參閱本公司於2013年7月11日在聯交所及本公司網站刊登的公告。截至本報告日期，雙方已達成在土耳其及尼日利亞市場合作的共識。

III. 流動資金

我們的資金主要來自經營所產生的現金、各種短期及長期銀行借貸及信用額度以及股東注資。我們的流動資金需求主要來自營運資金的需要、購買固定資產及償還我們的債務。

一直以來，我們主要靠經營所產生的現金來滿足營運資金及其他流動資金需求，而剩餘金額主要通過銀行借貸和上市所得款項籌措。

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1. Cash Flows

The following table sets forth a summary of our cash flows for the six months ended June 30, 2013, with the corresponding figures for the same period of 2012:

		Six months ended June 30, 截至6月30日止六個月	
		2013	2012
		2013年	2012年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
Net cash (used in)/generated from operating activities	經營活動(所用)/產生的現金淨額	(141.0)	5,990.1
Net cash generated from/(used in) investing activities	投資活動產生/(所用)的現金淨額	1,657.7	(504.5)
Net cash generated from/(used in) financing activities	融資活動產生/(所用)的現金淨額	408.4	(458.3)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	1,925.1	5,027.3
Cash and cash equivalents at the beginning of the Period	本期間初的現金及現金等價物	12,089.4	5,170.7
Effect of foreign exchange rate changes	匯率變動的影響	(105.5)	(6.1)
Cash and cash equivalents at the end of the Period	本期間末的現金及現金等價物	13,909.0	10,191.9

As at June 30, 2013, the Group's cash and cash equivalents increased by 15.1% to RMB13,909.0 million compared with RMB12,089.4 million as at December 31, 2012. The main sources of the Group's operating capital are net cash flow generated from operating activities, funds raised from Listing and withdrawal of time deposits.

1. 現金流量

下表載列我們於截至2013年6月30日止六個月的現金流量概況，連同2012年同期的比較數字：

於2013年6月30日，本集團的現金及現金等價物為人民幣13,909.0百萬元，而於2012年12月31日則為人民幣12,089.4百萬元，增幅為15.1%。本集團的經營資金來源主要為經營活動產生的淨現金流量、上市募集的資金及提取定期存款。

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2. Cash flows from operating activities

For the six months ended June 30, 2013, we had net cash used in operating activities of RMB141.0 million. Net cash used in operating activities was a result of operating profit before changes in working capital in the amount of RMB1,369.5 million, a cash outflow due to changes in working capital of RMB887.8 million and income tax paid in the amount of RMB622.7 million. The changes in working capital mainly included a decrease in receipts in advance of RMB3,555.6 million. Such amount was partially offset by (i) a decrease in receivables for construction contracts of RMB1,278.2 million, (ii) a decrease in trade and other receivables of RMB715.2 million and (iii) an increase in trade and other payables of RMB926.8 million.

3. Cash flows from investing activities

For the six months ended June 30, 2013, our net cash generated from investing activities was RMB1,657.7 million. Our cash inflow for investing activities mainly consisted of a decrease in time deposits of RMB1,746.8 million.

4. Cash flows from financing activities

For the six months ended June 30, 2013, our net cash generated from financing activities was RMB408.4 million. Our cash inflow from financing activities primarily consisted of net proceeds from public offer shares of RMB456.8 million.

2. 來自經營活動的現金流量

截至2013年6月30日止六個月，我們經營活動所用的現金淨額為人民幣141.0百萬元。經營活動所用的現金淨額乃來自營運資金變動前的經營溢利人民幣1,369.5百萬元、因營運資金變動致使現金流出人民幣887.8百萬元及已付所得稅人民幣622.7百萬元。營運資金變動主要包括預收款項減少人民幣3,555.6百萬元。該金額部分已由以下各項所抵銷：(i)建造合同應收款項減少人民幣1,278.2百萬元、(ii)貿易及其他應收款項減少人民幣715.2百萬元及(iii)貿易及其他應付款項增加人民幣926.8百萬元。

3. 來自投資活動的現金流量

截至2013年6月30日止六個月，我們投資活動產生的現金淨額為人民幣1,657.7百萬元。我們投資活動的現金流入主要包括定期存款減少人民幣1,746.8百萬元。

4. 來自融資活動的現金流量

截至2013年6月30日止六個月，我們融資活動產生的現金淨額為人民幣408.4百萬元。我們融資活動的現金流入主要包括公開發售股份的所得款項淨額人民幣456.8百萬元。

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5. Capital expenditures

Our capital expenditures consisted primarily of the purchase of property, plant and equipment, investment properties and lease prepayments. The Group's capital expenditure decreased by 83.6% to RMB54.6 million for the six months ended June 30, 2013 compared with RMB333.2 million for the same period in 2012, mainly due to the absence of land lease payment in the first half of 2013 as compared to the land lease payments incurred in the same period in 2012 and the lesser progress made in the construction of our office buildings.

6. Working capital

(a) Trade and other receivables

Our trade and other receivables primarily consist of trade and bill receivables, advances to suppliers, other receivables related to agency services and amount due from or advances to fellow subsidiaries.

5. 資本開支

我們的資本開支主要包括購買物業、廠房及設備、投資物業及預付租賃款項。截至2013年6月30日止六個月，本集團的資本開支為人民幣54.6百萬元，較2012年同期的人民幣333.2百萬元減少83.6%，主要由於2013年上半年沒有發生2012年同期的土地租賃費支出及我們的辦公樓建設進展較少。

6. 營運資金

(a) 貿易及其他應收款項

我們的貿易及其他應收款項主要包括貿易應收款項及應收票據、向供應商預付款、代理服務相關的其他應收款項及應收或墊付同系附屬公司款項。

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The following table sets forth the turnover days of the average trade receivables and the turnover days of the average trade payables of the Company for the six months ended June 30, 2013, with the figures in the Corresponding Period in 2012:

下表載列截至2013年6月30日止六個月本公司平均貿易應收款項及平均貿易應付款項的週轉天數，連同2012年相應期間的比較數字：

		Six months ended June 30, 2013	Six months ended June 30, 2012
		截至2013年6月30日止六個月	截至2012年6月30日止六個月
		days	days
		天數	天數
The turnover days of the average trade receivables for the Trading Business (Note 1)	貿易業務平均貿易應收款項的週轉天數 (附註1)	110	78
The turnover days of the average trade payables (Note 2)	平均貿易應付款項的週轉天數 (附註2)	215	195

Note 1: The average trade receivables for the Trading Business are the sum of opening balance and the closing balance of trade receivables for the Trading Business divided by two. The turnover days of the average trade receivables for the Trading Business are the average trade receivables for the Trading Business divided by revenue of the Trading Business and multiplied by 180.

附註1： 貿易業務平均貿易應收款項乃將貿易業務貿易應收款項期初結餘與期末結餘的總和再除二得出。貿易業務平均貿易應收款項的週轉天數乃將貿易業務平均貿易應收款項除以貿易業務收入再乘以180得出。

Note 2: The average trade payables are the sum of opening balance and the closing balance of trade payables divided by two. The turnover days of the average trade payables are the average trade payables divided by cost of sales and multiplied by 180.

附註2： 平均貿易應付款項乃將貿易應付款項期初結餘與期末結餘的總和再除二得出。平均貿易應付款項的週轉天數乃將平均貿易應付款項除以銷售成本再乘以180得出。

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The following table sets forth the aging analysis of trade and bill receivables (net of allowance of doubtful debts) based on the invoice date as at June 30, 2013 and December 31, 2012:

下表載列於2013年6月30日及2012年12月31日貿易應收款項及應收票據(扣除呆賬撥備)按發票日期的賬齡分析：

		As at June 30, 2013 於2013年 6月30日 (RMB million) (人民幣百萬元)	As at December 31, 2012 於2012年 12月31日 (RMB million) (人民幣百萬元)
Within 3 months	3個月以內	1,277.0	1,814.7
3 to 6 months	3至6個月	272.4	398.9
6 months to 1 year	6個月至1年	319.8	370.6
Over 1 year	一年以上	627.4	507.1
		2,496.6	3,091.3

The Group's credit policies with its customers for the six months ended June 30, 2013, remained the same as that for the same period of 2012. We continually enhanced our management of trade and bills receivables to reduce the exposure to doubtful debts. In addition, we made allowance for doubtful debts after fully considering the nature of trade and bills receivables and their collectability. As at June 30, 2013, allowance for doubtful debts for our trade and bill receivables amounted to RMB438.8 million, accounting for 14.9% of our trade and bill receivables, compared with RMB407.6 million, accounting for 11.6% of our trade and bill receivables as at December 31, 2012. The increase in allowance for doubtful debt from 2012 to 2013 was primarily due to the provision we made in connection with certain trade and bills receivables from our International Engineering Constructing Business and Trading Business as a result of evidences of significant financial difficulties of debtors that came into our attention.

截至2013年6月30日止六個月，本集團與其客戶的信貸政策與2012年同期相同。我們不斷加強貿易應收款項及應收票據的管理，以求減低所承擔的呆賬風險。此外，充分考慮貿易應收款項及應收票據的性質及其可收回金額後，我們就呆賬計提撥備。於2013年6月30日，我們就貿易應收款項及應收票據所作的呆賬撥備為人民幣438.8百萬元，佔我們貿易應收款項及應收票據的14.9%，而於2012年12月31日則為人民幣407.6百萬元，佔我們貿易應收款項及應收票據的11.6%。2012年至2013年呆賬撥備增加主要由於我們因得悉有證據顯示債務人出現嚴重財困而就國際工程承包業務及貿易業務的若干貿易應收款項及應收票據計提撥備。

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(b) Trade and other payables

Our trade and other payables primarily consist of trade and bills payables, other payables related to agency services, accrued salaries, wages and benefits and amounts due to fellow subsidiaries.

The following table sets forth the aging analysis of our trade and bills payables based on the invoice date as at June 30, 2013 and December 31, 2012:

		As at June 30, 2013 於2013年 6月30日 (RMB million) (人民幣百萬元)	As at December 31, 2012 於2012年 12月31日 (RMB million) (人民幣百萬元)
Within 3 months	3個月以內	6,417.1	6,039.3
3 to 6 months	3至6個月	954.7	468.6
6 months to 1 year	6個月至1年	592.1	547.1
Over 1 year	一年以上	2,482.8	2,540.6
		10,446.7	9,595.6

The Group's credit policies with its suppliers for the six months ended June 30, 2013 remained the same as that for 2012.

(b) 貿易及其他應付款項

我們的貿易及其他應付款項主要包括貿易應付款項及應付票據、代理服務相關的其他應付款項、應計薪金、工資及福利及欠同系附屬公司款項。

下表載列於2013年6月30日及2012年12月31日我們貿易應付款項及應付票據按發票日期的賬齡分析：

截至2013年6月30日止六個月，本集團與其供應商的信貸政策與2012年相同。

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V INDEBTEDNESS

1. Borrowings

Our consolidated borrowings as at June 30, 2013 and December 31, 2012 for the purpose of calculating the indebtedness of our Company were as follows:

		As at June 30, 2013 於2013年 6月30日 (RMB million) (人民幣百萬元)	As at December 31, 2012 於2012年 12月31日 (RMB million) (人民幣百萬元)
Current:	流動：		
Short-term borrowings	短期借貸		
Bank loans	銀行貸款		
unsecured	無擔保	24.5	18.6
secured	有擔保	20.1	33.8
Subtotal	小計	44.6	52.4
Add: current portion of long-term borrowings	加：長期借貸的流動部分	81.6	81.5
Subtotal	小計	126.2	133.9
Non-current:	非流動：		
Long-term borrowings	長期借貸		
Bank loans	銀行貸款		
unsecured	無擔保	3.1	-
secured	有擔保	196.4	236.1
Subtotal	小計	199.5	236.1
Less: current portion of long-term borrowings	減：長期借貸的流動部分	81.6	81.5
Subtotal	小計	117.9	154.6
Total	總計	244.1	288.5

V 債務

1. 借貸

於2013年6月30日及2012年12月31日，我們用以計算本公司債務的合併借貸如下：

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Our short-term borrowings primarily include credit borrowings, mortgage borrowings and guarantee borrowings from commercial banks and other financial institutions. As at June 30, 2013, our short-term borrowings (including the current portion of long-term borrowings) amounted to RMB126.2 million, accounting for 51.7% of our total borrowings.

Our long-term borrowings primarily included pledge borrowings from commercial banks and other financial institutions. These included bank borrowings related to projects financed by export seller's credit, with the total balance of such borrowings (including the current portion) amounting to approximately RMB179.2 million as at June 30, 2013. As at June 30, 2013, our long-term borrowings (excluding the current portion) amounted to RMB117.9 million, accounting for 48.3% of our total borrowings. The significant decrease in our interest-bearing borrowings to RMB117.9 million as at June 30, 2013 was primarily due to the repayment of long-term bank borrowings using cash generated from our business operations with a view to reducing our finance expenses and the decreased use of export seller's credit in financing our projects.

There had been no material defaults in payment of our bank borrowings and breaches of the finance covenants during the six months ended June 30, 2013.

短期借貸主要包括來自商業銀行及其他金融機構的信用借貸、抵押借貸及擔保借貸。於2013年6月30日，我們的短期借貸（包括長期借貸的流動部分）為人民幣126.2百萬元，佔我們的借貸總額51.7%。

長期借貸主要包括來自商業銀行及其他金融機構的質押借貸。該等借貸包括與由出口賣方信貸融資的項目有關的銀行借貸，於2013年6月30日，該等借貸（包括流動部分）的結餘總額約為人民幣179.2百萬元。於2013年6月30日，不包括流動部分的長期借貸為人民幣117.9百萬元，佔我們借貸總額的48.3%。我們的計息借貸於2013年6月30日大幅減少至人民幣117.9百萬元，主要由於以我們業務經營產生的現金償還長期銀行借貸（旨在減少我們的財務開支）及減少使用出口賣方信貸融資我們的項目。

於截至2013年6月30日止六個月我們在償還銀行借貸方面概無重大違約情況，亦無嚴重違反融資契約的情況。

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The maturity profile of our interest-bearing borrowings as at June 30, 2013 and December 31, 2012 was as follows:

於2013年6月30日及2012年12月31日，我們的計息借貸到期日如下：

		As at June 30, 2013 於2013年 6月30日 (RMB million) (人民幣百萬元)	As at December 31, 2012 於2012年 12月31日 (RMB million) (人民幣百萬元)
Within 1 year or on demand	1年以內或實時還款	126.2	133.9
After 1 year but within 2 years	1年至2年	74.0	73.6
After 2 years but within 5 years	2年至5年	41.5	77.9
After 5 years	5年以上	2.4	3.1
Total	總計	244.1	288.5

The Group monitors capital on the basis of gearing ratio. Gearing ratio is derived by dividing total borrowings by total assets multiplied by 100%. As of June 30, 2013, the Group's gearing ratio was 0.73%, 0.1 percentage point lower than 0.83% as of December 31, 2012, mainly due to the repayments of borrowings and capital injection as a result of Listing.

本集團以槓桿比率基準管理資本。槓桿比率乃將借貸總額除以資產總額再乘以100%得出。截至2013年6月30日，本集團的槓桿比率為0.73%，較截至2012年12月31日的0.83%下降0.1個百分點，主要由於償還借貸及上市產生的注資。

2. Contingent liabilities

The Group was involved in a number of legal proceedings and claims against either the Company or a subsidiary of the Company in the ordinary course of business. While the outcomes of such contingencies, lawsuits or other proceedings cannot be determined at present, the Directors believe that any resulting liabilities will not have a material adverse impact on the financial position, liquidity, or operating results of the Group.

2. 或有負債

本集團於日常業務中涉及多宗針對本公司或本公司附屬公司的法律訴訟及申訴。雖然目前未能確定該等或有事件、訴訟或其他法律程序的結果，董事相信任何由此引致的負債不會對本集團的財務狀況、流動資金或經營業績產生重大不利影響。

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For some export-import agency services, the Group issued irrevocable letters of guarantee through certain banks to buyers for the benefit of sellers, which guarantee the repayment of advances paid by the buyers, plus interest if applicable, if and when the total or part of the advances becomes repayable to the buyers from the sellers in accordance with the relevant contracts. These guarantees are typically issued to provide security to a buyer in paying an advance to a seller before the actual goods are received, and the Group does not receive separate consideration for issuing such guarantees. In order for the Group to issue these letters of guarantee, the Group requires the sellers to provide it with security interests on their assets or guarantees from third parties that must be sufficient to cover the total outstanding amount under the respective letters of guarantee issued. As at June 30, 2013, the total outstanding amount under these letters of guarantee issued were RMB1,064.3 million (as at December 31, 2012: RMB662.0 million), which are secured by the sellers' assets or guaranteed by certain banks on behalf of the sellers.

本集團通過若干銀行就一些進出口代理服務為賣方利益向買方發出不可撤銷的保函，當賣方根據相關合同須向買方償還全部或部分墊款時，保函將擔保償還買方已支付的預付款加利息（如適用）。發出該等保函一般是為買方提供保證以在收到實際貨物前向賣方支付預付款，本集團並不就發出該等保函而另外收取對價。為了能讓本集團發出該等保函，本集團要求賣方向本集團提供有關資產或彼等自第三方取得的擔保項下的抵押權益，該等抵押權益必須足夠償還各項已發出保函項下的未償還總額。於2013年6月30日，該等已發出保函項下的未償還總額為人民幣1,064.3百萬元（於2012年12月31日：人民幣662.0百萬元），乃由賣方的資產作為擔保或由若干銀行代表賣方提供擔保。

VI RISK FACTORS AND RISK MANAGEMENT

We are exposed to various types of risks, including currency risk, interest rate risk, credit risk, liquidity risk, competition risk and counterparty risk in the normal course of our business. Our management monitors our exposure to these risks to ensure appropriate measures are in place and are implemented in a timely and effective manner.

VI 風險因素及風險管理

我們於日常業務過程中面對多類風險，包括貨幣風險、利率風險、信用風險、流動資金風險、競爭風險及交易對手風險。我們的管理層監督我們面臨的該等風險以確保適當的措施到位且獲及時有效地執行。

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1. Currency Risk

We are exposed to currency risk primarily through sales and purchases and our International Engineering Contracting Business overseas which give rise to receivables, payables and cash balances that are denominated in foreign currencies other than the functional currency of our operations, RMB, to which these transactions relate. The currencies giving rise to this risk are primarily US dollars and Euros. We entered into foreign currency forward contracts to lock in the value in RMB of some of our future cash receipts, primarily in respect of the proceeds of our international engineering contracting projects in order to reduce our currency risk and to obtain certainty of forecasted income generated from the deferred payments to be received from the project owners under such projects. As a state-owned enterprise, we abide by relevant PRC laws and regulations concerning the use of derivative financial instruments, mainly the Notice on Further Strengthening the Supervision of Financial Derivatives Transactions of Centrally Administered State-owned Enterprises (關於進一步加強中央企業金融衍生業務監管的通知) issued by SASAC on February 3, 2009, which regulates derivatives transactions of the state-owned enterprise. Also, as a matter of policy and in compliance with the PRC laws and regulations, we are not allowed to widely engage in hedging activities. Hence, our foreign currency hedging activities were limited to these foreign currency forward contracts. Our foreign currency forward contracts corresponded to our business volume, i.e. the amounts and the terms of such contracts corresponded to the amounts of the foreign currency expected to be received. Under these contracts, we agree to buy RMB from and sell foreign currencies to the counter-party in a given quantity at a pre-determined exchange rate at a maturity date in the future. As at June 30, 2013, we had 208 foreign currency forward contracts outstanding (as at December 31, 2012: 126). We entered into more foreign

1. 貨幣風險

我們面臨貨幣風險，主要是通過在海外的銷售和採購及我們的國際工程承包業務產生之以外幣（我們與此等交易相關的業務的功能貨幣人民幣除外）計價的應收款項、應付款項及現金結餘。產生該風險的貨幣主要有美元及歐元。我們主要就國際工程承包項目的收款訂立遠期外匯合同，以鎖定我們部分未來現金收入的人民幣價值，務求降低貨幣風險及確保根據該等項目將自項目業主收取的延遲付款所產生的預測收入。作為一家國有企業，我們遵守有關使用衍生金融工具的中國相關法律和法規，主要是國資委於2009年2月3日頒發的《關於進一步加強中央企業金融衍生業務監管的通知》（監管國有企業的衍生業務）。另外，按照政策及中國法律和法規，我們不得廣泛從事對沖活動。因此，我們的外幣對沖活動限於此等遠期外匯合同。我們的遠期外匯合同與我們的業務量相對應，即該等合同的金額及條款與將收取的外匯款項相匹配。根據此等合同，我們同意於未來到期日按預先釐定的匯率向對手方購買特定數量的人民幣及出售特定數量的外幣。於2013年6月30日，我們有208份遠期外匯合同尚未結算（於2012年12月31日：126份）。於2012年，鑒於更高的匯率波幅預測，我們簽署了更多額度較小的遠期外匯合同以更好地適應業務需求及更好地管理我們的現金流。遠

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currency forward contracts in smaller amounts in 2012 to better accommodate our business needs and to better manage our cash flow in light of the forecasted high volatility of exchange rates. We recognize the foreign currency forward contracts initially at fair value. At the end of each reporting period, the fair value is re-measured and the difference is recognized immediately as profit or loss. The net fair values of our foreign currency forward contracts were recognized as derivative financial instruments recorded in “trade and other receivables” and “trade and other payables”. As at June 30, 2013, the net fair value assets of our foreign currency forward contracts were RMB28.0 million, representing gross fair value assets and liabilities of such contracts of RMB34.8 million and RMB6.8 million, respectively, which represent our exposure under the foreign currency forward contracts estimated as at June 30, 2013. We maintain and follow our internal policies and controls for managing our Group’s use of derivative financial instruments.

期外匯合同初始按公允值確認。於各報告期末，公允值重新計量，而差額即時確認為損益。我們遠期外匯合同的公允淨值確認為衍生金融工具，計入「貿易及其他應收款項」及「貿易及其他應付款項」。於2013年6月30日，我們的遠期外匯合同公允值資產淨額為人民幣28.0百萬元，代表該等合同的總公允值資產及負債分別為人民幣34.8百萬元及人民幣6.8百萬元，代表我們估計的於2013年6月30日所面臨的遠期外匯合同風險。我們維持及遵守我們有關規範本集團使用衍生金融工具的內部政策及控制。

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2. Interest rate risk

Our interest rate risk arises primarily from borrowings. Borrowings bearing interests at variable rates and at fixed rates expose us to cash flow interest rate risk and fair value interest rate risk, respectively. We regularly review and monitor the mix of our fixed and variable rate borrowings, either through managing the contractual terms of interest-bearing financial assets and liabilities or through the use of interest rate swaps in order to manage our interest rate risks. Like our currency risk hedging activities, our use of interest rate swaps is also subject to our internal control policy of derivative financial instruments. We utilized one interest rate swap arrangement to hedge interest rate risk against a US\$50.0 million LIBOR-based variable rate bank loan which will expire in January 2016. Under the interest rate swap arrangement, which became effective on March 20, 2009 and expires on January 31, 2016, we pay interest at a fixed interest rate of 6.28% per annum to the swapping bank on the principal amount of US\$50.0 million, who in exchange pays us interest at a LIBOR-based interest rate on the same principal amount, which are used to satisfy our LIBOR-based interest rate payments under the original bank loan. The LIBOR-based interest rate under the interest rate swap arrangement is determined by the 6-month LIBOR rate plus 2.0% per annum. As at June 30, 2013, the remaining balance of the loan is US\$29.0 million. We recognize the interest rate swap initially at fair value. At the end of each reporting period, the fair value is re-measured and the difference is recognized immediately as profit or loss. The net fair values of our interest rate swap contract were recognized as derivative financial instruments recorded in "trade and other payables". As at June 30, 2013, the net and gross fair value liabilities of our interest rate swap contract were RMB9.3 million, which represent our exposure under the interest rate swap estimated as at June 30, 2013.

2. 利率風險

利率風險主要來自於借貸。按浮動利率及固定利率計息的借貸分別使我們面臨現金流量利率風險及公允值利率風險。我們通過管理計息金融資產及負債的合同條款或通過對利率掉期的使用定期檢討及監察固定利率借貸與浮動利率借貸的比例，以管理利率風險。與我們的貨幣風險對沖活動相類似，我們使用利率掉期亦須遵守衍生金融工具的內部控制政策。我們已動用一項利率掉期安排以就一筆50.0百萬美元的以倫敦銀行同業拆息為基準計算的浮動利率銀行貸款對沖利率風險，該筆銀行貸款將於2016年1月屆滿。根據於2009年3月20日生效及於2016年1月31日到期的利率掉期安排，我們就本金額50.0百萬美元按6.28%的固定年利率向掉期銀行償付利息，作為交換，該銀行就同一本金額向我們作出以倫敦銀行同業拆息為基準計算的利息付款，用於償付我們於原銀行貸款項下的以倫敦銀行同業拆息為基準計算的利息付款。利率掉期安排下以倫敦銀行同業拆息為基準計算的利率乃按6個月倫敦銀行同業拆息利率加每年2.0%計算。於2013年6月30日，貸款的未償還餘額為29.0百萬美元。利率掉期初始按公允值確認。於各報告期末，公允值重新計量，而差額即時確認為損益。我們利率掉期合同的公允淨值確認為衍生金融工具，計入「貿易及其他應付款項」。於2013年6月30日，我們利率掉期合同的公允值負債淨額及總額為人民幣9.3百萬元，代表我們估計的於2013年6月30日所面臨的利率掉期風險。

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3. Credit Risk

Our credit risk is primarily attributable to trade and other receivables. We have a credit policy in place and our exposure to these credit risks are monitored on an ongoing basis. Credit terms extended to our customers are determined on a case-by-case basis, depending on credit assessment carried out by our management. Our credit terms granted to customers of our Trading Business are normally about three to six months. With respect to our International Engineering Contracting Business, credit terms granted are negotiated individually on a case-by-case basis and are set forth in the relevant engineering contracting contracts. Some of our international engineering contracting projects were financed by export seller's credit, which was a type of financing arrangement whereby we as contractor provided funding to a project principally with loans or credit facilities provided by financial institutions and, to a lesser extent, with our Company's own financial resources, such that the project owner would make payments to us for the funding on a deferred basis. We conduct monthly reviews of our credit risk as an internal control measure, and we also conduct end-of-term period reviews to determine if we need to make any necessary provisions for credit that we have extended. As to credit risk for trade and other receivables, we first evaluate the customer's credit status and its ability to guarantee the payment through establishing an appropriate business evaluation system. Meanwhile, in order to establish our risk control mechanism on trade and other receivables, we implemented the policy to buy export credit insurance. For the Trading Business, we and our trading subsidiaries are required to buy unified export credit insurance from Sinasure; for the International Engineering Contracting Business financed by export seller's credit, we typically buy export credit insurance from Sinasure for our projects in order to meet financing needs as well as to control credit risk for trade and other receivables. Our concentration of credit risk stems from trade and other receivables due from certain individual customers. As at June 30, 2013, 14.3% of the total trade and other receivables was due from our largest customer (as at December 31, 2012: 9.6%), and 25.0% of the total trade and other receivables was due from the five largest customers (as at December 31, 2012: 24.6%).

3. 信用風險

信用風險主要來自於貿易及其他應收款項。我們已制定信貸政策並持續監控面臨的該等信用風險。我們給予客戶的信貸期乃根據管理層作出的信用評估，視乎個別情況而定。我們給予貿易業務客戶的信貸期一般約為三至六個月。在國際工程承包業務方面，我們給予的信貸期視乎個別情況通過協商釐定，並載列於有關工程承包合同。一些國際工程承包項目由出口賣方信貸融資，是一種融資安排的形式，我們作為承包商主要以金融機構提供的貸款或信用額度及在較小程度上以本公司自有財務資源為項目融資，以致項目業主會以遞延方式向我們付款用作融資。每個月審查信用風險已成為我們的內部監控措施，我們亦會於信貸期末作出審查，決定是否就給予客戶的信貸作出任何必要的撥備。就涉及貿易及其他應收款項的信用風險，我們通過建立合適的業務評估系統，首先評估客戶的信用狀況，以及其擔保還款的能力。與此同時，為了建立貿易及其他應收款項的風險控制機制，我們實行購買出口信用保險政策。就貿易業務而言，我們及我們從事貿易的子公司須向中國信保購買統一出口信用保險；就由出口賣方信貸融資的國際工程承包業務而言，我們一般會為我們的項目向中國信保購買出口信用保險，以應付財務需要以及控制貿易及其他應收款項的信用風險。我們貿易及其他應收款項的信用風險集中在若干個別客戶。於2013年6月30日，貿易及其他應收款項總額中有14.3%來自我們的最大客戶（於2012年12月31日：9.6%），而貿易及其他應收款項總額中有25.0%來自五大客戶（於2012年12月31日：24.6%）。

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4. Liquidity Risk

Liquidity risk is the risk that we have net current liabilities at the balance sheet date. We are exposed to liquidity risk if we are unable to raise sufficient funds to meet our financial obligations when they fall due. To manage liquidity risk, we prepare both annual and quarterly financial budgets which include budgeting for capital and utilization of credit facilities to plan and consolidate various financial resources in meeting the needs of our business, operations and development. Furthermore, we monitor and maintain a level of cash and cash equivalents considered adequate by our management to finance our operations and mitigate the effects of fluctuations in cash flow. As at December 31, 2012, our net current assets amounted to RMB3,665.5 million. As at June 30, 2013, our net current assets amounted to RMB4,801.5 million.

5. Competition Risk

In terms of our International Engineering Contracting Business, we compete with both Chinese and foreign contractors for international engineering contracting business. Competition largely focuses on price, design, variety of services provided, service quality, financing solutions, business models and environmental standards. As with other Chinese contractors that are engaged in the international engineering contracting business, we face competition from engineering contractors with leading technology from developed countries such as the US, Japan and various European countries as the latter have relatively large competitive advantages in global branch networks, information collection, management and construction capabilities, adaptability and brand name recognition, among other areas. Nevertheless, we will continue to leverage our competitive advantage in pricing, especially in the developing countries, due to lower labor cost and price of the equipment. We will also continue to leverage the sino-foreign cooperation between the PRC Government and the foreign governments (especially those of the developing countries) to compete with both Chinese and foreign contractors.

4. 流動資金風險

流動資金風險指我們於結算日擁有流動負債淨額的風險。倘我們未能籌集足夠資金以應付到期的財務負債，則我們將承受流動資金風險。為管理流動資金風險，我們編製年度和季度財務預算，包括對資本和信用額度動用的預算，以計劃和鞏固各種財務資源滿足我們的業務、營運及發展的需要。此外，我們監察及維持管理層認為足以為我們的營運提供資金及減少現金流量波動影響的現金及現金等價物水平。於2012年12月31日，我們的流動資產淨額為人民幣3,665.5百萬元。於2013年6月30日，我們的流動資產淨額為人民幣4,801.5百萬元。

5. 競爭風險

在我們國際工程承包業務方面，我們就國際工程承包業務與國內外的承包商競爭。競爭主要集中於價格、設計、所提供服務的多樣性、服務質量、融資方案、業務模式及環境標準。與從事國際工程承包業務的其他中國承包商一樣，我們面對來自發達國家（如美國、日本及多個歐洲國家）且具備領先技術的工程承包商的競爭，後者在全球分支網絡、信息搜集、管理及施工能力、適應性及品牌認知度等各個方面擁有較大的競爭優勢。然而，我們將繼續借助在價格方面的競爭優勢，尤其在發展中國家，這是由於較低的勞動力成本和設備價格所致。我們亦將繼續把握中國政府與外國政府（尤其是發展中國家政府）之間的合作，與國內外承包商競爭。

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In terms of our Trading Business, we compete with both Chinese and foreign companies for international trading business. Competition with Chinese companies engaged in the international trading business stems from competition in terms of price, range of products, suppliers and purchasers, whereas competition with foreign companies stems from the competitiveness of the products in terms of price and quality generally manufactured by the PRC suppliers and the foreign suppliers.

Although competition in the international trading market is intense, given that this market is considerably large, we will continue to compete with the Chinese and foreign companies by capitalizing on our financing capabilities and value-adding services. We will continue to provide financing solutions tailored to the needs of the customers of our Trading Business. We will also continue to cooperate with our suppliers in providing after-sales services and carrying out onsite maintenance services. With more than 30 years of operating history in the international trading business, we believe we have an edge over our peer PRC competitors in terms of our extensive sales and marketing networks, long-established experiences in the international trading market, trained commercial capabilities, strong capabilities in providing financing solutions and reputation.

6. Counterparty Risk

We conduct a large part of our business with counterparties in foreign countries and regions, including the developing countries. Our business, especially the International Engineering Contracting Business, is therefore subject to constantly changing international economic, regulatory, social and political conditions, and local conditions in the jurisdictions in which we conduct business, including some countries in Southeast Asia, South Asia and Africa, where economic, regulatory, social and political conditions are subject to instability which affects our operations and our counterparties. Therefore, the Company has set up a comprehensive risk

在我們貿易業務方面，我們與中外公司就國際貿易業務進行競爭。與從事國際貿易業務的中國公司競爭源於對價格、產品範圍、供應商及買方的競爭，而與國外公司的競爭則來自中外供應商生產產品的價格及質量的競爭力。

儘管國際貿易市場競爭激烈，然而由於該市場非常巨大，我們將利用自身的融資能力及增值服務以繼續與中外公司競爭。我們將繼續按照貿易業務客戶的需要量身制定融資方案。我們亦將繼續與我們的供應商合作，提供售後服務及現場維修服務。憑借在國際貿易業務30多年的經營歷史，我們所擁有的廣泛銷售及市場營銷網絡、在國際貿易市場長期建立的經驗、訓練有素的商業能力、提供融資方案的強大能力及良好的聲譽，令我們相信我們比我們的中國同行競爭者更具優勢。

6. 交易對手風險

我們的大部分與對手方業務都是在海外國家和區域內開展，包括發展中國家。因此，我們的業務（尤其是國際工程承包業務）受制於瞬息萬變的國際經濟、監管、社會和政治狀況，以及我們開展業務所在的司法管轄區的當地狀況，該等司法管轄區包括東南亞、南亞和非洲的一些國家，其經濟、監管、社會和政治狀況具有不穩定性，影響我們經營及我們對手方。因此，本公司在進

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assessment system which is implemented before entering into a new market or an unstable market. The relevant risk prevention measures, include (but not limited to): (1) enhancing the review on financing sources of projects to secure a stable source of revenue; (2) purchasing relevant insurance for overseas engineering contracting projects and including incorporating contractual terms regarding advance payment and losses from force majeure events to minimise the Company's risk; (3) strengthening project management while formulating emergency plan based on the actual situation; (4) strengthening communications with the local governments and project owners in order to have a better grasp of risk-related information; and (5) maintaining a diversified operation to minimise the risks of operating in a single country.

入新市場前及在較不穩定的市場從事業務時推行全面的風險評估機制。相關風險防範措施包括但不限於：(1)加強項目資金來源的審查以確保有穩定的收款來源；(2)為海外工程承包項目購買相應保險，且在合同條款中規定預付款、不可抗力損失承擔等條款以減少本公司的風險；(3)加強項目管理，同時根據具體情況編製應急預案；(4)加強與當地政府及項目業主的溝通聯絡，更好的掌握風險相關信息；以及(5)堅持廣泛的業務分佈以有效降低於單獨國別營運的風險。

VII OUTLOOK FOR BUSINESS IN SECOND HALF OF 2013

As a result of the satisfactory operating results for the first half of 2013, relatively large business reserves and relatively strong market competitiveness, the Company is confident in accomplishing the annual targets set for 2013 and will continue to maintain steady growth.

1. Strengthening development capabilities of the engineering contracting business and intensifying marketing development

In the second half of 2013, the Group will adhere strictly to the state's "going out" strategy and fully utilise national policies, particularly the financial insurance policies, to capture opportunities early on through strategic and detailed market researches so as to actively secure projects. At the same time, the Company will carry out detailed analyses on the development and expansion of core markets as well as the expansion of new markets. It will explore innovative operating model and achieve integration between the International Engineering Contracting Business and the Trading Business so as to explore the diversity in the projects secured.

VII 2013年下半年業務前景

基於2013年上半年較好的經營業績、較大規模的業務儲備和較強的市場競爭優勢，公司對於完成2013年全年預期目標充滿信心，並將繼續保持穩步發展。

1. 強化工程承包業務能力建設，加大市場開發力度

2013年下半年本集團將緊緊圍繞國家「走出去」戰略，用好國家政策尤其是金融保險政策，從戰略高度深入研究市場搶抓先機，積極承攬項目。同時，做好核心市場深度開發規劃和新市場開發計劃，創新經營模式，創新國際工程承包業務與貿易業務的有機結合，探索承攬項目的多元方式。

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The Group will adopt effective measures to strengthen the development of its business segments, promote regional development, strengthen the professional management capabilities of its projects and promote diversity of financial channels. As to human resources development, while sending young employees overseas to the project sites for training and development, the Group continues to attach importance to selecting young management candidates with overseas working experience. In addition, through this organisational structure, the Group improves the professional level of project management and further strengthens the development of its integrative capabilities.

The Group will continue to use its best endeavours to promote the contracts to become effective. As at June 30, 2013, the Group's signed contracts pending to be effective under the International Engineering Contracting Business amounted to US\$11,768 million. The Group will conduct detailed analysis on these projects to make them effective, while strengthening the communication with project owners and relevant local government authorities, focusing its efforts on making significant breakthrough and endeavouring to promote the projects to become effective.

2. Maintaining Steady Development of the Trading Business

In the second half of 2013, the Group will adopt effective measures to ensure the steady growth of the Trading Business and strictly manage risks. Meanwhile, it will actively explore and promote contracts with high returns and manageable risks to become effective. The Group will endeavour to expand the Trading Business, develop new marketing model, and closely follow new product launches and new market trends in order to create new strengths.

本集團將採取得力措施加強事業分部建設，推動區域化、屬地化發展，強化工程項目專業化管理能力，推進融資渠道多元化。在人力資源培養方面，本集團在不斷選派年輕員工到海外項目現場進行培養、鍛煉的同時，注重選拔有海外工作經驗的年輕幹部。另外，通過組織架構完善提升項目管理專業化水平，進一步加強集成能力建設。

本集團將全力以赴促進合同生效。於2013年6月30日，本集團已簽約待生效的國際工程承包業務金額達117.68億美元。本集團將對這些項目的生效核心點逐項分析，加大與項目業主及相關地方政府機關的溝通深度和力度，集中力量重點突破，力推項目生效。

2. 保持貿易業務穩健發展

2013年下半年，本集團將採取有力措施保證貿易業務穩健發展，嚴格管控風險，同時積極探索並促進一批利潤可觀、風險可控的貿易合同生效。本集團將致力開拓貿易業務，形成新的營銷模式，同時跟蹤新產品、新市場趨勢，創造新優勢。

Corporate Governance and Other Information

企業管治及其他資料

1. SHARE CAPITAL

As of June 30, 2013, the total share capital of the Company was RMB4,125,700,000, divided into 4,125,700,000 shares with nominal value of RMB1.00 each.

2. INTERIM DIVIDENDS

The Board does not recommend payment of an interim dividend for the six months period ended June 30, 2013.

3. INTERESTS AND SHORT POSITIONS OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2013, none of the Directors, Supervisors or senior management of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

1. 股本

於2013年6月30日，本公司的總股本為人民幣4,125,700,000元，分為4,125,700,000股每股面值人民幣1.00元的股份。

2. 中期股息

董事會並不建議派付截至2013年6月30日止六個月期間的中期股息。

3. 董事、監事及高級管理層於股份、相關股份及債券的權益及淡倉

於2013年6月30日，概無本公司董事、監事或高級管理層於本公司或其相關法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括彼等根據證券及期貨條例的該等條文被當作或被視為擁有的權益或淡倉），或按證券及期貨條例第352條記載於本公司於該條所指的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

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4. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2013, to the best of the Directors' knowledge, having made all reasonable enquiry, the following persons (other than the Directors, Supervisors or senior management of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO:

4. 主要股東於股份、相關股份及債券的權益

於2013年6月30日，董事經作出一切合理查詢後所深知，下列人士（並非本公司董事、監事或高級管理層）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

Name of Shareholder 股東名稱	Class of Share 股份類別	Capacity/ Nature of interest 身份／權益性質	Number of Shares/ Underlying Shared Held (Share) 所持股份／ 相關股份 的數目（股）	Percentage in the Relevant Class of Share Capital (Note 1) (%) 佔有關股本 類別的百分比 (附註1) (%)	Percentage in the Total Share Capital (Note 1) (%) 佔總股本 的百分比 (附註1) (%)
SINOMACH 國機	Domestic shares 內資股	Interests of beneficial owner and controlled corporation 實益擁有人權益及 受控法團權益	3,217,430,000 (Note 2) (Long position) 3,217,430,000股 (附註2) (好倉)	100%	77.99%
NSSF 社保基金理事會	H shares H股	Interests of beneficial owner 實益擁有人權益	89,972,000 (Long position) 89,972,000股 (好倉)	9.91%	2.18%
FIL Limited FIL Limited	H shares H股	Investment Manager 投資經理	72,286,500 (Long position) 72,286,500股 (好倉)	7.96%	1.75%

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Name of Shareholder 股東名稱	Class of Share 股份類別	Capacity/ Nature of interest 身份／權益性質	Number of Shares/ Underlying Shared Held (Share) 所持股份／ 相關股份 的數目(股)	Percentage in the Relevant Class of Share Capital (Note 1) (%) 佔有關股本 類別的百分比 (附註1) (%)	Percentage in the Total Share Capital (Note 1) (%) 佔總股本 的百分比 (附註1) (%)
The People's Insurance Co. (Group) of China Ltd. 中國人民保險集團股份有限公司	H shares H股	Interests of beneficial owner 實益擁有人權益	71,759,000 (Long position) 71,759,000股 (好倉)	7.90%	1.74%
China South Locomotive & Rolling Stock Corporation Limited 中國南車股份有限公司	H shares H股	Interests of controlled corporation 受控法團權益	71,759,000 (Note 3) (Long position) 71,759,000股 (附註3)(好倉)	7.90%	1.74%
CSR (Hong Kong) Company Limited 中國南車(香港)有限公司	H shares H股	Interests of beneficial owner 實益擁有人權益	71,759,000 (Note 3) (Long position) 71,759,000股 (附註3)(好倉)	7.90%	1.74%
CSR Group 中國南車集團公司	H shares H股	Interests of controlled corporation 受控法團權益	71,759,000 (Note 3) (Long position) 71,759,000股 (附註3)(好倉)	7.90%	1.74%
Harvest Fund Management Co., Ltd. 嘉實基金管理有限公司	H shares H股	Investment Manager 投資經理	45,622,000 (Note 4) (Long position) 45,622,000股 (附註4)(好倉)	5.02%	1.1%

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Name of Shareholder 股東名稱	Class of Share 股份類別	Capacity/ Nature of interest 身份／權益性質	Number of Shares/ Underlying Shared Held (Share) 所持股份／ 相關股份 的數目(股)	Percentage in the Relevant Class of Share Capital (Note 1) (%) 佔有關股本 類別的百分比 (附註1) (%)	Percentage in the Total Share Capital (Note 1) (%) 佔總股本 的百分比 (附註1) (%)
China Credit Trust Co., Ltd. 中誠信託有限責任公司	H shares H股	Interests of controlled corporation 受控法團權益	45,622,000 (Note 4) (Long position) 45,622,000股 (附註4)(好倉)	5.02%	1.1%
Cheah Capital Management Limited	H shares H股	Interests of controlled corporation 受控法團權益	45,547,000 (Note 5) (Long position) 45,547,000股 (附註5)(好倉)	5.01%	1.1%
Cheah Company Limited	H shares H股	Interests of controlled corporation 受控法團權益	45,547,000 (Note 5) (Long position) 45,547,000股 (附註5)(好倉)	5.01%	1.1%
Hang Seng Bank Trustee International Limited 恒生銀行信託國際有限公司	H shares H股	Trustee 受託人	45,547,000 (Note 5) (Long position) 45,547,000股 (附註5)(好倉)	5.01%	1.1%

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Name of Shareholder 股東名稱	Class of Share 股份類別	Capacity/ Nature of interest 身份／權益性質	Number of Shares/ Underlying Shared Held (Share) 所持股份／ 相關股份 的數目(股)	Percentage in the Relevant Class of Share Capital (Note 1) (%) 佔有關股本 類別的百分比 (附註1) (%)	Percentage in the Total Share Capital (Note 1) (%) 佔總股本 的百分比 (附註1) (%)
Value Partners Group Limited	H shares H股	Interests of controlled corporation 受控法團權益	45,547,000 (Note 5) (Long position) 45,547,000股 (附註5)(好倉)	5.01%	1.1%
Cheah Cheng Hye 謝清海	H shares H股	Person who set up a discretionary trust 成立全權信託的人士	45,547,000 (Note 5) (Long position) 45,547,000股 (附註5)(好倉)	5.01%	1.1%
To Hau Yin 杜巧賢	H shares H股	Interests of spouse 配偶權益	45,547,000 (Note 5) (Long position) 45,547,000股 (附註5)(好倉)	5.01%	1.1%

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Notes:

- (1) This percentage is calculated on the basis of the number of underlying Shares/total Shares that had been issued by the Company as of June 30, 2013.
- (2) SINOMACH was beneficially interested in 3,185,260,000 Domestic Shares, representing approximately 77.21% of our total share capital. China United was interested in 32,170,000 Domestic Shares, representing approximately 0.78% of our total share capital. Since China United is a wholly-owned subsidiary of SINOMACH, SINOMACH is, therefore, deemed to be interested in the Domestic Shares held by China United.

The following shares as referred to in notes above represent the same block of shares in which all the relevant parties are deemed under the SFO to be interested.

- (3) The 71,759,000 shares as referred to in note 3 above.

CSR Group has 55% interest over China South Locomotive & Rolling Stock Corporation Limited which in turn has 100% interest over CSR (Hong Kong) Company Limited.

- (4) The 45,622,000 shares as referred to in note 4 above.

China Credit Trust Co., Ltd has 40% interest over Harvest Fund Management Co., Limited which in turn has 100% interest over Harvest Global Investments Limited.

- (5) The 45,547,000 shares as referred to in note 5 above.

Hang Seng Bank Trustee International Limited, as trustee of The C H Cheah Family Trust, has 100% interest over Cheah Company Limited which in turn has 100% interest over Cheah Capital Management Limited. Cheah Capital Management Limited has 28.47% interest over Value Partners Group Limited which in turn has 100% interest over Value Partners Hong Kong Limited. Value Partners Hong Kong Limited has 100% interest over Value Partners Limited.

The C H Cheah Family Trust was set up by Mr. Cheah Cheng Hye. Madam To Hau Yin is the spouse of Mr. Cheah Cheng Hye and accordingly is deemed to be interested in the 45,547,000 shares.

附註：

- (1) 該百分比乃以本公司於2013年6月30日已發行的相關股份數目／股份總數計算。
- (2) 國機於3,185,260,000股內資股中實益擁有權益，佔我們總股本約77.21%。中國聯合於32,170,000股內資股中擁有權益，佔我們總股本約0.78%。由於中國聯合為國機的全資附屬公司，因此，其被視為於中國聯合所持內資股中擁有權益。

上文附註所述的以下股份指根據證券期貨條例視為擁有權益的所有相關各方的同一批股份。

- (3) 上文附註3所述的71,759,000股股份。

中國南車集團公司擁有中國南車股份有限公司55%權益，而中國南車股份有限公司擁有中國南車（香港）有限公司全部權益。

- (4) 上文附註4所述的45,622,000股股份。

中誠信託有限責任公司擁有嘉實基金管理有限公司40%權益，而嘉實基金管理有限公司擁有嘉實國際資產管理有限公司全部權益。

- (5) 上文附註5所述的45,547,000股股份。

恒生銀行信託國際有限公司（作為The C H Cheah Family Trust的受託人）擁有Cheah Company Limited全部權益，而Cheah Company Limited擁有Cheah Capital Management Limited全部權益。Cheah Capital Management Limited擁有Value Partners Group Limited 28.47%權益，而Value Partners Group Limited擁有Value Partners Hong Kong Limited全部權益。Value Partners Hong Kong Limited擁有Value Partners Limited全部權益。

The C H Cheah Family Trust由謝清海先生成立。杜巧賢女士為謝清海先生的配偶，故此被視為擁有45,547,000股股份權益。

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Save as disclosed above, and as at June 30, 2013, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

5. PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the six months ended June 30, 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities.

6. BOARD COMPOSITION

As at the date of this report, the Board comprises three executive Directors, namely Mr. SUN Bai, Ms. LI Taifang, Mr. ZHANG Chun, two non-executive Directors, namely Mr. PAN Chongyi and Mr. WANG Zhian, and four INEDs, namely Mr. LIU Li, Ms. LIU Hongyu, Mr. FANG Yongzhong and Mr. CHAN Kin Ho Philip.

除上文披露者外，於2013年6月30日，董事並不知悉，任何人士（並非董事或本公司主要行政人員）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部規定須予披露的權益或淡倉，或須根據證券及期貨條例第336條登記於該條所述的股東名冊的權益或淡倉。

5. 購買、出售或贖回本公司證券

於截至2013年6月30日止六個月期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何證券。

6. 董事會組成

於本報告日期，董事會包括三名執行董事孫柏先生、李太芳女士及張淳先生；兩名非執行董事潘崇義先生及王治安先生；以及四名獨立非執行董事劉力先生、劉紅宇女士、方永忠先生及陳建豪先生。

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7. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE AS SET OUT IN APPENDIX 14 TO THE LISTING RULES

The Company has always been in strict compliance with the principles and requirements of the Listing Rules. For the six months ended June 30, 2013, the Company was not involved in any material litigation liable by any Director. Each Director of the Company has the necessary qualification and experience required for performing his or her duty.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its Shareholders at all times.

For the six months ended June 30, 2013, the Company has been in strict compliance with the principles and code provisions contained in the CG Code, as well as certain recommended best practices.

7. 遵守上市規則附錄十四所載的企業管治守則

本公司一直嚴格遵守上市規則的原則及規定。截至2013年6月30日止六個月，本公司概無發生任何須由董事承擔責任的重大訴訟。本公司每名董事均具備履行其職責所需的有關資格及經驗。

全體董事須確保本著真誠並遵守適用法律和法規以及於任何時候按本公司及其股東的利益履行職責。

截至2013年6月30日止六個月，本公司已嚴格遵守企業管治守則所載的原則及守則條文，以及部份建議最佳常規。

Corporate Governance and Other Information

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8. COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Upon specific enquiries of all the Directors and Supervisors of the Company, all the Directors and Supervisors have confirmed that they have strictly complied with the required standard set out in the Model Code during the reporting period.

The Board will examine the corporate governance and operation of the Company from time to time so as to ensure the compliance with relevant requirements under the Listing Rules and to protect Shareholders' interests.

9. INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to the relevant requirements of the Listing Rules, the Company has appointed sufficient number of independent non-executive Directors with appropriate professional qualifications, or appropriate accounting or related financial management expertise. The Company has appointed a total of four independent non-executive Directors: Mr. LIU Li, Ms. LIU Hongyu, Mr. FANG Yongzhong and Mr. CHAN Kin Ho Philip, respectively.

8. 遵守董事及監事進行證券交易的標準守則

本公司已採納標準守則作為其本身董事進行證券交易的行為守則，其條款不遜於標準守則所載的規定準則。對本公司全體董事及監事特定查詢後，所有董事及監事均確認，於報告期內，彼等均已嚴格遵守標準守則所載的規定準則。

董事會將不時檢查本公司的企業管治及運作，以確保符合上市規則有關規定並保障股東利益。

9. 獨立非執行董事

本公司已根據上市規則的有關規定委任足夠數目並具備適當的專業資格或具備適當的會計或相關財務管理專長的獨立非執行董事。本公司共委任四名獨立非執行董事：分別為劉力先生、劉紅宇女士、方永忠先生及陳建豪先生。

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10. CHANGE IN PARTICULARS OF DIRECTORS AND SUPERVISORS

On June 10, 2013, Ms. LIU Hongyu, the independent non-executive Director, has been appointed as independent non-executive director of Gome Electrical Appliances Holding Limited (國美電器控股有限公司) (stock code: 493).

On July 1, 2013, Mr. CHAN Kin Ho Philip, the independent non-executive Director, began to serve as a company secretary of China Digital Licensing (Group) Limited (中國數碼版權(集團)有限公司) (stock code: 8175).

Save as disclosed above, as at the date of this report, there were no other changes to the Director's and Supervisors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

11. REVIEW BY THE AUDIT COMMITTEE

The Company has complied with Rule 3.21 of the Listing Rules and established an audit committee in accordance with the board resolution adopted on June 25, 2011. The audit committee was established with specific written terms of reference which deal clearly with the committee's authority and duties as set out in the Corporate Governance Code. The audit committee consists of three members (including two independent non-executive Directors), namely Mr. LIU Li, Mr. WANG Zhian and Ms. LIU Hongyu.

10. 董事及監事信息變更

於2013年6月10日，獨立非執行董事劉紅宇女士獲委任為國美電器控股有限公司(股份代號：493)的獨立非執行董事。

於2013年7月1日，獨立非執行董事陳建豪先生開始出任中國數碼版權(集團)有限公司(股份代號：8175)公司秘書。

除上文所披露者外，於本報告日期，董事及監事根據上市規則第13.51B(1)條須予披露的資料並無其他變動。

11. 審計委員會的審閱

本公司已遵守上市規則第3.21條，並已根據於2011年6月25日通過的董事會決議案成立審計委員會。本公司已根據企業管治守則所載規定書面訂明審計委員會具體的職權範圍，清楚界定該委員會的職權及職責。審計委員會由三名成員(包括兩名獨立非執行董事)組成，即劉力先生、王治安先生及劉紅宇女士。

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The audit committee has jointly reviewed with the management on the accounting standards, and discussed internal control and financial reporting matters (including the review of the interim results) of the Group. The Group's interim results for the Period have been reviewed by the Company's audit committee. The audit committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

12. COMPLIANCE WITH SANCTIONS UNDERTAKINGS

As disclosed in the Prospectus, the Company and the Directors have covenanted to the Stock Exchange that they will not, directly or indirectly, (1) use any of the proceeds from the Global Offering, or make such proceeds available to any individual or entity, to fund any activities in or business of or with (i) any individual or entity or (ii) in any country or territory, that at the time of such funding, is the target of any sanctions administered by OFAC, or (2) engage in any activity that is sanctionable under the ISA (as amended by the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010) or the Executive Order 13590 (the “**Executive Order**”) for so long as the ISA and Executive Order remain in effect (the “**Sanctions Undertakings**”). The Directors confirmed that both the Company and the Directors were in compliance with the Sanctions Undertakings as at the date of this report.

審計委員會已與管理層共同審閱會計準則，並討論了本集團的內部控制財務報告事宜（包括審閱中期業績）。本集團於本期間的中期業績已獲本公司的審計委員會審閱。審計委員會認為，中期業績已遵從適用會計準則及法律法規，而本公司亦已作出適當披露。

12. 恪守制裁承諾

誠如招股章程所披露，本公司及董事已向聯交所承諾，彼等將不會直接或間接(1)動用任何全球發售所得款項，或向任何個人或實體提供該等所得款項，以向在(i)任何個人或實體或(ii)任何國家或領土（彼等於下述撥資之時，為外國資產管制局所實施的任何制裁的目標）開展的任何活動或彼等本身或與彼等進行的任何業務提供資金；或(2)於伊朗制裁法（經2010年全面伊朗制裁法修訂）及執行令13590號（「**執行令**」）保持有效期間內參與受伊朗制裁法或執行令所制裁的任何活動（「**制裁承諾**」）。董事作出確認，截至本報告日期，本公司及董事均恪守制裁承諾。

**Review report to the board of directors of
China Machinery Engineering Corporation**
(Incorporated in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 69 to 114 which comprises the consolidated balance sheet of China Machinery Engineering Corporation (the "Company") as at June 30, 2013 and the related consolidated statement of comprehensive income, the consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six months then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

審閱報告
致中國機械設備工程股份有限公司董事會
(於中華人民共和國註冊成立的股份有限公司)

引言

我們已審閱第69頁至第114頁所載中期財務報告，包括中國機械設備工程股份有限公司（「貴公司」）截至2013年6月30日的合併資產負債表，以及截至該日止六個月的相關合併綜合收益表、合併權益變動表以及簡明合併現金流量表連同附註解釋。根據《香港聯合交易所有限公司證券上市規則》（「上市規則」），上市公司須根據上市規則相關規定及國際會計準則委員會頒佈的《國際會計準則》第34號「中期財務報告」的規定編製中期財務報告。董事須負責根據《國際會計準則》第34號編製及呈報中期財務報告。

我們的責任是根據審閱結果，對中期財務報告作出結論，並按照雙方協議的業務條款，僅向全體董事會報告。除此之外，本報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔任何責任。

Review Report

審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at June 30, 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34, Interim financial reporting.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

August 26, 2013

審閱範圍

我們按照香港會計師公會所頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務資訊的審閱」進行審閱。中期財務報告審閱工作包括主要向負責財務及會計事宜的人員詢問，並進行分析和其他審閱程式。由於審閱的範圍遠較按照《香港核數準則》進行審計的範圍為小，所以不能保證我們會注意到在審計中可能會被發現的所有重大事項。因此，我們不會發表審計意見。

結論

根據我們的審閱工作，我們並沒有注意到任何事項使我們相信截至2013年6月30日的中期財務報告在所有重大方面沒有按照《國際會計準則》第34號「中期財務報告」編製。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓

2013年8月26日

Consolidated Statement of Comprehensive Income

合併綜合收益表

For the six months ended June 30, 2013 – unaudited • 截至2013年6月30日止六個月 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		Six months ended June 30, 截至6月30日止六個月		
		2013	2012	
		2013年	2012年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note 附註			
Revenue	收入	4	10,427,405	10,354,140
Cost of sales	銷售成本		(8,404,605)	(8,450,180)
Gross profit	毛利		2,022,800	1,903,960
Other revenue	其他收入	5	1,272	2,272
Other income/(expenses), net	其他收入/(開支)淨額	6	48,012	(21,146)
Selling and marketing expenses	銷售及市場營銷開支		(525,657)	(504,725)
Administrative expenses	行政開支		(246,402)	(212,306)
Other operating expenses	其他經營開支		(47,671)	(72,713)
Profit from operations	經營溢利		1,252,354	1,095,342
Finance income	財務收入		387,350	249,042
Finance expenses	財務開支		(282,401)	(2,977)
Net finance income	財務收入淨額	7(a)	104,949	246,065
Share of profits less losses of associates	應佔聯營公司溢利減虧損		(187)	(215)
Profit before taxation	除稅前溢利	7	1,357,116	1,341,192
Income tax	所得稅	8	(355,760)	(351,694)
Profit for the period	本期間溢利		1,001,356	989,498
Other comprehensive income for the period:	本期間其他綜合收益：			
Items that will not be reclassified to profit or loss:	不會被重分類至損益的 項目：			
Remeasurements of defined benefit obligations	重新計量界定福利義務		(2,180)	-
Items that may be reclassified subsequently to profit or loss:	於日後可能被重分類至 損益的項目：			
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司的 財務報表產生的 匯兌差額		(2,817)	978
Total comprehensive income for the period	本期間綜合收益總額		996,359	990,476

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Consolidated Statement of Comprehensive Income

合併綜合收益表

For the six months ended June 30, 2013 – unaudited • 截至2013年6月30日止六個月 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		<i>Note</i>	
		<i>附註</i>	
Profit attributable to:	溢利歸屬於：		
Shareholders of the Company	本公司股東	1,000,718	990,768
Non-controlling interests	非控股權益	638	(1,270)
Profit for the period	本期間溢利	1,001,356	989,498
Total comprehensive income attributable to:	綜合收益總額歸屬於：		
Shareholders of the Company	本公司股東	995,680	991,256
Non-controlling interests	非控股權益	679	(780)
Total comprehensive income for the period	本期間綜合收益總額	996,359	990,476
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利 (人民幣元)	9	0.30
		0.24	

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Consolidated Balance Sheet

合併資產負債表

At June 30, 2013 – unaudited • 於2013年6月30日 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
	Note 附註			
Non-current assets		非流動資產		
Property, plant and equipment	11	物業、廠房及設備	477,573	444,205
Investment properties		投資物業	15,191	15,711
Lease prepayments	12	預付租賃款項	1,808,286	1,827,148
Intangible assets		無形資產	7,797	7,659
Interest in associates		聯營公司權益	226	413
Other non-current assets	13	其他非流動資產	238,587	253,952
Trade and other receivables	14	貿易及其他應收款項	10,603	39,050
Construction contracts	15	建造合同應收款項	3,619,700	4,114,329
Deferred tax assets		遞延稅項資產	207,212	131,311
Total non-current assets		非流動資產總額	6,385,175	6,833,778
Current assets		流動資產		
Inventories		存貨	470,191	225,731
Trade and other receivables	14	貿易及其他應收款項	4,808,365	5,510,059
Construction contracts	15	建造合同應收款項	2,305,351	3,191,436
Restricted deposits		受限制存款	732,509	447,351
Time deposits with original maturity over three months		原始到期日超過三個月 的定期存款	4,725,292	6,472,079
Cash and cash equivalents	16	現金及現金等價物	13,909,000	12,089,395
Total current assets		流動資產總額	26,950,708	27,936,051
Current liabilities		流動負債		
Borrowings	17	借貸	126,180	133,920
Receipts in advance	18	預收款項	9,154,766	12,710,410
Trade and other payables	19	貿易及其他應付款項	12,577,598	10,943,270
Retirement and other supplemental benefit obligation		退休及其他補充福利 義務	30,440	31,660
Income tax payable		應付所得稅	260,201	451,258
Total current liabilities		流動負債總額	22,149,185	24,270,518
Net current assets		流動資產淨額	4,801,523	3,665,533
Total assets less current liabilities		資產總額減流動負債	11,186,698	10,499,311

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Consolidated Balance Sheet

合併資產負債表

At June 30, 2013 – unaudited • 於2013年6月30日 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Borrowings	借貸	17	117,938	154,618
Trade and other payables	貿易及其他應付款項	19	11,222	60,956
Retirement and other supplemental benefit obligation	退休及其他補充福利義務		361,100	365,540
Deferred tax liabilities	遞延稅項負債		774	774
Total non-current liabilities	非流動負債總額		491,034	581,888
NET ASSETS	淨資產		10,695,664	9,917,423
CAPITAL AND RESERVES	資本及儲備	20		
Share Capital	股本		4,125,700	4,018,000
Reserves	儲備		6,572,203	5,902,341
Total equity attributable to the shareholders of the Company	本公司股東應佔權益總額		10,697,903	9,920,341
Non-controlling interests	非控股權益		(2,239)	(2,918)
TOTAL EQUITY	權益總額		10,695,664	9,917,423

Approved and authorized for issue by the board of directors on August 26, 2013.

Name: Sun Bai
姓名：孫柏
Position: Chairman
職位：董事長

經董事會於2013年8月26日批准及授權刊發。

Name: Li Taifang
姓名：李太芳
Position: Director
職位：董事

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Consolidated Statement of Changes in Equity

合併權益變動表

For the six months ended June 30, 2013 – unaudited • 截至2013年6月30日止六個月 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

Attributable to equity shareholders of the Company 本公司股東應佔

		Share capital	Capital reserve	Reserve fund	Exchange reserve	Retained earnings	Sub-total	Non-controlling interests	Total equity
		股本	資本儲備	儲備基金	匯兌儲備	保留盈利	小計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at January 1, 2012	於2012年1月1日	3,300,000	601,123	135,052	19,781	1,323,780	5,379,736	(5,841)	5,373,895
Changes in equity for the six months ended June 30, 2012:	截至2012年6月30日止六個月權益變動：								
Profit for the period	本期間溢利	-	-	-	-	990,768	990,768	(1,270)	989,498
Other comprehensive income	其他綜合收益	-	-	-	488	-	488	490	978
Total comprehensive income	綜合收益總額	-	-	-	488	990,768	991,256	(780)	990,476
Dividends paid to shareholders of the Company	付予本公司股東的股息	-	-	-	-	(354,238)	(354,238)	-	(354,238)
Balance at June 30, 2012	於2012年6月30日	3,300,000	601,123	135,052	20,269	1,960,310	6,016,754	(6,621)	6,010,133
Changes in equity for the six months ended December 31, 2012:	截至2012年12月31日止六個月權益變動：								
Profit for the period	本期間溢利	-	-	-	-	936,921	936,921	1,743	938,664
Other comprehensive income	其他綜合收益	-	-	-	(2,852)	-	(2,852)	(1,846)	(4,698)
Total comprehensive income	綜合收益總額	-	-	-	(2,852)	936,921	934,069	(103)	933,966
Issuance of shares upon public offering, net of issuing expenses	公開發售股份，扣除發行費用	718,000	2,294,300	-	-	-	3,012,300	-	3,012,300
Capital contributions	資本投入	-	-	-	-	-	-	261	261
Acquisition of a subsidiary	收購一家附屬公司	-	-	-	-	-	-	3,822	3,822
Distribution to the controlling shareholder of the Company before public offering	公開發售前向控股股東分派	-	-	-	-	(42,782)	(42,782)	-	(42,782)
Appropriation to reserves	撥入儲備	-	-	181,038	-	(181,038)	-	-	-
Dividends paid to non-controlling interests of subsidiaries	付予附屬公司非控股權益的股息	-	-	-	-	-	-	(277)	(277)
Balance at December 31, 2012	於2012年12月31日	4,018,000	2,895,423	316,090	17,417	2,673,411	9,920,341	(2,918)	9,917,423

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Consolidated Statement of Changes in Equity

合併權益變動表

For the six months ended June 30, 2013 – unaudited • 截至2013年6月30日止六個月 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		Attributable to equity shareholders of the Company 本公司股東應佔							
		Share capital	Capital reserve	Reserve fund	Exchange reserve	Retained earnings	Sub-total	Non-controlling interests	Total equity
		股本	資本儲備	儲備基金	匯兌儲備	保留盈利	小計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at January 1, 2013	於2013年1月1日	4,018,000	2,895,423	316,090	17,417	2,673,411	9,920,341	(2,918)	9,917,423
Changes in equity for the six months ended June 30, 2013:	截至2013年6月30日止六個月權益變動：								
Profit for the period	本期間溢利	-	-	-	-	1,000,718	1,000,718	638	1,001,356
Other comprehensive income	其他綜合收益	-	-	-	(2,858)	(2,180)	(5,033)	41	(4,997)
Total comprehensive income	綜合收益總額	-	-	-	(2,858)	998,538	995,680	679	996,359
Issuance of shares upon public offering, net of issuing expenses (note 20(a))	公開發售股份，扣除發行費用(附註20(a))	107,700	349,147	-	-	-	456,847	-	456,847
Dividends payable to shareholders of the Company	應付本公司股東的股息	-	-	-	-	(674,965)	(674,965)	-	(674,965)
Balance at June 30, 2013	於2013年6月30日	4,125,700	3,244,570	316,090	14,559	2,996,984	10,697,903	(2,239)	10,695,664

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Condensed Consolidated Cash Flow Statement

簡明合併現金流量表

For the six months ended June 30, 2013 – unaudited • 截至2013年6月30日止六個月 – 未經審計
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		<i>Note</i>	
		<i>附註</i>	
Cash generated from operations	經營活動產生的現金		
		481,703	6,456,811
Income tax paid	已付所得稅		
		(622,718)	(466,759)
Net cash (used in)/generated from operating activities	經營活動(使用)/產生的現金淨額		
		(141,015)	5,990,052
Net cash generated from/(used in) investing activities	投資活動產生/(使用)的現金淨額		
		1,657,736	(504,500)
Net cash generated from/(used in) financing activities	融資活動產生/(使用)的現金淨額		
		408,423	(458,321)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		
		1,925,144	5,027,231
Cash and cash equivalents at January 1	於1月1日的現金及現金等價物		
		12,089,395	5,170,757
Effect of foreign exchange rate changes	匯率變動的影響		
		(105,539)	(6,091)
Cash and cash equivalents at June 30	於6月30日的現金及現金等價物	16	
		13,909,000	10,191,897

The notes on pages 76 to 114 form part of this interim financial report.

第76至第114頁的附註為本中期財務報告的組成部分。

Notes to the Unaudited Interim Financial Report

未經審計中期財務報告附註

For the six months ended June 30, 2013 • 截至2013年6月30日止六個月
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

1 PRINCIPAL ACTIVITIES AND ORGANIZATION

China Machinery Engineering Corporation (the “Company”) was established in the People’s Republic of China (the “PRC”) on January 18, 2011 as a joint stock company with limited liability as part of the reorganization of China National Machinery & Equipment Import & Export Corporation, a state-owned enterprise. The Company and its subsidiaries (the “Group”) are mainly engaged in international construction contracting business and trading business.

On December 21, 2012, the Company became listed on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”).

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorized for issuance on August 26, 2013.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2012 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2013 annual financial statements. Details of these changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

1 主要業務及組織架構

作為國有企業中國機械設備進出口總公司重組的一部分，中國機械設備工程股份有限公司（「本公司」）於2011年1月18日在中華人民共和國（「中國」）成立為股份有限公司。本公司及其附屬公司（「本集團」）主要從事國際工程承包業務及貿易業務。

於2012年12月21日，本公司於香港聯合交易所有限公司（「香港聯交所」）主板上市。

2 編製基準

本中期財務報告按照香港聯合交易所有限公司證券上市規則的適用披露條文（包括遵照由國際會計準則委員會（「國際會計準則委員會」）頒佈的國際會計準則（「國際會計準則」）第34號「*中期財務報告*」）編製，並於2013年8月26日獲授權刊發。

本中期財務報告按與2012年年度財務報表所採用的相同會計政策編製，惟預期將於2013年年度財務報表中反映的會計政策變更除外。有關會計政策變更的詳情載於附註3。

管理層在編製符合國際會計準則第34號的中期財務報告時，須作出判斷、估計及假設，該等判斷、估計及假設會影響政策的應用以及資產與負債及收支按從年初至今的呈報金額。實際結果可能有別於該等估計。

Notes to the Unaudited Interim Financial Report

未經審計中期財務報告附註

For the six months ended June 30, 2013 • 截至2013年6月30日止六個月
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2 BASIS OF PREPARATION (CONTINUED)

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2012 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG’s independent review report to the Board of Directors is included in the interim financial report.

The financial information relating to the financial year ended December 31, 2012 that is included in the interim financial report as being previously reported information does not constitute the Company’s annual financial statements prepared under IFRSs for that financial year but is derived from those financial statements. The annual financial statements for the year ended December 31, 2012 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated March 27, 2013.

2 編製基準 (續)

本中期財務報告載有簡明合併財務報表及經挑選說明附註。附註包括對自2012年年度財務報表以來本集團財務狀況及業績方面的變動構成重要影響的事件及交易的說明。簡明合併中期財務報表及附註並不包括就按照國際財務報告準則（「國際財務報告準則」）編製的完整財務報表所需的全部資料。

本中期財務報告未經審計，但已由畢馬威會計師事務所根據香港會計師公會頒佈的香港審閱工作準則第2410號「實體的獨立核數師對中期財務信息的審閱」的規定進行審閱。畢馬威會計師事務所向董事會作出匯報的獨立審閱報告載入中期財務報告內。

中期財務報告所載截至2012年12月31日止財政年度的財務資料屬先前呈報的資料，並不構成本公司根據國際財務報告準則編製該財政年度的年度財務報表，該等財務資料均取自該等年度財務報表。截至2012年12月31日止年度的年度財務報表可於本公司的註冊辦事處索取。核數師已於日期為2013年3月27日的核數師報告中對該等財務報表發表無保留意見。

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3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of new IFRSs and amendments to IFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to IAS 1, *Presentation of financial statements – Presentation of items of other comprehensive income*
- IFRS 10, *Consolidated financial statements*
- IFRS 12, *Disclosure of interests in other entities*
- IFRS 13, *Fair value measurement*
- Revised IAS 19, *Employee benefits*
- Annual Improvements to IFRSs 2009-2011 Cycle
- Amendments to IFRS 7 – *Disclosures – Offsetting financial assets and financial liabilities*

None of the other developments are relevant to the Group's financial statements and the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to IAS 1, *Presentation of financial statements – Presentation of items of other comprehensive income*

The amendments to IAS 1 require entities to present the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met separately from those that would never be reclassified to profit or loss. The Group's presentation of other comprehensive income in these financial statements has been modified accordingly.

3 會計政策變更

國際會計準則委員會已頒佈多項新國際財務報告準則及對國際財務報告準則的修訂，該等準則及修訂於本集團及本公司當前會計期間內首次生效。其中，與本集團財務報表有關的如下：

- 國際會計準則第1號(修訂本)「財務報表的呈列 – 其他綜合收益項目的呈列」
- 國際財務報告準則第10號「合併財務報表」
- 國際財務報告準則第12號「披露於其他實體的權益」
- 國際財務報告準則第13號「公允價值計量」
- 國際會計準則第19號(經修訂)「僱員福利」
- 國際財務報告準則的年度改進2009年至2011年週期
- 國際財務報告準則第7號(修訂本)「披露 – 抵銷金融資產及金融負債」

概無與本集團財務報表有關的其他發展，而本集團並無採用於當前會計期間尚未生效的任何新準則或解釋。

國際會計準則第1號(修訂本)「財務報表的呈列 – 其他綜合收益項目的呈列」

國際會計準則第1號的修訂本規定，於符合特定條件的情況下，實體須將於日後可能被重分類至損益的其他綜合收益項目與永遠不會被重分類至損益的其他綜合收益項目分開呈列。本集團已於該等財務報表內對呈列其他綜合收益項目的方式作出相應修訂。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 10, Consolidated financial statements

IFRS 10 replaces the requirements in IAS 27, *Consolidated and separate financial statements* relating to the preparation of consolidated financial statements and SIC-12 *Consolidation – Special purpose entities*. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of the adoption of IFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at January 1, 2013.

IFRS 12, Disclosure of interests in other entities

IFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The disclosures required by IFRS 12 are generally more extensive than those previously required by the respective standards. Since those disclosure requirements only apply to a full set of financial statements, the Group has not made additional disclosures in this interim financial report as a result of adopting IFRS 12.

3 會計政策變更 (續)

國際財務報告準則第10號「合併財務報表」

國際財務報告準則第10號取代了國際會計準則第27號「合併及獨立財務報表」中關於編製合併財務報表及國際會計準則委員會解釋公告第12號「合併－特殊目的實體」等規定。新準則引入了單一的控制模型，以釐定被投資方是否應予以合併，主要視乎有關實體是否有權控制被投資方、參與被投資方經營並享有其可變回報的程度或權利，以及能否運用權力影響該等回報金額的能力。

由於採納國際財務報告準則第10號，本集團已修訂有關會計政策以釐定是否有權控制被投資方。採納該項準則不會改變本集團就截至2013年1月1日參與其他實體經營所達致的任何有關控制權方面的結論。

國際財務報告準則第12號「披露於其他實體的權益」

國際財務報告準則第12號將實體於附屬公司、合營安排、聯營公司及非合併的結構實體的權益的所有相關披露規定合併為一項單一準則。國際財務報告準則第12號規定的披露要求普遍較各項準則以往的披露要求更為全面和詳盡。由於該等披露規定僅適用於完整的財務報表，故本集團並無因採納國際財務報告準則第12號而於本中期報告中作出額外披露。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 13, *Fair value measurement*

IFRS 13 replaces existing guidance in individual IFRSs with a single source of fair value measurement guidance. IFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. Some of the disclosures are specifically required for financial instruments in the interim financial report. The Group has provided those disclosures in note 21. The adoption of IFRS 13 does not have any material impact on the fair value measurements of the Group's assets and liabilities.

Revised IAS 19, *Employee benefits*

Revised IAS 19 introduces a number of amendments to the accounting for defined benefit plans. Among them, revised IAS 19 eliminated the "corridor method" under which the recognition of actuarial gains and losses relating to defined benefit schemes could be deferred and recognized in profit or loss over the expected average remaining service lives of employees. Under the revised standard, all actuarial gains and losses are required to be recognized immediately in other comprehensive income. Revised IAS 19 also changed the basis for determining income from plan assets from expected return to interest income calculated at the liability discount rate, and requires immediate recognition of past service cost, whether vested or not.

3 會計政策變更 (續)

國際財務報告準則第13號「公允價值計量」

國際財務報告準則第13號取代了現有各項國際財務報告準則，並成為公允價值計量的單一指引。國際財務報告準則第13號亦對金融工具及非金融工具的公允價值計量提供了更詳細的披露要求。部分披露事項乃特別就金融工具而規定須於中期財務報告中作出。本集團已於附註21中作出該等披露。採納國際財務報告準則第13號並不會對本集團的資產及負債的公允價值計量產生任何重大影響。

國際會計準則第19號 (經修訂)「僱員福利」

國際會計準則第19號 (經修訂) 對設定收益計劃進行了多項修訂。其中，國際會計準則第19號 (經修訂) 刪除了「區間法」允許在員工預期剩餘平均服務年限中在損益遞延確認與設定收益計劃有關的精算收益及虧損的方法。根據經修訂準則，所有精算收益及虧損須即時在其他綜合收益中予以確認。國際會計準則第19號 (經修訂) 亦將計算界定計劃資產所得收入的基準從預期回報變更為按負債折現利率計算的利息收入，並要求即時確認過往服務成本，不論是否已歸屬。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Revised IAS 19, Employee benefits (Continued)

As a result of the adoption of revised IAS 19, the Group has changed its accounting policy with respect to defined benefit plans, for which the corridor method was previously applied. The impact of the retrospective application of this change in accounting policy on the balances at December 31, 2012 is RMB16,750,000. The Directors of the Company consider this impact to be immaterial and are of the view that it is not meaningful to apply it retrospectively. Accordingly, the Company recognized the impact of RMB16,750,000 in other comprehensive income for the six months ended June 30, 2013.

This change in accounting policy does not have any material impact on current or deferred taxation and earnings per share.

Annual Improvements to IFRSs 2009-2011 Cycle

This cycle of annual improvements contains amendments to five standards with consequential amendments to other standards and interpretations. Among them, IAS 34 has been amended to clarify that total assets for a particular reportable segment are required to be disclosed only if the amounts are regularly provided to the chief operating decision maker (CODM) and only if there has been a material change in the total assets for that segment from the amount disclosed in the last annual financial statements. The amendment also requires the disclosure of segment liabilities if the amounts are regularly provided to the CODM and there has been a material change in the amounts compared with the last annual financial statements. In respect of this amendment, the group has continued to disclose segment assets and segment liabilities in note 10.

3 會計政策變更 (續)

國際會計準則第19號(經修訂)「僱員福利」(續)

由於採納國際會計準則第19號(經修訂)，本集團變更了有關設定收益計劃的會計政策。在變更之前，本集團就設定收益計劃採用區間法。追溯應用此項會計政策變更對於2012年12月31日的結餘的影響為人民幣16,750,000元。本公司董事認為此項影響並不重大，無需進行追溯應用。因此，本公司於截至2013年6月30日止六個月的其他綜合收益中確認有關影響人民幣16,750,000元。

此項會計政策變更對本期或遞延稅項及每股盈利並無任何重大影響。

國際財務報告準則的年度改進2009年至2011年週期

此年度改進週期載有對五項準則的修訂，以及對其他準則及解釋作出的後續修訂。其中，國際會計準則第34號修訂，釐清只有特定可報告分部的總資產定期提供給主要經營決策製定者(「主要經營決策製定者」)且該分部的總資產與上一份年度財務報表所披露的金額相比出現重大變動時，方須披露該可報告分部的總資產。該修訂亦規定，只有分部負債定期提供給主要經營決策製定者，且其金額與上一份年度財務報表相比出現重大變動時，則須披露分部負債。就此項修訂而言，本集團繼續披露分部資產及分部負債(見附註10)。

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3 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Amendments to IFRS 7 – Disclosures – Offsetting financial assets and financial liabilities

The amendments introduce new disclosures in respect of offsetting financial assets and financial liabilities. Those new disclosures are required for all recognized financial instruments that are set off in accordance with IAS 32, *Financial instruments: Presentation* and those that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments and transactions, irrespective of whether the financial instruments are set off in accordance with IAS 32.

The adoption of the amendments does not have an impact on the Group's interim financial report because the Group has not offset financial instruments, nor has it entered into master netting arrangement or similar agreement which is subject to the disclosures of IFRS 7.

4 REVENUE

The principal activities of the Group are construction contracting on international infrastructure-related projects, sales of machineries and equipments etc and provision of other services.

Revenue represents: (i) an appropriate proportion of contract revenue of construction contracts, net of business tax and surcharges if any; (ii) the invoiced value of goods sold, net of value-added tax and surcharges, and after trade discounts; and (iii) the value of other services rendered.

3 會計政策變更 (續)

國際財務報告準則第7號 (修訂本) 「披露 – 抵銷金融資產及金融負債」

該項修訂就抵銷金融資產及金融負債引入新披露要求。該等新披露要求適用於所有根據國際會計準則第32號「金融工具：呈列」而抵銷的已確認金融工具，以及受相互抵銷協議或類似協議約束的金融工具或交易，而無論該等金融工具根據國際會計準則第32號的規定是否抵銷。

由於本集團並無抵銷金融工具，亦無訂立須遵守國際財務報告準則第7號的披露要求的相互抵銷協議或類似協議，故採納該等修訂不會對本集團的中期財務報告造成影響。

4 收入

本集團的主要業務為承包與國際基礎設施有關的項目、銷售機械設備等，以及提供其他服務。

收入指：(i)建造合同的合同收入的合適比例減營業稅及附加費(如有)；(ii)出售貨品的發票值減增值稅及附加費，並經扣減交易折扣後所得；及(iii)提供的其他服務的價值。

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4 REVENUE (CONTINUED)

An analysis of the Group's revenue is as follows:

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue from construction contracts	來自建造合同的收入	8,004,083	6,426,103
Sales of goods in trading business	貿易業務中的商品銷售	1,985,085	3,522,165
Others (note (i))	其他 (附註(i))	438,237	405,872
		10,427,405	10,354,140

Note:

- (i) Other revenue mainly represents revenue from the provision of export-import agency services, tendering agency services, exhibition services, design services and logistics services.

4 收入 (續)

本集團的收入分析如下：

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue from construction contracts	來自建造合同的收入	8,004,083	6,426,103
Sales of goods in trading business	貿易業務中的商品銷售	1,985,085	3,522,165
Others (note (i))	其他 (附註(i))	438,237	405,872
		10,427,405	10,354,140

附註：

- (i) 其他收入主要指來自於提供進出口代理服務、招標代理服務、展覽服務、設計服務及物流服務的收入。

5 OTHER REVENUE

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Dividend income from unquoted equity securities	非流通股本證券股息收入	-	896
Government grants	政府補貼	1,272	1,376
		1,272	2,272

5 其他收入

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6 OTHER INCOME/(EXPENSES), NET

6 其他收入／(開支) 淨額

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net (losses)/gains on disposal of property, plant and equipment	出售物業、廠房及設備的 (虧損)／收益淨額	(122)	343
Net gains on disposal of an unquoted equity security	出售非流通股本證券的 收益淨額	2,165	—
Net gains/(losses) on foreign currency forward exchange contracts and interest rate swaps	遠期外匯合同及 利率掉期的收益 ／(虧損) 淨額	43,988	(21,257)
Others	其他	1,981	(232)
		48,012	(21,146)

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7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/crediting:

(a) Finance income and finance expenses

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Finance income on receivables from customers	應收客戶款項的 財務收入	165,750	147,742
Interest income	利息收入	221,600	101,300
Finance income	財務收入	387,350	249,042
Interest cost recognized in respect of defined benefit retirement plans	就設定收益退休計劃確認 的利息成本	6,960	7,140
Interest expenses on borrowings	借貸的利息開支	3,526	6,010
Foreign exchange losses/(gains), net	外匯虧損/(收益)淨額	264,171	(13,890)
Bank charges and others	銀行費用及其他	7,744	3,717
Finance expenses	財務開支	282,401	2,977
Net finance income recognized in profit or loss	於損益確認的財務 收入淨額	104,949	246,065

Note:

- (i) There was no borrowing cost capitalized for the six months ended June 30, 2012 and 2013.

附註：

- (i) 截至2012年及2013年6月30日止六個月，概無借貸成本資本化。

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7 PROFIT BEFORE TAXATION (CONTINUED)

(b) Other items

		Six months ended June 30, 截至6月30日止六個月	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Amortization	攤銷		
– lease prepayments	– 預付租賃款項	18,862	17,674
– intangible assets	– 無形資產	923	944
		19,785	18,618
Depreciation	折舊		
– property, plant and equipment	– 物業、廠房及設備	14,641	34,480
– investment properties	– 投資物業	439	1,393
		15,080	35,873
Impairment losses on	減值虧損		
– trade and other receivables	– 貿易及其他應收款項	35,232	66,673
– construction contracts (note (i))	– 建造合同應收款項 (附註(i))	12,409	5,910
Operating lease charges	經營租賃費用		
– hire of properties	– 租用物業	8,413	8,784
– hire of other assets	– 租用其他資產	788	–
		9,201	8,784
Provision for foreseeable losses on construction contracts	建造合同預計虧損撥備	90,135	2,370
Cost of inventories	存貨成本	1,770,803	3,368,773

Note:

- (i) The impairment loss made on the construction contracts for the six months ended June 30, 2012 and 2013 was related to unbilled balances for certain completed projects and a result of the evidence of significant financial difficulty of the specific debtors came into the Group's attention in the respective period.

附註：

- (i) 於2012年及2013年6月30日止六個月對建造合同應收款項所作的減值虧損與若干已完成項目的未結算餘額有關，且為本集團於各相關期間注意到特定債務人的重大財務困難的證據的結果。

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8 INCOME TAX

(a) Income tax in the consolidated statement of comprehensive income represents:

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax	本期稅項		
– PRC Corporate Income Tax	– 中國企業所得稅	401,236	419,890
– Hong Kong Profits Tax	– 香港利得稅	488	98
– Others	– 其他	29,937	8,819
		431,661	428,807
Deferred tax	遞延稅項	(75,901)	(77,113)
		355,760	351,694

The Group is subject to income tax on an individual legal entity basis on profits arising in or derived from the tax jurisdictions in which companies comprising the Group domicile or operate.

The provision for Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the six months ended June 30, 2012 and 2013.

The charge for PRC corporate income tax for the Company and the Group's subsidiaries established in the PRC is calculated at the statutory rate of 25% for the six months ended June 30, 2012 and 2013, except for a subsidiary of the Group, being a small-scale enterprise, is entitled to a preferential income tax rate of 20% for the six months ended June 30, 2012 and 2013.

8 所得稅

(a) 合併綜合收益表內的所得稅包含：

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax	本期稅項		
– PRC Corporate Income Tax	– 中國企業所得稅	401,236	419,890
– Hong Kong Profits Tax	– 香港利得稅	488	98
– Others	– 其他	29,937	8,819
		431,661	428,807
Deferred tax	遞延稅項	(75,901)	(77,113)
		355,760	351,694

本集團須就本集團成員公司於所處及經營的稅務司法管轄區產生或賺取的溢利，按獨立法人實體基準繳納所得稅。

香港利得稅撥備於截至2012年及2013年6月30日止六個月按估計應課稅溢利的16.5%計算。

本公司及本集團於中國成立的附屬公司於截至2012年及2013年6月30日止六個月須按法定稅率25%繳付中國企業所得稅開支，惟本集團一家附屬公司（為小規模企業）可於截至2012年及2013年6月30日止六個月享有20%的優惠所得稅稅率。

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8 INCOME TAX (CONTINUED)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before taxation	除稅前溢利	1,357,116	1,341,192
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	除稅前溢利之名義稅項，按有關司法管轄區適用於溢利之稅率計算	338,783	335,071
PRC tax concessions	中國稅務寬減	(10)	(2)
Effect of non-deductible expenses	不可抵扣開支之影響	15,520	7,386
Effect of non-taxable income	非應課稅收入之影響	(47)	(224)
Tax effect of unused tax losses and deductible temporary differences not recognized	未使用稅項虧損及未確認可抵扣暫時差額之稅務影響	1,294	1,206
Others	其他	220	8,257
Actual tax expense	實際稅項開支	355,760	351,694

8 所得稅 (續)

(b) 採用適用稅率計算之稅項開支與會計溢利對賬：

Six months ended June 30,
截至6月30日止六個月
2013 2012
2013年 2012年
RMB'000 RMB'000
人民幣千元 人民幣千元

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9 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company for the six months ended June 30, 2013 of RMB1,000,718,000 (six months ended June 30, 2012: RMB990,768,000) and the weighted average number of shares in issue of 4,125,105,000 (six months ended June 30, 2012: 3,300,000,000 shares). The weighted average number of shares in issue is set out below:

9 每股盈利

每股基本盈利乃按截至2013年6月30日止六個月歸屬於本公司股東的溢利人民幣1,000,718,000元(截至2012年6月30日止六個月: 人民幣990,768,000元)及已發行的加權平均股數4,125,105,000股(截至2012年6月30日止六個月: 3,300,000,000股)計算。已發行的加權平均股數載列如下:

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		Thousands	<i>Thousands</i>
		shares	<i>shares</i>
		<i>千股</i>	<i>千股</i>
Issued shares at January 1	於1月1日的已發行股份	4,018,000	3,300,000
Effect of issuance of shares in January 2013	於2013年1月發行股份 的影響	107,105	–
Weighted average number of shares at June 30	於6月30日的加權平均 股數	4,125,105	3,300,000

There was no difference between the basic and diluted earnings per share as there were no dilutive potential shares outstanding for the periods presented.

在呈列期間概無任何發行在外的潛在可攤薄股份，因此，每股基本盈利與每股攤薄盈利並無差別。

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10 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has presented the following three reportable segments.

- Construction contracts: this segment mainly undertakes engineering, procurement and construction ("EPC") contracting business of overseas infrastructure-related construction projects (including hydropower, thermal power or other engineering projects) in various countries.
- Trading business: this segment mainly engages in the business of importing and/or exporting various machinery, electrical and instrumental products for domestic and overseas customers.
- Other businesses: this segment mainly engages in providing export – import agency services, tendering agency services, exhibition services, design services and logistics services.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all non-current assets and current assets with the exception of restricted deposits, time deposits with original maturity over three months, cash and cash equivalents, property, plant and equipment, lease prepayments, intangible assets, interest in associates, unquoted equity investments in non-listed companies, deferred tax assets and other unallocated assets. Segment liabilities include receipts in advance, trade and other payables (excluding accrued salaries, wages and benefits, and payables that cannot be reasonably allocated to any segment), construction contracts, provisions and borrowings managed directly for the segments.

10 分部報告

本集團由按業務類別及地區組成的部門管理其業務。與就分配資源及評估表現而向本集團的最高執行管理層作內部呈報資料的方式一致，本集團已呈報下列三個可報告分部。

- 建造合同：本分部主要在各國從事海外基礎設施相關的施工項目（包括水電、火電或其他工程項目）的設計、採購及施工（「EPC」）承包業務。
- 貿易業務：本分部主要從事為國內外客戶進口及／或出口各種機械、電力及工具產品。
- 其他業務：本分部主要從事提供進出口代理服務、招標代理服務、展覽服務、設計服務及物流服務。

(a) 分部業績、資產及負債

為了評估分部表現及在分部間分配資源，本集團的最高執行管理層在以下基礎上監控各可報告分部應佔的業績、資產及負債：

分部資產包括所有非流動資產及流動資產，但下列項目除外：受限制存款、原始到期日超過三個月的定期存款、現金及現金等價物、物業、廠房及設備、預付租賃款項、無形資產、聯營公司的權益、於非上市公司的非流通股權投資、遞延稅項資產及其他未分配的資產。分部負債包括直接為分部管理的預收款項、貿易及其他應付款項（不包括應計薪金、工資及福利，及不能合理地分配至任何分部的應付款項）、建造合同應付款項、撥備及借貸。

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10 SEGMENT REPORTING (CONTINUED)

(a) Segment results, assets and liabilities (Continued)

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortization of assets attributable to those segments.

The measure used for reporting segment profit is the profit before taxation. Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resources allocation and assessment of segment performance for the six months ended June 30, 2012 and 2013 is set out below:

10 分部報告 (續)

(a) 分部業績、資產及負債 (續)

分配予可報告分部的收入及開支乃經參考該等分部所產生的銷售額及該等分部所產生的開支或歸屬於該等分部的資產因折舊或攤銷而另外產生的開支。

用於報告分部溢利的計量指標為除稅前溢利。截至2012年及2013年6月30日止六個月，就分配資源及評估分部表現而向本集團的最高執行管理層提供的本集團可報告分部的相關資料載列如下：

		Six months ended June 30, 2013 截至2013年6月30日止六個月			
		Construction contracts 建造合同 RMB'000 人民幣千元	Trading business 貿易業務 RMB'000 人民幣千元	Other businesses 其他業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶的收入	8,004,083	1,985,085	438,237	10,427,405
Inter-segment revenue	分部間收入	-	115,839	230,698	346,537
Reportable segment revenue	可報告分部收入	8,004,083	2,100,924	668,935	10,773,942
Reportable segment profit	可報告分部溢利	1,185,514	30,445	64,050	1,280,009
Interest income on receivables from customers	應收客戶款項的利息收入	165,750	-	-	165,750
Interest expenses	利息開支	2,263	1,263	-	3,526
Depreciation and amortization	折舊及攤銷	-	-	576	576
Provision of impairment losses/ (reversal of impairment losses)	減值虧損撥備/(減值虧損撥備撥回)				
- trade and other receivables	- 貿易及其他應收款項	38,099	(2,790)	(77)	35,232
- construction contracts	- 建造合同應收款項	12,409	-	-	12,409
- foreseeable losses on construction contracts	- 建造合同預計虧損	90,135	-	-	90,135
Reportable segment assets	可報告分部資產	8,959,563	2,131,287	571,322	11,662,172
- capital expenditure	- 資本開支	-	-	-	-
Reportable segment liabilities	可報告分部負債	17,759,849	2,126,018	555,132	20,440,999

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10 SEGMENT REPORTING (CONTINUED)

10 分部報告 (續)

(a) Segment results, assets and liabilities (continued)

(a) 分部業績、資產及負債 (續)

		Six months ended June 30, 2012 截至2012年6月30日止六個月			
		Construction contracts 建造合同 RMB'000 人民幣千元	Trading business 貿易業務 RMB'000 人民幣千元	Other businesses 其他業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from external customers	來自外部客戶的收入	6,426,103	3,522,165	405,872	10,354,140
Inter-segment revenue	分部間收入	-	-	187,249	187,249
Reportable segment revenue	可報告分部收入	6,426,103	3,522,165	593,121	10,541,389
Reportable segment profit	可報告分部溢利	1,100,461	86,823	108,913	1,296,197
Interest income on receivables from customers	應收客戶款項的 利息收入	147,742	-	-	147,742
Interest expenses	利息開支	3,854	2,156	-	6,010
Depreciation and amortization	折舊及攤銷	-	-	1,643	1,643
Provision of impairment losses	減值虧損撥備				
- trade and other receivables	- 貿易及其他應收款項	35,151	8,912	31,650	75,713
- construction contracts	- 建造合同應收款項	5,910	-	-	5,910
- inventories	- 存貨	-	3,324	-	3,324
- foreseeable losses on construction contracts	- 建造合同預計虧損	2,370	-	-	2,370
		Year ended December 31, 2012 截至2012年12月31日止年度			
		Construction contracts 建造合同 RMB'000 人民幣千元	Trading business 貿易業務 RMB'000 人民幣千元	Other businesses 其他業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Reportable segment assets	可報告分部資產	10,184,428	2,488,884	743,233	13,416,545
- capital expenditure	- 資本開支	-	-	-	-
Reportable segment liabilities	可報告分部負債	20,293,790	2,401,958	652,400	23,348,148

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10 SEGMENT REPORTING (CONTINUED)

10 分部報告 (續)

(b) Reconciliation of reportable segment revenue, profit/(loss), assets and liabilities

(b) 可報告分部收入、溢利/(虧損)、資產及負債的對賬

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入		
Reportable segment revenue	可報告分部收入	10,773,942	10,541,389
Elimination of inter-segment revenue	分部間收入抵銷	(346,537)	(187,249)
		10,427,405	10,354,140
Profit	溢利		
Reportable segment profit	可報告分部溢利	1,280,009	1,296,197
Share of profits less losses of associates	應佔聯營公司溢利減虧損	(187)	(215)
Other revenue	其他收入	-	896
Net gains on disposal of an unquoted equity security	出售非流通股本證券的收益淨額	2,165	-
Other expenses, net	其他開支淨額	317	53
Interest income from bank deposits	來自銀行存款的利息收入	221,600	101,300
Interest cost recognized in respect of defined benefit retirement plans	就設定收益退休計劃確認的利息成本	(6,960)	(7,140)
Foreign exchange losses, net	匯兌虧損淨額	(105,539)	(6,091)
Depreciation and amortization	折舊及攤銷	(34,289)	(52,848)
Reversal of impairment losses on other receivables	其他應收款項減值虧損撥回	-	9,040
		1,357,116	1,341,192

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10 SEGMENT REPORTING (CONTINUED)

10 分部報告 (續)

(b) Reconciliation of reportable segment revenue, profit/(loss), assets and liabilities (continued)

(b) 可報告分部收入、溢利/(虧損)、資產及負債的對賬 (續)

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Assets			
Reportable segment assets	資產 可報告分部資產	11,662,172	13,416,545
Elimination of inter-segment receivables	分部間應收款項抵銷	(546,005)	(412,984)
		11,116,167	13,003,561
Restricted deposits	受限制存款	732,509	447,351
Time deposits with original maturity over three months	原始到期日超過三個月的定期存款	4,725,292	6,472,079
Cash and cash equivalents	現金及現金等價物	13,909,000	12,089,395
Property, plant and equipment	物業、廠房及設備	477,573	444,205
Lease prepayments	預付租賃款項	1,796,167	1,814,951
Intangible assets	無形資產	7,797	7,659
Interest in associates	聯營公司權益	226	413
Deferred tax assets	遞延稅項資產	207,212	131,311
Other non-current assets	其他非流動資產	238,587	253,952
Other unallocated assets	其他未分配資產	125,353	104,952
		33,335,883	34,769,829
Liabilities			
Reportable segment liabilities	負債 可報告分部負債	20,440,999	23,348,148
Elimination of inter-segment payables	分部間應付款項抵銷	(546,005)	(412,984)
		19,894,994	22,935,164
Retirement and other supplemental benefit obligation	退休及其他補充福利義務	391,540	397,200
Accrued salaries, wages and benefits	應計薪金、工資及福利	740,522	557,407
Income tax payable	應付所得稅	260,201	451,258
Deferred tax liabilities	遞延稅項負債	774	774
Dividends payable	應付股息	674,965	-
Other unallocated liabilities	其他未分配負債	677,223	510,603
		22,640,219	24,852,406

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10 SEGMENT REPORTING (CONTINUED)

10 分部報告 (續)

(c) Geographic information

(c) 地理區域資料

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, investment properties, lease prepayments, intangible assets, interest in associates and other non-current assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or to which the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, investment properties and lease prepayments, the location of the operation to which they are used, in the case of intangible assets, and the location of operations, in the case of interest in associates and other non-current assets.

下表載列有關下列項目的地理區域資料：(i)本集團來自外部客戶的收入及(ii)本集團的物業、廠房及設備、投資物業、預付租賃款項、無形資產、聯營公司權益及其他非流動資產(「特定非流動資產」)。客戶的地理位置乃根據提供服務的地點或交付貨品的地點劃分。如屬物業、廠房及設備、投資物業及預付租賃款項，特定非流動資產的地理位置乃根據資產的所在地劃分；如屬無形資產，則根據使用無形資產的業務的所在地劃分；如屬聯營公司權益及其他非流動資產，則根據經營所在地劃分。

Six months ended June 30,

截至6月30日止六個月

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue from external customers	來自外部客戶的收入		
China (Mainland)	中國(大陸)	1,073,644	1,262,020
Iraq	伊拉克	1,246,116	311
Turkey	土耳其	1,093,291	715,134
Venezuela	委內瑞拉	1,026,681	971,869
Belarus	白俄羅斯	1,012,716	695,094
Nigeria	尼日利亞	943,918	231,817
Equatorial Guinea	赤道幾內亞	486,893	1,010,436
United States	美國	402,159	629,816
Sri Lanka	斯里蘭卡	369,091	645,364
Angola	安哥拉	335,247	1,097,969
Others	其他	2,437,649	3,094,310
		10,427,405	10,354,140

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10 SEGMENT REPORTING (CONTINUED)

(c) Geographic information (continued)

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Specified non-current assets	特定非流動資產		
China (Mainland)	中國(大陸)	2,525,749	2,523,083
Others	其他	21,911	26,005
		2,547,660	2,549,088

10 分部報告(續)

(c) 地理區域資料(續)

11 PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30, 2013, the Group acquired items of property, plant and equipment of RMB54,295,000 (six months ended June 30, 2012: RMB31,682,000). No material items of property, plant and equipment were disposed of during the six months ended June 30, 2012 and 2013.

12 LEASE PREPAYMENTS

Lease prepayments mainly represent land use right premiums paid by the Group for land located outside Hong Kong.

11 物業、廠房及設備

截至2013年6月30日止六個月，本集團增加了約人民幣54,295,000元的物業、廠房及設備(截至2012年6月30日止六個月：約人民幣31,682,000元)。截至2012年及2013年6月30日止六個月，本集團並無處置任何重大物業、廠房及設備。

12 預付租賃款項

預付租賃款項主要為本集團就位於香港以外土地的土地使用權所支付的出讓金。

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13 OTHER NON-CURRENT ASSETS

13 其他非流動資產

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Unquoted equity investments in non-listed companies, at cost	非上市公司的非流通股權投資，按成本	238,857	254,222
Less: impairment losses	減：減值虧損	(270)	(270)
		238,587	253,952

14 TRADE AND OTHER RECEIVABLES

14 貿易及其他應收款項

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Bills receivable	應收票據	25,704	20,500
Trade receivables	貿易應收款項		
– China National Machinery Industry Corporation (“SINOMACH”)	– 中國機械工業集團有限公司(「國機」)	5,683	265,913
– fellow subsidiaries	– 同系附屬公司	1,674	2,591
– third parties	– 第三方	2,902,386	3,209,931
Less: allowance for doubtful debts	減：呆賬撥備	(438,811)	(407,592)
Trade and bills receivables	貿易應收款項及應收票據	2,496,636	3,091,343
Amount due from/advances to fellow subsidiaries	應收／墊付同系附屬公司款項	23,044	206,150
Advances to suppliers	供應商預付款	1,437,321	1,243,476
Other receivables related to agency services	代理服務相關的其他應收款項	211,483	313,344
Derivative financial instruments	衍生金融工具	34,818	15,117
Others	其他	672,395	738,191
Less: allowance for doubtful debts	減：呆賬撥備	(56,729)	(58,512)
		4,818,968	5,549,109
Less: portion classified as current assets	減：分類為流動資產的部分	4,808,365	5,510,059
Non-current portion	非流動部分	10,603	39,050

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14 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

The ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on the invoice date and net of allowance for doubtful debts, is as follows:

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Within 3 months	3個月以內	1,276,992	1,814,702
3 to 6 months	3至6個月	272,393	398,909
6 months to 1 year	6個月至1年	319,830	370,638
Over 1 year	1年以上	627,421	507,094
		2,496,636	3,091,343

There are no unified standard credit terms granted to customers of construction contracting business and trading business. The credit terms granted to customers of construction contracting business are negotiated individually on a case-by-case basis and set forth in the relevant contracts. The credit terms granted to customers of trading business are normally about three to six months. The bills receivables are generally due within 180 days from the date of issuing.

14 貿易及其他應收款項 (續)

(a) 賬齡分析

根據發票日期，貿易應收款項及應收票據（於貿易及其他應收款項入賬）經扣除呆賬撥備的賬齡分析如下：

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Within 3 months	3個月以內	1,276,992	1,814,702
3 to 6 months	3至6個月	272,393	398,909
6 months to 1 year	6個月至1年	319,830	370,638
Over 1 year	1年以上	627,421	507,094
		2,496,636	3,091,343

施工承包業務及貿易業務的客戶並無獲授統一標準信貸期。授予施工承包業務客戶的信貸期乃按個別情況逐次獨立協定，並載列於有關合同內。授予貿易業務客戶的信貸期一般約為三至六個月。應收票據一般於發行日期起計180日內到期。

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14 TRADE AND OTHER RECEIVABLES (CONTINUED)

14 貿易及其他應收款項 (續)

(b) Impairment of trade and other receivables

Impairment losses in respect of trade and other receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade and other receivables directly.

The movement in the allowance for doubtful debts during the period/year is as follows:

(b) 貿易及其他應收款項減值

有關貿易及其他應收款項的減值虧損乃使用撥備金額確認，除非本集團認為金額收回的可能性極低，在此情況下，減值虧損從貿易及其他應收款項中直接撇銷。

呆賬撥備於期／年內的變動如下：

		At June 30,	At December 31,
		2013	2012
		於2013年	於2012年
		6月30日	12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of the period/year	於期／年初	466,104	354,786
Impairment losses recognized	已確認的減值虧損	35,232	123,004
Uncollectible amounts written off	撇銷不可收回的金額	(5,796)	(11,686)
At the end of the period/year	於期／年末	495,540	466,104
Attributable to:	下列應佔：		
Trade and bills receivables	貿易應收款項及應收票據	438,811	407,592
Other receivables	其他應收款項	56,729	58,512

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15 CONSTRUCTION CONTRACTS

15 建造合同

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Gross amount due from contract customers for contract work	建造合同應收款項總額		
– current portion	– 流動部分	2,305,351	3,191,436
– non-current portion	– 非流動部分	3,619,700	4,114,329
		5,925,051	7,305,765
Contract costs incurred plus recognized profits less recognized losses to date	已產生合同成本加已確認溢利減已確認虧損	56,500,286	52,473,571
Less: progress billings	減：進度款項	50,387,709	44,992,689
allowance for doubtful debts for construction contracts	建造合同應收款項的呆賬撥備	187,526	175,117
		5,925,051	7,305,765

16 CASH AND CASH EQUIVALENTS

16 現金及現金等價物

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Cash on hand	手頭現金	1,162	1,429
Cash at bank and other financial institutions	於銀行及其他金融機構的現金	13,907,838	12,087,966
		13,909,000	12,089,395

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17 BORROWINGS

17 借貸

		At June 30, 2013 於2013年6月30日		At December 31, 2012 於2012年12月31日	
		Interest rate (%) 利率(%)	RMB'000 人民幣千元	Interest rate (%) 利率(%)	RMB'000 人民幣千元
Current:	流動：				
Short-term borrowings	短期借貸				
Bank loans	銀行貸款				
– unsecured	– 無擔保	2.39-6.16	24,454	3.43-7.07	18,621
– secured	– 有擔保	5.17-6.60	20,097	5.17-7.20	33,801
			44,551		52,422
Add: current portion of long-term borrowings	加：長期借貸的 流動部分		81,629		81,498
			126,180		133,920
Non-current:	非流動：				
Long-term borrowings	長期借貸				
Bank loans	銀行貸款				
– unsecured	– 無擔保	1.25	3,130		–
– secured	– 有擔保	1.80-5.17	196,437	1.80-5.17	236,116
			199,567		236,116
Less: current portion of long-term borrowings	減：長期借貸的 流動部分		81,629		81,498
			117,938		154,618
			244,118		288,538

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17 BORROWINGS (CONTINUED)

17 借貸 (續)

(a) The borrowings are repayable as follows:

(a) 借貸的償還期如下：

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Within 1 year or on demand	1年以內或按要求還款	126,180	133,920
After 1 year but within 2 years	1年至2年	74,057	73,601
After 2 years but within 5 years	2年至5年	41,487	77,894
After 5 years	5年以上	2,394	3,123
		117,938	154,618
		244,118	288,538

(b) As at December 31, 2012 and June 30, 2013, certain borrowings were secured by the Group's property, plant and equipment, lease prepayments, construction contracts, trade and other receivables and restricted deposits.

(b) 於2012年12月31日及2013年6月30日，本集團若干借貸由本集團的物業、廠房及設備、預付租賃款項、建造合同應收款項、貿易及其他應收款項以及受限制存款作為抵押。

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18 RECEIPTS IN ADVANCE

18 預收款項

		At June 30,	At December 31,
		2013	2012
		於2013年	於2012年
		6月30日	12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Receipts in advance for construction contracts (note (i))	建造合同的預收款項 (附註(i))	8,217,116	12,023,465
Receipts in advance for sales of goods	銷售貨品的預收款項	860,036	614,442
Others	其他		
– fellow subsidiaries	– 同系附屬公司	2,101	–
– third parties	– 第三方	75,513	72,503
		9,154,766	12,710,410

Note:

- (i) The balances as at December 31, 2012 and June 30, 2013 represented advances received from customers (or main contractors, if relevant) for which the related construction work have not been performed as at the end of the reporting period.

附註：

- (i) 於2012年12月31日及2013年6月30日的結餘指自客戶(或總承包商(如相關))收取的預收款，而其中相關施工工作於報告期末仍未履行。

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19 TRADE AND OTHER PAYABLES

19 貿易及其他應付款項

		At June 30,	At December 31,
		2013	2012
		於2013年	於2012年
		6月30日	12月31日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bills payable	應付票據	59,530	39,917
Trade payables	貿易應付款項		
– fellow subsidiaries	– 同系附屬公司	588,738	236,446
– third parties	– 第三方	9,798,384	9,319,206
Trade and bills payables	貿易應付款項及應付票據	10,446,652	9,595,569
Dividends payable	應付股息	674,965	–
Amount due to fellow subsidiaries	欠同系附屬公司款項	1,610	2,360
Other payables related to agency services	代理服務相關的 其他應付款項	398,382	401,938
Accrued salaries, wages and benefits	應計薪金、工資及福利	740,522	557,407
Other taxes payable	其他應繳稅項	14,435	99,164
Others	其他	295,634	314,110
Financial liabilities measured at amortized costs	按攤銷成本計量的 金融負債	12,572,200	10,970,548
Derivative financial instruments	衍生金融工具	16,180	33,208
Others	其他	440	470
		12,588,820	11,004,226
Less: portion classified as current liabilities	減：分類為流動負債 的部分	12,577,598	10,943,270
Non-current portion	非流動部分	11,222	60,956

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19 TRADE AND OTHER PAYABLES (CONTINUED)

- (a) The ageing analysis of trade and bills payables (which are included in trade and other payables), based on the invoice date, is as follows:

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Within 3 months	3個月以內	6,417,122	6,039,306
3 to 6 months	3至6個月	954,682	468,593
6 months to 1 year	6個月至1年	592,086	547,112
Over 1 year	1年以上	2,482,762	2,540,558
		10,446,652	9,595,569

20 CAPITAL AND RESERVES

(a) Issue of shares

On January 2, 2013, the over-allotment option granted by the Company was fully exercised. The Company issued and allotted an aggregate of 107,700,000 H shares at HKD5.40 each. Accordingly, a total of 10,770,000 domestic state-owned shares of RMB1.00 each owned by SINOMACH and China United Engineering Corporation ("China United") were converted into H shares on a one-for-one basis and transferred to the National Council for Social Security Fund of the PRC. After the issuance and allotment of these shares, the registered and issued ordinary shares of the Company increased to 4,125,700,000 shares with 908,270,000 H shares being listed on HKSE. The net proceeds of RMB456,847,000 derived from the exercising of over-allotment option were credited to share capital and capital reserves at the amount of RMB107,700,000 and RMB349,147,000 respectively.

19 貿易及其他應付款項 (續)

- (a) 根據發票日期，貿易應付款項及應付票據（於貿易及其他應付款項入賬）的賬齡分析如下：

20 資本及儲備

(a) 發行股份

於2013年1月2日，本公司授出的超額配股權已獲悉數行使。本公司按每股5.40港元的價格發行及配發合共107,700,000股H股。因此，國機及中國聯合工程公司（「中國聯合」）擁有的合共10,770,000股每股人民幣1.00元的國有內資股已按一換一的基礎，轉換為H股並轉讓予中國全國社會保障基金理事會。該等股份發行及配發後，本公司已註冊發行的普通股增至4,125,700,000股，其中908,270,000股H股在香港聯交所上市。因行使超額配股權所得淨收益人民幣456,847,000元，計入股本及資本儲備的金額分別為人民幣107,700,000元及人民幣349,147,000元。

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20 CAPITAL AND RESERVES (CONTINUED)

(b) Dividends

- (i) *Dividends payable to shareholders of the Company attributable to the interim period*

The directors of the Company do not recommend the payment of any interim dividend for the six months ended June 30, 2013 (six months ended June 30, 2012: nil).

- (ii) *Dividends payable to shareholders of the Company attributable to the previous financial year, approved during the interim period*

On June 17, 2013, upon the approval at the annual general meeting, the Company declared final dividend in respect of the financial year ended December 31, 2012 of RMB0.1636 per share, with total amount of approximately RMB674,964,520 (2011: RMB354,238,000). The Company did not make any dividend payments during the six months ended June 30, 2013 (six months ended June 30, 2012: RMB354,238,000).

20 資本及儲備 (續)

(b) 股息

- (i) 本中期期間應付本公司股東的股息

本公司董事未建議派發截至2013年6月30日止六個月的中期股息(截至2012年6月30日止六個月：無)。

- (ii) 屬於上一財政年度，並於本中期期間批准的應付本公司股東的股息

於2013年6月17日，股東週年大會批准截至2012年12月31日止財政年度的末期股息分派每股人民幣0.1636元，總額共計約人民幣674,964,520元(2011年：人民幣354,238,000元)。本公司於截至2013年6月30日止六個月期間並未支付任何股息(截至2012年6月30日止六個月：人民幣354,238,000元)。

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未經審計中期財務報告附註

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20 CAPITAL AND RESERVES (CONTINUED)

(c) Reserves

(i) Capital reserve

Capital reserve includes:

- the contributions or distributions to shareholders;
- share premium as the difference between the total amount of the par value of shares issued and the amount of the net proceeds received from the IPO; and
- the revaluation surplus resulting from state-owned enterprises restructuring.

(ii) Reserve fund

The reserve fund of the Company includes statutory reserve fund and discretionary common reserve.

Pursuant to the Articles of Association of the Company, the Company transfers 10% of its net profit as determined in accordance with the Accounting Rules and Regulations of the PRC to its statutory reserve fund unless the statutory reserve balance of the Company has reached 50% or more of its register capital.

The Company transfers some of its net profit as determined in accordance with Accounting Rules and Regulations of the PRC to its discretionary common reserve when it is approved by its shareholders.

The transfer to the reserve fund must be made before distribution of a dividend to shareholders. The reserve fund can be utilized in setting off accumulated losses or increasing capital of the Company and is non-distributable other than in liquidation.

20 資本及儲備 (續)

(c) 儲備

(i) 資本儲備

資本儲備包括：

- 資本投入或對股東的分派；
- 股份溢價，即已發行股份面值總額與首次公開發售所得款項淨額之間的差額；及
- 國有企業重組產生的重估盈餘。

(ii) 儲備基金

本公司的儲備基金包括法定儲備基金及任意盈餘儲備。

根據本公司章程，本公司按依據中國會計制度及法規確定之淨溢利的10%計提法定儲備基金，除非本公司法定儲備結餘達至其註冊資本的50%或以上。

經本公司的股東批准，本公司可將按中國會計制度及法規確定的淨溢利的一部分撥入其任意盈餘儲備。

儲備基金必須於向股東分派股息之前計提。儲備基金可用作抵銷累計虧損或增加本公司的資本，且不可供分派（但於清算時除外）。

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20 CAPITAL AND RESERVES (CONTINUED)

(c) Reserves (continued)

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that have functional currency other than the RMB.

20 資本及儲備 (續)

(c) 儲備 (續)

(iii) 匯兌儲備

匯兌儲備包括換算以人民幣以外的貨幣為功能貨幣的境外業務的財務報表產生的所有匯兌差額。

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial instruments carried at fair value

(i) Fair value hierarchy

21 金融工具的公允值計量

(a) 以公允值列賬的金融工具

(i) 公允值層級

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Level 2 (Significant other observable inputs)	第2級 (重大其他可觀察到的輸入值)		
Assets	資產		
Derivative financial instruments	衍生金融工具		
– foreign currency forward exchange contracts	– 遠期外匯合同	34,818	15,117
Liabilities	負債		
Derivative financial instruments	衍生金融工具		
– foreign currency forward exchange contracts	– 遠期外匯合同	6,834	19,820
– interest rate swaps	– 利率掉期	9,346	13,388

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21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments carried at fair value (continued)

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of foreign currency forward exchange contracts is determined by discounting the difference between the contractual forward price and the current market forward price. The fair value of interest rate swaps is determined using discounted cash flow models.

(b) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortized cost are not materially different from their fair values as at December 31, 2012 and June 30, 2013 except as follows:

21 金融工具的公允值計量 (續)

(a) 以公允值列賬的金融工具 (續)

(ii) 第2級公允值計量所採用的估值技術及輸入值

遠期外匯合同的公允值使用折現合同遠期價格與現時市場遠期價格的差異計算。利率掉期的公允值使用折現現金流量模型取得。

(b) 非按公允值列賬的金融工具的公允值

於2012年12月31日及2013年6月30日，本集團按成本或攤銷成本列賬的金融工具的賬面值與其公允值並無重大差異，以下除外：

		At June 30, 2013 於2013年6月30日		At December 31, 2012 於2012年12月31日	
		Book value 賬面值	Fair value 公允值	Book value 賬面值	Fair value 公允值
		RMB' 000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Construction contracts	建造合同	6,015,604	5,712,404	7,306,183	7,160,490
Long-term borrowings	長期借貸	(199,567)	(190,624)	(236,116)	(224,068)

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22 CAPITAL COMMITMENTS

Capital commitments outstanding at the period/year end not provided for in the interim financial report were as follows:

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Contracted for	已訂約	61,915	82,128
Authorized but not contracted for	已獲准但未訂約	1,480,071	1,476,172
		1,541,986	1,558,300

22 資本承擔

於期／年末，並未在中期財務報告內撥備的資本承擔如下：

23 CONTINGENT LIABILITIES

(a) Legal contingencies

The Company and certain subsidiaries of the Group are defendants in certain lawsuits as well as the named parties in other proceedings arising in the normal course of business. While the outcomes of such contingencies, lawsuits or other proceedings cannot be determined at present, the directors of the Company believe that any resulting liabilities will not have a material adverse impact on the financial position, liquidity, or operating results of the Group.

(b) Guarantees

For some agency business, the Group worked with banks to issue irrevocable letter of guarantee to buyers, which guaranteed the repayment of advances paid by the buyer plus interest if applicable if and when the total or part of the advances becomes repayable to the buyer from the seller in accordance with the relevant contracts.

As at June 30, 2013, the maximum liability of the Group under these guarantees issued are the outstanding amount of letter of guarantee issued through certain banks to the buyers of RMB1,064,262,000 (as at December 31, 2012: RMB662,039,000), which are secured by certain assets of the sellers or letter of guarantees through certain banks from sellers.

The directors of the Company do not consider it probable that a claim will be made against the Group under any other guarantees.

23 或有負債

(a) 法律或有事件

在正常業務過程中，本公司及本集團的若干附屬公司為某些訴訟中的被告及在其他法律程式的被點名方。雖然目前未能確定該等或有事件、訴訟或其他法律程序的結果，本公司董事相信任何由此引致的負債不會對本集團的財務狀況、流動資金或經營業績產生重大不利影響。

(b) 擔保

對於一些代理業務，本集團與銀行合作向買方發出不可撤銷的保函，以擔保當全部或部分由買方支付的預付款根據相關合同應由賣方向買方償還時，買方獲償還所支付的墊款加利息（如適用）。

於2013年6月30日，本集團於該等已發出擔保項下的負債最大值是通過某些銀行向買方發出的金額為人民幣1,064,262,000元（於2012年12月31日：人民幣662,039,000元）的保函餘額，以賣方的若干資產或賣方通過某些銀行取得的保函作擔保。

本公司董事並不認為有可能將根據任何其他擔保向本集團提出申索。

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24 MATERIAL RELATED PARTY TRANSACTIONS

24 重大關聯方交易

(a) Transactions with SINOMACH and fellow subsidiaries

Apart from those disclosed elsewhere in the financial statements, the principal related party transactions with SINOMACH and fellow subsidiaries, which were carried out in the ordinary course of business are as follows:

(a) 與國機及同系附屬公司的交易

除財務報表其他部分所披露者外，於日常業務過程中與國機及同系附屬公司進行的主要關聯方交易如下：

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Provision of engineering services and products to	向下列各方提供 工程服務及產品		
– SINOMACH	– 國機	–	948,225
Receipt of engineering services and products from	接受來自於下列各方的 工程服務及產品		
– Fellow subsidiaries	– 同系附屬公司	515,833	237,839
Trading procurement from	向下列各方進行貿易採購		
– Fellow subsidiaries	– 同系附屬公司	–	8,152
Provision of integrated services to	向下列各方提供綜合服務		
– SINOMACH	– 國機	6,151	–
– Fellow subsidiaries	– 同系附屬公司	6,282	1,459
Lease expenses paid to	支付予下列各方的租賃費用		
– A fellow subsidiary	– 一家同系附屬公司	105	145
Net deposits placed with/ (withdrawn from)	於下列各方的存款/ (取款)淨額		
– A fellow subsidiary	– 一家同系附屬公司	500,000	(1,452,642)
Working capital received from	來自下列各方的營運資金		
– A fellow subsidiary	– 一家同系附屬公司	–	(37,308)
Interest income charged to	向下列各方收取的利息收入		
– A fellow subsidiary	– 一家同系附屬公司	147	23,636
Guarantees revoked by	由下列各方解除的擔保		
– SINOMACH	– 國機	–	105,819

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24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with SINOMACH and fellow subsidiaries (continued)

Notes:

- (i) On June 26, 2013, the Company entered into an equity custodian agreement (the "Agreement") with SINOMACH, pursuant to which SINOMACH has entrusted the Company to manage its 100% equity interests held in China National Complete Engineering Corporation (中國成套工程有限公司) and China National Electric Engineering Co., Ltd. (中國電力工程有限公司), which are wholly-owned subsidiaries of SINOMACH, for an annual service fee of RMB1.5 million. The Agreement has an initial term commencing on June 26, 2013 and ending on June 26, 2014, and is eligible for an automatic extension of one year.

(b) Outstanding balances with SINOMACH and fellow subsidiaries

24 重大關聯方交易 (續)

(a) 與國機及同系附屬公司的交易 (續)

附註：

- (i) 於2013年6月26日，本公司與國機訂立股權託管協議（「協議」），據此，國機已委託本公司管理國機的全資附屬公司，中國成套工程有限公司及中國電力工程有限公司的100%股權，年度服務費為人民幣1.5百萬元。協議的初始條款於2013年6月26日開始，至2014年6月26日結束，並且有權自動展期一年。

(b) 國機及同系附屬公司的結欠餘額

		At June 30, 2013 於2013年 6月30日 RMB'000 人民幣千元	At December 31, 2012 於2012年 12月31日 RMB'000 人民幣千元
Cash deposits placed with – A fellow subsidiary	於下列各方的現金存款 – 一家同系附屬公司	500,000	–
Trade and other receivables due from – SINOMACH – Fellow subsidiaries	應收下列各方的貿易及 其他應收款項 – 國機 – 同系附屬公司	5,683 24,718	265,913 208,741
Receipts in advance from – Fellow subsidiaries	自下列各方收取的預收款項 – 同系附屬公司	2,101	–
Trade and other payables due to – Fellow subsidiaries	欠付下列各方的貿易及 其他應付款項 – 同系附屬公司	590,348	238,806

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24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Contributions to defined contribution plans

The Group participates in various defined contribution retirement plans organized by relevant local government authorities of the PRC and SINOMACH for its employees. As at June 30, 2013, there was no material outstanding contribution to post-employment benefit plans.

(d) Transactions with other state-controlled entities in the PRC

The Group operates in an economic environment predominated by enterprises directly or indirectly owned or controlled by the PRC government through its numerous authorities, affiliates or other organizations (collectively "State-owned Enterprises"). For the six months ended June 30, 2012 and 2013, the Group had transactions with State-owned Enterprises including, but not limited to, sales of goods, rendering of services, purchase of goods and services. The directors consider that the transactions with these State-owned Enterprises are activities in the ordinary course of the Group's business and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and these State-owned Enterprises are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for services and products, and such pricing policies do not depend on whether or not the customers are State-owned Enterprises. Having due regard to the substance of the relationships, the directors are of the opinion that none of these transactions are material related party transactions that require separate disclosure.

Apart from transactions mentioned above, the Group has transactions with other state-controlled banks, including but not limited to depositing and borrowing money.

24 重大關聯方交易 (續)

(c) 設定供款計劃的供款

本集團替其僱員參與由中國相關地方政府機關及國機管理的設定供款退休計劃。於2013年6月30日，離職後福利計劃並無重大未支付供款。

(d) 於中國與其他受國家控制實體的交易

本集團在由中國政府通過其眾多機構、聯屬機構或其他組織直接或間接擁有或控制的企業（統稱「國有企業」）為主導的經濟環境下營運。於截至2012年及2013年6月30日止六個月期間，本集團與國有企業之間的交易包括（但不限於）銷售商品、提供服務以及購買商品及服務。董事認為，與國有企業的交易屬本集團正常業務過程中的活動，並且本集團的交易並無因本集團及該等國有企業受中國政府的最終控制的事實而遭受重大或不適當的影響。本集團亦已就服務及產品訂立定價政策，有關定價政策並不取決於客戶是否為國有企業。經充分考慮其關係的性質後，董事認為，該等交易並非須予以獨立披露的重大關聯方交易。

除上述交易外，本集團亦與其他受國家控制的銀行進行交易，包括但不限於存款及借貸。

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24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(e) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors.

Remuneration for key management personnel is as follows:

24 重大關聯方交易 (續)

(e) 主要管理人員薪酬

主要管理人員乃擔任具有直接或間接規劃、主導及控制本集團業務的權責的職位的人士，包括本公司董事。

主要管理人員的薪酬如下：

		Six months ended June 30,	
		截至6月30日止六個月	
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term employee benefits	短期僱員福利	4,787	4,516
Retirement scheme contributions	退休計劃供款	168	176
		4,955	4,692

25 SUBSEQUENT EVENTS

There was no material subsequent event subsequent to June 30, 2013.

25 期後事項

本公司於2013年6月30日後並無任何重大期後事項。

Glossary of Terms

詞彙表

“Articles of Association”	the articles of association of our Company, adopted on February 14, 2011 and as amended from time to time
“Board”	the board of Directors of the Company
“CG Code”	the Corporate Governance Code set out in Appendix 14 to the Listing Rules
“China Machinery R&D”	China Machinery International Engineering Design & Research Institute Co., Ltd. * (中機國際工程設計研究院有限責任公司), a wholly-owned subsidiary of our Company established in the PRC on October 5, 1993 with limited liability
“China United”	China United Engineering Corporation* (中國聯合工程公司), an enterprise established in the PRC on January 21, 1984 and a wholly-owned subsidiary of SINOMACH, our connected person and our Promoter who holds 1.0% equity interest in our Company as at the date of December 11, 2012
“CMEC Comtrans”	CMEC Comtrans International Co., Ltd.* (中設國際商務運輸代理有限責任公司), a wholly-owned subsidiary of our Company established in the PRC on March 5, 1997 with limited liability
“CMEC Expo”	CMEC International Exhibition Co., Ltd.* (西麥克國際展覽有限責任公司), a wholly-owned subsidiary of our Company established in the PRC on January 9, 1995 with limited liability
“CMEC International Engineering”	CMEC International Engineering Co., Ltd.* (中設國際工程有限責任公司), a wholly-owned subsidiary of our Company established in the PRC on September 9, 1997 with limited liability
“CMEC Tendering”	China Machinery and Equipment International Tendering Co., Ltd.* (中設國際招標有限責任公司), a wholly-owned subsidiary of our Company established in the PRC on April 29, 1996 with limited liability
“Company”, “our Company”, or “CMEC”	China Machinery Engineering Corporation* (中國機械設備工程股份有限公司), a joint stock company with limited liability incorporated in the PRC on January 18, 2011, and except where the context indicates otherwise, includes (i) our predecessors and (ii) with respect to the period before our Company became the holding company of its present subsidiaries, the business operated by it and its present subsidiaries or (as the case may be) their predecessors
“Core Sectors”	the core sectors of our International Engineering Contracting Business which are the power sector, transportation sector and telecommunications sector

Glossary of Terms

詞彙表

「章程」	指	本公司於2011年2月14日採納的章程（經不時修訂）
「董事會」	指	本公司董事會
「企業管治守則」	指	上市規則附錄14所載之企業管治守則
「中機設計研究院」	指	中機國際工程設計研究院有限責任公司，一家於1993年10月5日在中國成立的有限責任公司，本公司的全資附屬公司
「中國聯合」	指	中國聯合工程公司，一家於1984年1月21日在中國成立的企業，國機的全資附屬公司。中國聯合為我們的關連人士暨發起人，於2012年12月11日持有本公司1.00%股權
「中設商運」	指	中設國際商務運輸代理有限責任公司，一家於1997年3月5日在中國成立的有限責任公司，本公司的全資附屬公司
「西麥克展覽」	指	西麥克國際展覽有限責任公司，一家於1995年1月9日在中國成立的有限責任公司，本公司的全資附屬公司
「中設國際工程」	指	中設國際工程有限責任公司，一家於1997年9月9日在中國成立的有限責任公司，本公司的全資附屬公司
「中設招標」	指	中設國際招標有限責任公司，一家於1996年4月29日在中國成立的有限責任公司，本公司的全資附屬公司
「公司」、「本公司」 或「中國機械工程」	指	中國機械設備工程股份有限公司，一家於2011年1月18日在中國註冊成立的股份有限公司；除非文義另有所指，否則包括：(i)我們的前身及(ii)就本公司成為其現時附屬公司的控股公司前的期間而言，其及其現時附屬公司或（視情況而定）其前身經營的業務
「核心行業」	指	我們國際工程承包業務的核心行業為電力能源行業、交通運輸行業及電子通訊行業

Glossary of Terms

詞彙表

“Director(s)”	the director(s) of our Company
“Domestic Shares”	ordinary shares in our capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“EPC” or “engineering, procurement and construction” or “turnkey”	a common form of contracting arrangement whereby the contractor is commissioned by the project owner to carry out such project work as design, procurement, construction and trial operations, or any combination of the above, either through the contractor’s own labor or by subcontracting part or all of the project work, and be responsible for the quality, safety, timely delivery and cost of the project
“Global Offering”	the offering by the Company of 825,700,000 H Shares for subscription by the public in Hong Kong and placing with professional and institutional investors outside the United States in December 2012
“Group” or “our Group”, “we” or “us”	the Company and, except where the context otherwise requires, all its subsidiaries
“H Share(s)”	overseas listed foreign shares in our ordinary share capital with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and subscribed for and traded in HK\$
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administration Region
“International Engineering Contracting Business”	the international engineering contracting business conducted by our Group with a primary focus on EPC projects
“Listing”	listing of our H Shares on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“non-Core Sectors”	any sectors that do not fall within the Core Sectors of our International Engineering Contracting Business
“NSSF”	National Council for Social Security Fund of the PRC (中華人民共和國全國社會保障基金理事會)
“OFAC”	the Office of Foreign Assets Control of the US Department of the Treasury

Glossary of Terms

詞彙表

「董事」	指	本公司董事
「內資股」	指	我們股本中的普通股，每股面值為人民幣1.00元，乃以人民幣認購及繳足
「EPC」、「設計、採購及施工」或「交鑰匙」	指	承包安排的常見形式，即承包商受項目業主的委託進行設計、採購、施工及試工等項目工作，或任何上述的組合（無論是通過承包商本身的人員或分包部分或所有項目工作），並對項目的質量、安全、工期及成本負責
「全球發售」	指	本公司於2012年12月提呈發售825,700,000股H股，供香港公眾認購，並配售予美國境外的專業及機構投資者
「集團」、「本集團」或「我們」	指	本公司及其所有附屬公司（除文義另有所指外）
「H股」	指	我們普通股本中的境外上市外資股，每股面值人民幣1.00元，以港元認購及買賣，並於聯交所上市
「港元」	指	港元，香港特別行政區法定貨幣
「國際工程承包業務」	指	由本集團開展，並以EPC項目為重點的國際工程承包業務
「上市」	指	我們的H股在聯交所上市
「上市規則」	指	聯交所證券上市規則（經不時修訂）
「標準守則」	指	上市規則附錄十所載之上市發行人董事進行證券交易的標準守則
「非核心行業」	指	任何並非屬於我們國際工程承包業務核心行業的行業
「社保基金理事會」	指	中華人民共和國全國社會保障基金理事會
「外國資產管制局」	指	美國財政部屬下外國資產管制局

Glossary of Terms

詞彙表

“Other Businesses”	the other businesses conducted by our Group, other than the International Engineering Contracting Business and the Trading Business, which include, among others, design services, logistic services, exhibition services, tendering agency services, export-import agency services and other services
“Prospectus”	the prospectus of the Company dated December 11, 2012
“RMB” or “Renminbi”	Renminbi yuan, the lawful currency of the PRC
“Sanctioned Countries”	the countries against which the US and other jurisdictions impose comprehensive economic sanctions
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, including our Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of our Share(s)
“SINOMACH”	China National Machinery Industry Corporation* (中國機械工業集團有限公司), a state-owned enterprise established in the PRC on May 21, 1988, our controlling shareholder
“Supervisor(s)”	one (or all) of our Company’s supervisors
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trading Business”	the international and domestic trading business conducted by our Group
“United States” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“United States dollars” or “US dollars” or “US\$”	United States dollars, the lawful currency of the United States
“Zhongnan”	China Power Construction Engineering Consulting Central Southern Company* (中國電力建設工程諮詢中南有限公司) that was 50% held by China Power Engineering Consulting Group Zhongnan Power Design Institute* (中國電力工程顧問集團中南電力設計院) and 50% held by us
“%”	per cent.

* Denotes English translation of the name of a Chinese company or entity or vice versa and is provided for identification purposes only.

Note:

ROUNDING

Certain amounts and percentages figures included in this interim report have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies between totals and sums of amounts listed in any table or diagram are due to rounding.

Glossary of Terms

詞彙表

「其他業務」	指	本集團開展的其他業務（國際工程承包業務及貿易業務除外），其中包括設計服務、物流服務、展覽服務、招標代理服務、進出口代理服務及其他服務
「招股章程」	指	本公司日期為2012年12月11日的招股章程
「人民幣」	指	人民幣，中國法定貨幣
「受制裁國家」	指	受美國及其他司法管轄區實施全面經濟制裁的國家
「證券及期貨條例」	指	香港法例第571章證券及期貨條例（經不時修訂、補充或以其他方式修改）
「股份」	指	本公司股本中每股面值人民幣1.00元的股份，包括內資股及H股
「股東」	指	我們的股份持有人
「國機」	指	我們的控股股東中國機械工業集團有限公司，一家於1988年5月21日在中國成立的國有企業
「監事」	指	本公司的一名（或全體）監事
「聯交所」	指	香港聯合交易所有限公司
「貿易業務」	指	本集團進行的國際和國內貿易業務
「美國」	指	美利堅合眾國、其領土、屬地及受其司法管轄的所有地區
「美元」	指	美元，美國的法定貨幣
「中南」	指	中國電力建設工程諮詢中南有限公司，中國電力工程顧問集團中南電力設計院及我們各自持有50%權益
「%」	指	百分比。

* 指中國公司或實體名稱的英文譯名或相反情況，僅供識別。

備註：

約整

本中期報告所載若干款項及百分比數字已經湊整，或約整至小數點後一位或兩位數。任何表格或圖表內所列總額與當中所列各數字之和之間的差異乃因約整所致。

LEGAL NAME OF THE COMPANY

中國機械設備工程股份有限公司

本公司法定名稱

中國機械設備工程股份有限公司

ENGLISH NAME OF THE COMPANY

China Machinery Engineering Corporation*

本公司英文名

China Machinery Engineering Corporation*

REGISTERED OFFICE

No. 178 Guang'anmenwai Street
Beijing, PRC

註冊辦事處

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廣安門外大街178號

HEAD OFFICE IN THE PRC

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AUTHORIZED REPRESENTATIVES

Ms. LI Taifang
Mr. CHEN Minjian

授權代表

李太芳女士
陳民建先生

JOINT COMPANY SECRETARIES

Mr. CHEN Minjian
Ms. TSANG Fung Chu

聯席公司秘書

陳民建先生
曾鳳珠女士

* For Identification Purposes Only

* 僅供識別

Corporate Information

公司資料

AUDIT COMMITTEE

Mr. LIU Li (*Independent Non-executive Director*) (*Chairman*)
Mr. WANG Zhian (*Non-executive Director*)
Ms. LIU Hongyu (*Independent Non-executive Director*)

NOMINATION COMMITTEE

Mr. SUN Bai (*Executive Director*) (*Chairman*)
Ms. LIU Hongyu (*Independent Non-executive Director*)
Mr. FANG Yongzhong (*Independent Non-executive Director*)

REMUNERATION COMMITTEE

Mr. FANG Yongzhong (*Independent Non-executive Director*) (*Chairman*)
Mr. SUN Bai (*Executive Director*)
Mr. LIU Li (*Independent Non-executive Director*)

STRATEGY AND DEVELOPMENT COMMITTEE

Mr. SUN Bai (*Executive Director*) (*Chairman*)
Ms. LI Taifang (*Executive Director*)
Mr. ZHANG Chun (*Executive Director*)
Mr. PAN Chongyi (*Non-executive Director*)
Mr. LIU Li (*Independent Non-executive Director*)

OPERATION AND RISK MANAGEMENT COMMITTEE

Ms. LI Taifang (*Executive Director*) (*Chairman*)
Mr. PAN Chongyi (*Non-executive Director*)
Mr. WANG Zhian (*Non-executive Director*)
Mr. FANG Yongzhong (*Independent Non-executive Director*)

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審計委員會

劉力先生 (獨立非執行董事) (主席)
王治安先生 (非執行董事)
劉紅宇女士 (獨立非執行董事)

提名委員會

孫柏先生 (執行董事) (主席)
劉紅宇女士 (獨立非執行董事)
方永忠先生 (獨立非執行董事)

薪酬委員會

方永忠先生 (獨立非執行董事) (主席)
孫柏先生 (執行董事)
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戰略與發展委員會

孫柏先生 (執行董事) (主席)
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張淳先生 (執行董事)
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經營與風險管理委員會

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- CITIC Bank
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- 中信銀行
中國北京市西城區
金融大街甲27號
投資廣場
- 招商銀行(北京分行)
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中國機械設備工程股份有限公司
China Machinery Engineering Corporation*

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* 僅供識別