



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)

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* For identification purposes only
* 僅供識別

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Chairman's Statement

董事長致辭



SUN Bai *Chairman*
孫柏 董事長

To establish differentiated competitive advantages through structural reform and enhancement under the guiding principle of “CMEC Strategic Development Plan for the Next Five Years” (CMEC未來五年發展戰略規劃), and strive to become an integrated world-class engineering contractor and services provider banking on our leading edges in innovation and value-creation.

Dear Shareholders,

Throughout 2013, the global economy, albeit volatile at times, experienced a general recovery. Major economies showed signs of bounce-back after hitting bottom previously, though growth in developed countries remained sluggish. China's economy achieved steady growth during the transitional period. Meanwhile, the Third Plenary Session of the 18th Central Committee of the Communist Party of China convened in the year further outlined the direction of development during the transitional period of domestic economy, with an ever faster pace set for the urbanization process. As regards our industry, the global infrastructure engineering industry in general maintained a promising trajectory for strong growth, thanks to the continuous and escalating market demand in developing countries and the increasing demand for infrastructure renovation in developed countries.

以「CMEC未來五年發展戰略規劃」為引領，通過轉型升級構築差異化競爭優勢，立足於創新領先、價值創造，努力成為全球一流的綜合型國際工程承包與服務商。

尊敬的各位股東：

2013年全年，全球經濟震蕩中有所回暖，主要經濟體均呈現觸底反彈跡象，但發達國家經濟增長仍顯乏力。中國經濟在調整期實現穩定增長，十八屆三中全會的召開更明確了國內經濟轉型期的發展思路，城市化進程將進一步加快。就行業而言，受益於發展中國家市場需求持續高速增長以及發達國家基礎設施更新需求的不斷增加，全球基礎設施建設行業增長動力明顯，整體保持良好發展勢頭。

Chairman's Statement

董事長致辭

Looking back on our business development in 2013, with the “CMEC Strategic Development Plan for the Next Five Years” (CMEC 未來五年發展戰略規劃) (the “**Development Strategy**”) as our guiding principle, the Company has extended our business reach across the global market, adjusted our business structure, and upgraded our managerial standards while closely monitoring risk factors. Meanwhile, we have achieved satisfactory results in all three sectors of contracting, trading and ancillary services and further cultivated the superior brand image of CMEC in the global market. During the period under review, the Company's business operation maintained a steady growth and successfully achieved the set target for the year. The total revenue of the Company showed a steady increase of 0.6% to RMB21,426.3 million as compared to last year; net profit amounted to RMB1,960.2 million, representing a year-on-year increase of 1.7%. In particular, revenue and profit contribution from the International Engineering Contracting Business in China increased substantially, representing 71.8% and 84.1% of the Company's total revenue and total gross profit respectively. As at December 31 2013, the Company's backlog amounted to US\$8,216.9 million, representing a year-on-year increase of 16.4%. The solid financial performance and the excellent growth in results have provided the Company with strong support and a powerful momentum for future development. Furthermore, the Company's market potential was further expanded through CMEC's ever-superb project-contracting capabilities and its long-established superior brand-image in the overseas market.

BUSINESS REVIEW

The year of 2013 marked the first year of CMEC as a listed public company, as well as the first year of CMEC's strategic reform. During the period under review, the Company has successfully adjusted and consolidated our business structure, actively integrated internal and external resources and proposed to transform and upgrade the existing business units into three new business segments, namely international engineering contracting, trading services and investment. By fully leveraging the synergy among each business segment, the Company will fortify the leading position of our International Engineering Contracting Business within the industry, while maintaining a steady development of trading services business, proactively extending our industry chains vertically and exploring new investment opportunities. In the meantime, in order to lay a solid policy and structural foundation for the development of each segment, the Company has refined our internal organization and established professional functional management departments for each segment.

回顧2013年全年業務發展情況，公司以「CMEC未來五年發展戰略規劃」(「**發展戰略**」)為引領，佈局全球市場，調整業務結構，提升管理水平，嚴控風險因素，在國際工程承包、貿易、輔助服務三大業務板塊均取得了良好的成績，強化了CMEC品牌在全球市場的優質形象。回顧期內，公司整體經營狀況保持穩定增長，成功實現全年預定目標。公司總收入為人民幣21,426.3百萬元，同比穩步提升0.6%；淨利水平達人民幣1,960.2百萬元，同比增長1.7%，其中國際工程承包業務收入及利潤貢獻水平增幅明顯，分別佔公司總收入及總毛利的71.8%及84.1%。截至2013年12月31日，公司未完成合同量達8,216.9百萬美元，同比增加16.4%。穩健的財務表現及優異的業績增長為公司未來發展提供了強有力的支持和充足動力。此外，憑借CMEC一如既往的出色項目承包能力以及在海外市場成功樹立的優質品牌形象，公司的市場空間得到進一步擴大。

業務回顧

2013年是CMEC成為上市公眾公司的第一年，也是CMEC開始戰略轉型的第一年。回顧期內，公司順利完成了業務結構的調整與融合，積極整合內外部資源，並提出將現有業務單元轉型升級為國際工程承包、貿易服務和投資三大新業務板塊。通過充分發揮業務板塊間的協同作用，公司將重點強化國際工程承包業務在行業內的領先優勢，穩步發展貿易服務業務，積極縱向延展產業鏈、探索投資類業務。同時，公司亦通過細化內部組織結構，成立負責各業務板塊的專業化職能管理部門，為各板塊的發展提供堅實制度保障和組織基礎。

Chairman's Statement

董事長致辭

In regard to the International Engineering Contracting Business, the Company has further polished the CMEC brand which was widely recognized in the international engineering contracting market by leveraging on our abundant experience accumulated over the years in contracting overseas projects and on our leading project management and commercial operation capabilities. Drawing on our expertise in power infrastructure projects, the Company also ventured into other contracting business areas such as transportation and telecommunications. Moreover, by integrating global industry resources, we have secured the core design technology and industry support for the International Engineering Contracting Business, thereby consolidating the Company's overall strength in the business.

In 2013, the Company's International Engineering Contracting Business achieved excellent results across Asian, African, South American and European markets, while new markets were successfully secured, further bolstering the global geographical coverage of the Company's business. During the period under review, high value projects were carried out in traditional markets such as Equatorial Guinea, Sri Lanka, Iraq, Nigeria, Venezuela and Serbia. On the other hand, the successful procurement of the student apartment project in Canada, the highway project in Papua New Guinea, the heat supply project in Mongolia, the university town project in Jordan and the hospital project in Kenya marked the Company's first entry into these countries' markets and an expansion of our global business reach. In the area of market resources integration, the Company, by intensifying the localized strategy and regional market strategy in well-established traditional markets, managed to gain regional business foothold, strengthen core-market establishment and explore the local market demand, altogether providing a strong drive for the Company's future growth.

By implementing a scientific control system in regard to project expenditure recoverability and project execution, the Company enforced strict regulation in terms of project quality, construction period, cost and safety. The orders of the Company's International Engineering Contracting Business were well executed during the year, with a series of major projects delivered smoothly during the period under review. High-end market projects, such as the central power plant and emergency power generation project in Venezuela and the power plant project in Belarus, overcame difficulties in various aspects such as project design and transition of standards, which, apart from having ensured project earning and profit level, also elevated the Company's integrated capabilities of project execution.

國際工程承包業務方面，基於公司多年來積累的豐富海外項目承包經驗及領先的項目管理和商務運作能力，公司進一步強化在國際工程承包市場上備受認可的CMEC品牌。公司可在電力能源基建領域的項目專長為主導，協同發展交通運輸、電子通訊等多領域承包業務，並通過整合全球產業資源為國際工程承包業務提供核心設計技術及行業支持，穩固了公司國際工程承包業務的綜合實力。

2013年，公司國際工程承包業務在亞洲、非洲、南美洲及歐洲市場表現優異，並成功開拓新市場，進一步拓展優化了公司在全球的業務版圖。回顧期內，公司在赤道幾內亞、斯里蘭卡、伊拉克、尼日利亞、委內瑞拉和塞爾維亞等傳統市場均有較大金額的項目生效。另一方面，加拿大學生公寓項目、巴布亞新幾內亞高速公路項目、蒙古國供熱項目、約旦大學城項目、肯尼亞醫院項目的成功簽訂標誌着公司首次進入該等國家市場，拓展了全球業務版圖。在市場資源整合方面，公司於傳統成熟市場積極推進屬地化及區域化經營策略，建立區域業務根據地，加強核心市場建設，深入挖掘地區市場需求，為公司業務提供未來增長的強勁動力。

依托系統科學的項目款項回收及項目實施控制系統，公司在項目質量、工期、成本和安全方面實施嚴格管控，公司國際工程承包業務全年訂單履約執行情況良好，回顧期內多批重點項目順利交付。委內瑞拉中央電廠、應急發電項目，白俄羅斯燃機電站等高端市場項目更克服了項目設計、標準轉換等多重的挑戰，在保證了項目收入及利潤水平的同時，更提升了公司項目實施的綜合能力。

Chairman's Statement

董事長致辭

As for trading and other ancillary services business, the Company has maintained a tight control over market risk factors and relinquished projects with low added value, thus ensuring a healthy and steady business development. During the period under review, despite a decrease in trading business income, the Company has exerted great efforts, spanning from proactively adopting adjustment measures, carrying out extensive market demand analysis and scientifically establishing sustainable trading business. Besides, the Group laid a solid foundation for business reform and upgrade through expanding into new domestic and overseas markets, integrating business teams and facilitating coordination and cooperation within the Group.

SIGNIFICANT EVENTS

Moreover, during 2013, the Company has taken several significant steps which provided a favorable ground in terms of strategic deployment and business expansion for the Company's future development.

In 2013, the Company embarked on integrating the resources under SINOMACH and managed CNEEC and CNCEC, two resource-rich corporations within the industry, through entrusted management of their equity interests, which created complementary advantages, maximized the synergistic effect and further sharpened the integrated competitiveness of the Company, thereby setting up the preliminary work for the next asset reorganization. In June 2013, the U.S. government duly announced that the sanction previously imposed on the Company in accordance with the U.S. Chemical and Biological Weapons Proliferation Sanctions was lifted. Hence, the Company now enjoys a greater business freedom in the U.S., and enters into a fresh period of rapid business expansion in the markets of developed countries. In addition, the Company entered into a memorandum of understanding with the U.S. General Electric International, Inc. through cordial negotiation, so as to achieve rapid overseas expansion via the sharing of information and technology with the world's leading corporations.

貿易、其他輔助服務業務方面，公司嚴控市場風險因素，主動放棄低附加值業務，保持了該業務的健康平穩發展。回顧期內，儘管貿易業務收入水平有所下降，但公司積極採取調整措施，深入分析市場需求，科學開展可持續發展的貿易業務，並通過拓展國內外新市場、整合各業務團隊、促進集團內部協調合作，為此業務的轉型和升級打下堅實的基礎。

重大事件

2013年內公司也經歷了數個重大發展事件，在戰略佈局及業務拓展方面為公司未來的發展奠定良好基礎。

2013年，公司開始進一步整合國機集團旗下優質資源，分別以股權委託的方式託管中電工、中成套兩家於業內具備優質資源的企業，形成優勢互補，充分發揮協同作用，進一步提升了公司的綜合競爭力，並為下一步資產重組做好前期準備工作。2013年6月美國政府正式發佈通告，解除早前依據其生物武器制裁法對公司實行的制裁，由此公司在美國市場享有更為廣闊的業務空間，這也使公司在發達國家的市場業務拓展進入全新的高速發展階段。另外，公司年內還通過以友好協商方式與美國通用電氣國際公司訂立合作諒解備忘錄，通過與國際領先企業在信息及技術方面的共享實現海外市場的迅速拓展。

Chairman's Statement

董事長致辭

OUTLOOK

During the period under review, for the purpose of coping with the changing market demand and remolding CMEC's core competitive advantages, the Company carried out extensive analysis on external environment changes and our own business structure, and executed astute assessments on future market trends according to the actual market environment; in August 2013, the Company published its "Development Strategy", which set out the direction of the Company's future development, and put emphasis on establishing leading and unique differentiated competitive advantages in areas such as brand reputation, operational model, business network, professional team, commercial operation and financial planning.

The Development Strategy envisaged a developmental vision where the Company paves its way to becoming the world's leading international engineering contractor and service provider, by achieving business breakthrough and by dedicating ourselves to establishing a synergistic developmental layout among the three sectors, namely international engineering contracting, trading services and investment. Under such strategic guideline, the Company shall accelerate the integration and optimization processes of each business sector, and thereby strike ever forward towards the goal of becoming the world's leading engineering contracting service provider.

In the future, the Company shall focus on establishing a diversified business layout primarily comprising three sectors, namely engineering contracting, trading services and investment, and boost the Company's integrated strength by fully utilizing the synergistic advantage derived from each sector. The focus of the engineering contracting business will be on the power sector and the coordinated expansion of diversified business will be carried out while differentiated strategy with respect to regional market and localized strategy will be adopted in order to maximize the synergy effect and optimize resources allocation between different business segments. The focus of the Trading Business will be on business consolidation, materialization of transformation of business model and remolding of the overall competitiveness of the business; meanwhile, we shall explore the investment business, which is the Company's strategic emerging business. All in all, we look to poise ourselves as a leading integrated corporation that is rooted in the infrastructure industry while pursuing diversified development along the industry chains.

未來展望

回顧期內，為應對日益變化的市場需求和重塑CMEC的核心競爭優勢，公司深入分析外部環境變化及自身業務架構，並根據市場實際情況及對未來走勢的敏銳判斷，在2013年8月發佈了「發展戰略」，明確指出了公司未來的發展方向，並強調要在品牌聲譽、運營模式、業務網絡、專業團隊、商務運作、融資策劃等諸多方面構築起領先而獨特的差異化競爭優勢。

發展戰略提出了以業務突破促轉型，着力構建國際工程承包、貿易服務和投資三大業務板塊協同發展格局，致力打造全球領先國際工程承包與服務商的發展願景。在此戰略指導下，公司將加速推進各項業務整合優化，向國際領先工程承包服務商的目標不斷邁進。

未來，公司將着力構建工程承包、貿易服務和投資三大板塊為主體的多元業務格局，通過發揮各業務協同優勢，進一步提升公司綜合實力。工程承包業務將以電力能源為核心、協同進行多元行業拓展，採取差異化的區域市場策略和屬地化策略，以實現各業務板塊協同效應的最大化和資源配置的最優化；貿易業務將着力業務整合，實現業務模式轉型，重塑業務整體競爭力，並努力開拓公司的戰略新興業務—投資業務，成為立足於基礎設施行業，沿產業鏈進行相關多元化發展的一流綜合型企業。

Chairman's Statement

董事長致辭

In terms of market planning, the Company will continue its earnest endeavor to form a balanced market layout of overseas market and domestic market, thus providing ample momentum for the Company's future development. Through constructions in key overseas markets and expanding into new markets, the Company will fully seize the new round of market opportunities brought about by the escalation of demand in the global infrastructure industry. In line with the development of trading services and investment business, the Company will provide the world market with superior and comprehensive infrastructure construction services, and thus achieve another rise in CMEC's brand value.

Looking into the future, as the world's economy starts to recuperate, the demand for global infrastructure construction also increases gradually. Determined to firmly grasp this historical opportunity for development, the Company, with the three business segments as our launching platform, will consolidate our leading businesses and mature markets while proactively exploring new business and emerging markets, driving the rapid transformation and upgrading of traditional businesses, providing comprehensive support to the construction services of the international contracting projects and facilitating a diversified business development as well as a further increase in profit. In the meantime, the Company will continue to optimize the scientific planning of our businesses on a global scale, and by paying close attention to the trend of domestic infrastructure construction market on top of having fully explored the significant growth potentials in the emerging countries' markets, the Company will utilize our accumulated superior resources and project experience to progressively explore various commercial opportunities from both domestic and overseas markets, thus bringing exceedingly good results to our mass of shareholders in return.

Finally, on behalf of the Board, I would like to take this opportunity to express our sincere gratitude to the shareholders and people from various sectors for their concern and support, and to all of the Company's staff who joined us in our endeavors!

SUN Bai
Chairman

Beijing, China
April 15, 2014

在市場佈局方面，公司也將積極推進海外市場與國內市場並行發展的均衡市場格局，為公司未來發展提供充足動力。通過海外重點市場建設及新市場拓展，公司將充分捕捉全球基建行業需求升級帶來的新一輪市場機遇，配合貿易服務和投資業務的發展，為全球市場提供優質、全面的基礎設施建設服務，實現CMEC品牌價值的再次提升。

展望未來，世界經濟開始復甦，全球基礎設施建設需求逐步提升。公司將緊抓行業發展歷史機遇，以三大業務板塊為發展平台，鞏固已有優勢業務及成熟市場，積極開拓新業務和新興市場，帶動傳統業務的快速轉型和升級，為國際承包項目的建設服務提供全面支持，促進業務的多元化發展及利潤的進一步提升。與此同時，公司也將繼續完善業務的全球科學佈局，在充分挖掘新興國家市場的巨大增長潛力的基礎上積極關注國內基礎設施建設市場的發展，利用業已積累的優質資源及項目經驗，逐步拓展海內外各種商業機會，以更優異的業績表現回饋廣大股東。

最後，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公司全體同仁表
示衷心的感謝！

孫柏
董事長

中國北京
2014年4月15日

Company Profile

公司簡介

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 December 31, 2013, the Company had a total of 908,270,000 H Shares and 3,217,430,000 non-tradable Domestic Shares issued. The Company has a primary focus on EPC projects and 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.

Prospects for Enterprise Development: Becoming the world's leading international engineering contractor and service provider and transforming itself into a first class conglomerate in the world through cutting-edge innovation and value creation.

Competitive Strengths: Brand reputation, operational model, business network, professional team, business operation, financial planning.

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 engineering contracting projects, especially in developing countries, and also undertake 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 its 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.

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

本公司成立於1978年，是中國第一家大型工貿企業，是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12月31日，本公司已發行合共908,270,000股H股及3,217,430,000股尚未流通的內資股。本公司主要專注於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。

企業發展遠景：全球領先的國際工程承包商和服務商，體現在創新領先、價值創造、全球一流、綜合型企業。

競爭優勢：品牌聲譽、運營模式、業務網絡、專業團隊、商務運作、融資策劃。

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，尤其是於發展中國家，並已在超過47個國家承接工程承包項目，主要於亞洲及非洲。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及業務交易而建立。

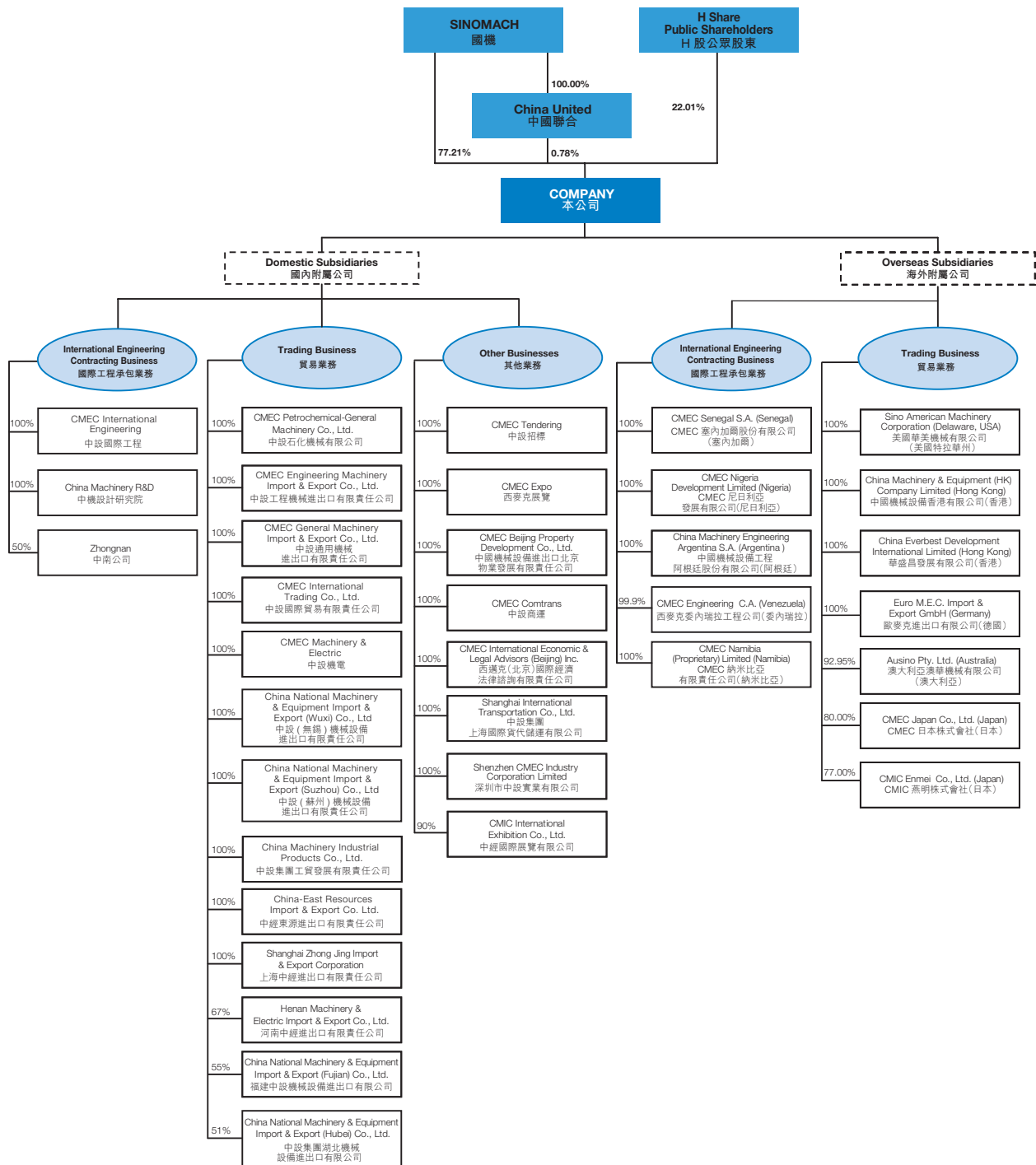
其他業務：本公司從事較小程度的其他業務，提供物流服務、展覽服務、招標代理服務及其他服務（包括設計服務及進出口代理服務）。

Company Profile

公司簡介

Corporate Structure: As at December 31, 2013, the Company's corporate structure was as follows:

企業架構：於2013年12月31日，本公司企業架構如下：



Key Operating and Financial Data

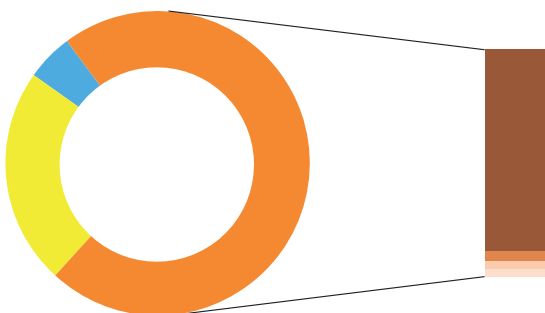
重要經營及財務數據

Revenue Structure in 2013

2013年收入結構

Unit: RMB million

單位：人民幣百萬元



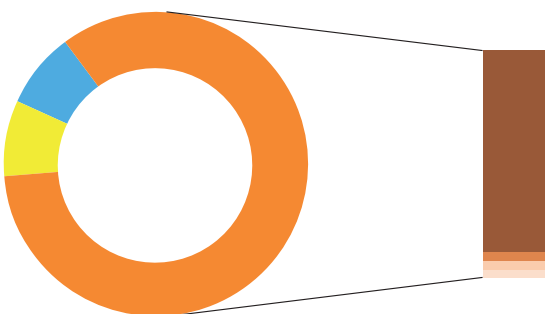
	收入 Revenue	收入佔比 Revenue Breakdown
工程板塊IEC	15,386	72%
-電力能源Power	12,266	57%
-交通運輸Transportation	830	4%
-電子通訊Telecommunications	800	4%
-非核心行業Non-Core Sectors	1,490	7%
貿易板塊Trading	4,908	23%
其他業務Other Businesses	1,133	5%
總計Total	21,426	100%

Gross Profit Structure in 2013

2013年毛利結構

Unit: RMB million

單位：人民幣百萬元



	毛利 Gross Profit	毛利佔比 Gross Profit Breakdown
工程板塊IEC	3,148	84%
-電力能源Power	2,850	76%
-交通運輸Transportation	94	3%
-電子通訊Telecommunications	87	2%
-非核心行業Non-Core Sectors	116	3%
貿易板塊Trading	281	8%
其他業務Other Businesses	315	8%
總計Total	3,743	100%

Key Operating and Financial Data

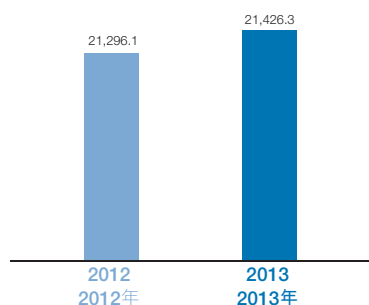
重要經營及財務數據

1. Revenue

收入

Unit: RMB million

單位：人民幣百萬元

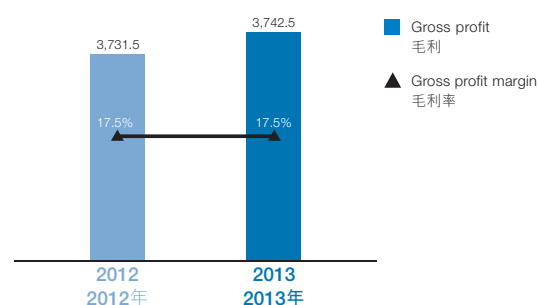


2. Gross Profit and Gross Profit Margins

毛利及毛利率

Unit: RMB million

單位：人民幣百萬元

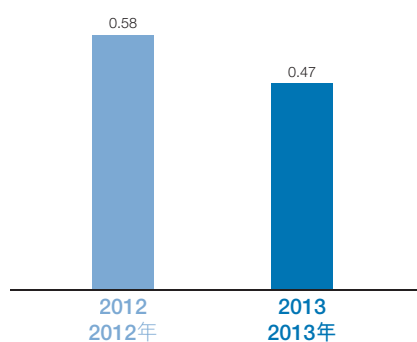


3. Basic Earnings per Share

每股基本盈利

Unit: RMB

單位：人民幣

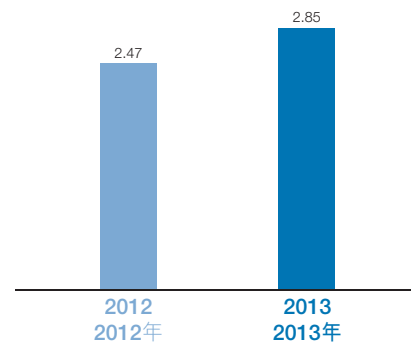


4. Net Asset Per Share

每股淨資產

Unit: RMB

單位：人民幣

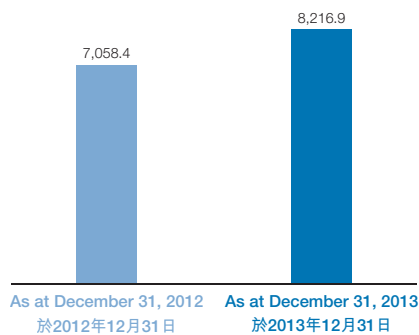


5. Backlog for the International Engineering Contracting Business

國際工程承包業務未完成合同量

Unit: US\$ million

單位：百萬美元

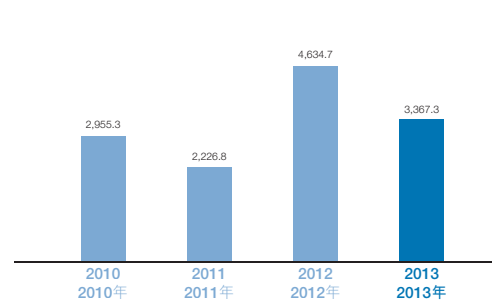


6. Newly Effective Contract Value for the International Engineering Contracting Business

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



Key Operating and Financial Data

重要經營及財務數據

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

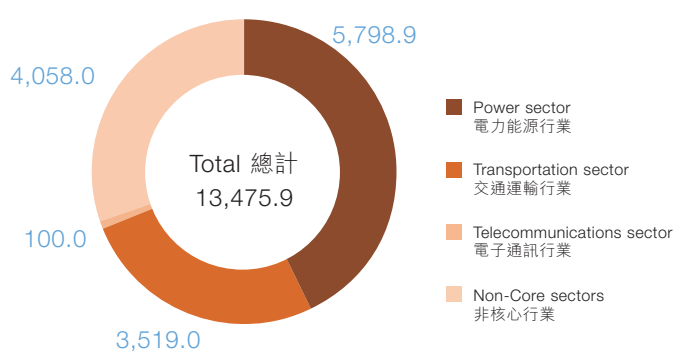
國際工程承包業務的已簽約待生效合同

As at December 31, 2013

於2013年12月31日

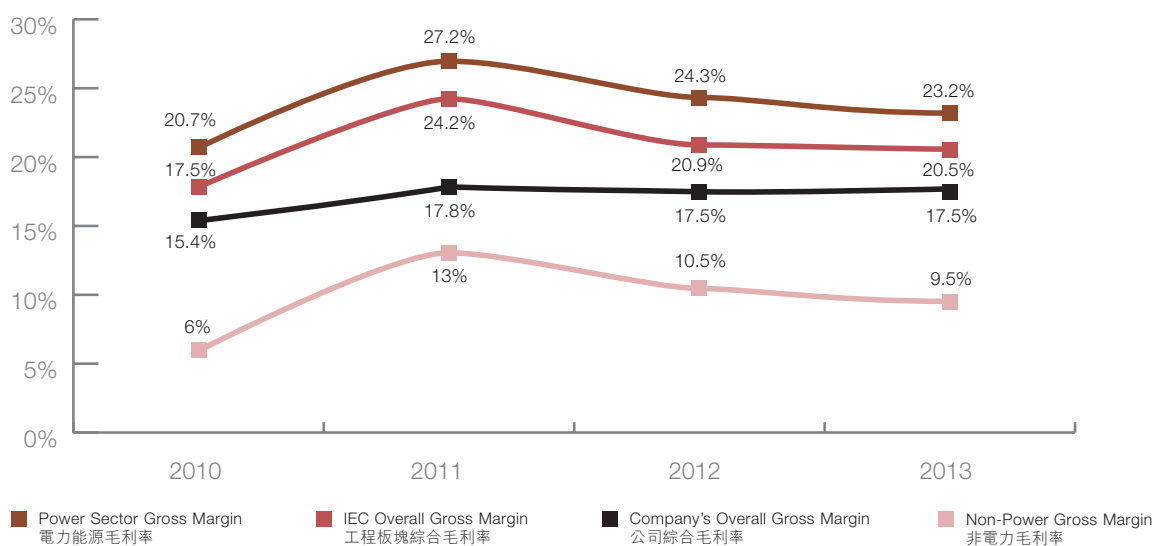
Unit: US\$ million

單位：百萬美元



8. Gross Margin for the International Engineering Contracting Business ("IEC")

工程板塊毛利率



Financial Highlights

財務摘要

		Year ended December 31, 截至12月31日止年度				
		2013	2012	2011	2010	2009
		2013年	2012年	2011年	2010年	2009年
		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
Revenue	收入	21,426,272	21,296,063	20,517,769	19,077,015	19,287,696
Gross profit	毛利	3,742,458	3,731,510	3,659,031	2,942,373	1,759,611
Other revenue and other income/ (expenses), net	其他收入及其他收入/ (開支)淨額	365,826	22,115	6,637	9,166	(12,053)
Operating expenses	經營開支	(1,780,132)	(1,690,383)	(1,521,026)	(1,416,200)	(1,189,516)
Profit from operations	經營溢利	2,328,152	2,063,242	2,144,642	1,535,339	558,042
Profit before taxation	除稅前溢利	2,664,105	2,615,878	1,987,369	1,561,417	834,669
Income tax	所得稅	(703,864)	(687,716)	(515,026)	(429,248)	(224,520)
Profit for the year	年內溢利	1,960,241	1,928,162	1,472,343	1,132,169	610,149
Total other comprehensive income	年內其他綜合收益	14,745	(3,720)	1,235	3,042	(270)
Total comprehensive income for the year	年內綜合收益總額	1,974,986	1,924,442	1,473,578	1,135,211	609,879
Profit attribute to:	溢利歸屬於:					
– Shareholders of the Company	– 本公司股東	1,959,257	1,927,689	1,474,893	1,136,475	613,600
– Non-controlling interests	– 非控股權益	984	473	(2,550)	(4,306)	(3,451)
Total comprehensive income attributable to:	綜合收益總額歸屬於:					
– Shareholders of the Company	– 本公司股東	1,974,823	1,925,325	1,475,096	1,137,945	613,647
– Non-controlling interests	– 非控股權益	163	(883)	(1,518)	(2,734)	(3,768)
Basic and diluted earnings per share (expressed in RMB per share)	每股基本及攤薄盈利 (人民幣元)	0.47	0.58	0.45	0.34	0.19
Total non-current assets	非流動資產總額	6,049,264	6,833,778	7,277,172	6,768,437	6,841,762
Total current assets	流動資產總額	25,903,900	27,936,051	19,331,069	18,619,812	13,037,629
Total assets	資產總額	31,953,164	34,769,829	26,608,241	25,388,249	19,879,391
Total non-current liabilities	非流動負債總額	407,162	581,888	737,109	1,976,772	2,372,515
Total current liabilities	流動負債總額	19,789,941	24,270,518	20,497,237	19,446,465	14,486,335
Total liabilities	負債總額	20,197,103	24,852,406	21,234,346	21,423,237	16,858,850
Equity attributable to shareholders of the Company	本公司股東應佔權益	11,739,625	9,920,341	5,379,736	3,969,407	3,022,038
Non-controlling interests	非控股權益	16,436	(2,918)	(5,841)	(4,395)	(1,497)
Total equity	權益總額	11,756,061	9,917,423	5,373,895	3,965,012	3,020,541
Total equity and liabilities	權益及負債總額	31,953,164	34,769,829	26,608,241	25,388,249	19,879,391

Management Discussion and Analysis

管理層討論及分析



I. INDUSTRY OVERVIEW

In 2013, the global economy continued to undergo slow recovery and the growth was stagnant. The economic recovery of the developed countries was influenced by a series of factors and the growth momentum did not offer optimistic prospect. The economy of the United States recovered modestly, but being clouded with financial deficits, the United States was forced to reduce its expenditures. The unemployment rate in the United States still maintained at a relatively high level and the monetary policy of quantitative easing reached a turning point. Being embattled and crushed by the debt crisis, the European economy continued to be mired in recession and started to limp out of recession with the economy still recording negative growth throughout the year.

I. 行業概覽

2013年全球經濟繼續處於緩慢的復甦過程中，但增長乏力。發達國家經濟復甦受一系列因素的影響，增長勢頭難以令人樂觀。美國經濟溫和復甦，但受財政赤字問題困擾，不得不削減開支，失業率仍然維持在較高水平，量化寬鬆貨幣政策迎來轉折點。歐洲經濟受債務危機衝擊繼續在衰退泥潭中掙扎，艱難的開始擺脫衰退，但全年經濟仍是負增長。

Management Discussion and Analysis

管理層討論及分析



The overall economic performance of the developing countries was better than that of the developed countries and the pace of growth of the developing countries was still obviously faster, therefore continued to reduce the difference with the developed countries in terms of aggregate economic volume. Pursuant to the latest forecast of IMF, as calculated by the purchasing power parity, the proportion of the GDP of the developing countries in the global GDP exceeded the GDP of the developed countries for the first time in 2013.

發展中國家的經濟總體好於發達國家，增長速度仍舊明顯較快，在經濟總量上繼續縮小與發達國家的差距。根據IMF最新估計，按購買力平價法計算，2013年發展中國家GDP佔全球GDP的比重歷史上首次超過發達國家。

Management Discussion and Analysis

管理層討論及分析

A. INTERNATIONAL ENGINEERING CONTRACTING INDUSTRY

Global infrastructure engineering investment value increased at a CAGR of approximately 5.7% from 2009 to 2013. The economic recession in 2011 resulted from the European sovereign debt crisis had minimal impact on global infrastructure engineering investment value which maintained a positive growth of approximately 5.3%, from approximately US\$3,770 billion in 2010 to approximately US\$3,971 billion in 2011 as infrastructure engineering projects were mostly funded by the governments. The global infrastructure engineering investment value was approximately US\$4,508 billion in 2013, with growth contributed mainly by developing countries. Developing countries' infrastructure engineering investment value grew at a CAGR of approximately 7.8%, from approximately US\$2,872 billion in 2009 to approximately US\$3,879 billion in 2013. After the global financial crisis, international engineering contractors started venturing outside their home countries that were experiencing market downturn, and tapping into new markets in developing countries which usually enjoy stronger economic growth with increasing private and public fixed capital expenditure in light of their ageing infrastructure.

A. 國際工程承包行業

於2009年至2013年，全球基建工程投資金額按複合年增長率約5.7%增加。由於基建工程項目大多由政府出資，故由歐洲主權債務危機於2011年所引發的經濟衰退對全球基建工程投資金額產生的影響甚微，投資金額維持約5.3%正增長，由2010年約37,700億美元增加至2011年約39,710億美元。於2013年，全球基建工程投資金額約為45,080億美元，當中大部分增長來自發展中國家。發展中國家的基建工程投資金額按複合年增長率約7.8%增加，由2009年約28,720億美元增加至2013年約38,790億美元。全球金融危機過後，國際工程承包商開始踏出市況低迷的本土市場，繼而邁向發展中國家拓展新市場，該等發展中國家一般錄得較強勁的經濟增長，並且因應其陳舊的基建不斷增加私人及公共固定資本開支。



Management Discussion and Analysis

管理層討論及分析



The total new contract value of infrastructure engineering projects in global market was approximately US\$947.9 billion in 2013, whilst the total new contract value of infrastructure engineering projects in developing countries reached approximately US\$864.3 billion in 2013, accounting for approximately 91.2% of the total new contract value of infrastructure engineering projects in global market.

於2013年，全球市場的基建工程項目新合同總金額約為9,479億美元，當中發展中國家於2013年的基建工程項目新合同總金額達至約8,643億美元，佔全球市場的基建工程項目新合同總金額約91.2%。

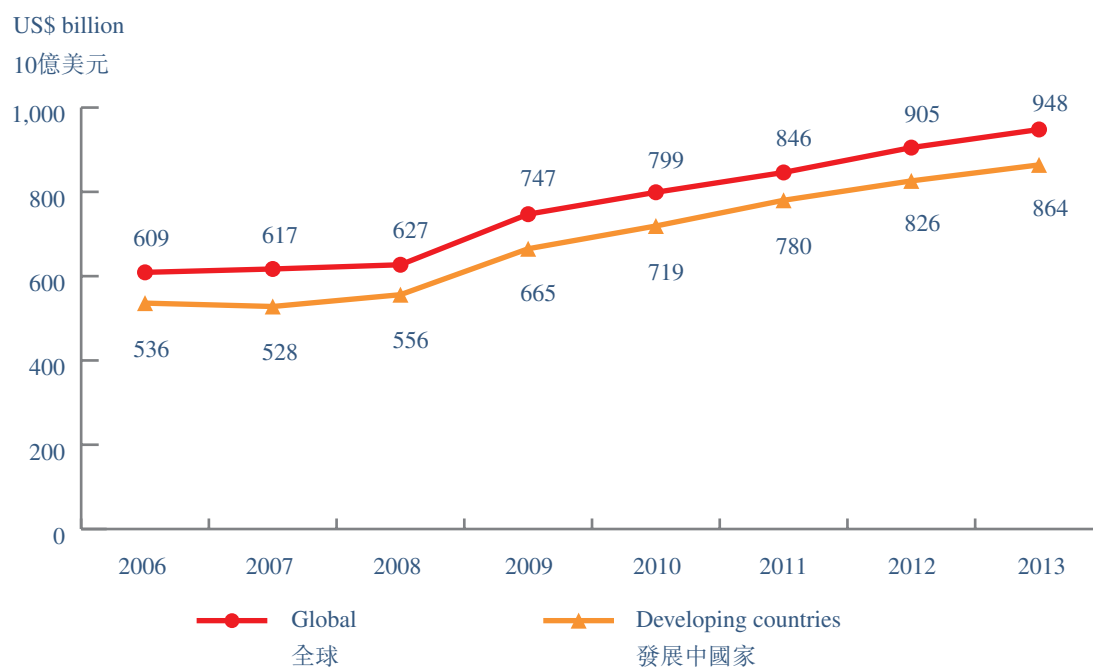
Management Discussion and Analysis

管理層討論及分析



Total New Contract Value of Infrastructure Engineering Projects for Global Market and in Developing Countries from 2006 to 2013

2006年至2013年全球市場及發展中國家基建工程項目的新合同總金額



Management Discussion and Analysis

管理層討論及分析

Note: Data includes the infrastructure engineering projects in the sectors of power-related (electricity) infrastructure, transportation infrastructure, and telecommunications infrastructure

附註： 數據包括於電力能源（電力）基建、交通運輸基建及電子通訊基建分部之基建工程項目

Sources: China International Contractors Association; ENR; Ipsos Report

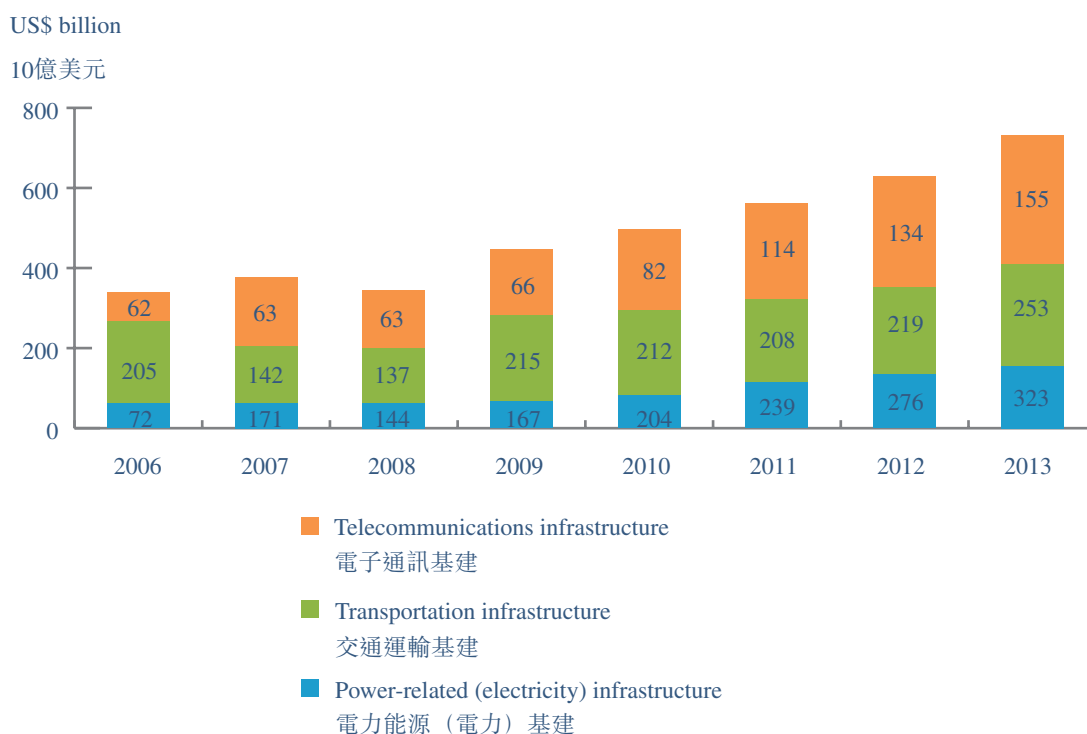
資料來源： 中國對外承包工程商會；工程新聞記錄；益普索報告

The new contract value of power, transportation and telecommunications sectors in developing countries together contributed approximately 84.5% to the total new contract value of infrastructure engineering projects in developing countries in 2013, of which power-related, transportation and telecommunications sectors each accounted for approximately 37.3%, 29.3% and 17.9%, respectively, of the said value.

於2013年，發展中國家的電力、交通運輸及電子通訊分部的新合同金額合共佔發展中國家的基建工程項目新合同總金額約84.5%，當中電力能源、交通運輸及電子通訊分部分別佔上述金額約37.3%、29.3%及17.9%。

New Contract Value of Infrastructure Engineering Projects by Infrastructure Types in Developing Countries from 2006 to 2013

2006年至2013年按基建類別呈列的發展中國家基建工程項目的新合同金額



Sources: China International Contractors Association; ENR; Ipsos Report

資料來源： 中國對外承包工程商會；工程新聞記錄；益普索報告

Management Discussion and Analysis

管理層討論及分析

Asia and Africa remained as focuses of infrastructure projects undertaken by Chinese contractors internationally, accounting for approximately 38.9% and 34.9%, respectively, of the total value of international engineering projects undertaken by Chinese contractors.

According to the Ipsos Report, the top 5 Chinese contractors contributed approximately 48.6%, or approximately US\$11,311 million, to the total revenue of the international power-related projects in the global market in 2013 and among those top 5 Chinese contractors, our Company ranked second.

According to the Ipsos Report, Chinese contractors are having increasing share in the global market, especially in the international power-related (electricity) projects, owing to the fact that the international engineering contracting players in China have stepped up on a continual and fast growing pace, resulting from the PRC government's policy of the "Go Global Strategy".

B. TRADING INDUSTRY

China's international trade value grew dramatically from 2001 to 2013. Import value of China grew at a CAGR of approximately 18.9% while export value grew at a CAGR of approximately 19.3% from 2001 to 2013. Pursuant to China's accession to the World Trade Organization in December 2001, the country committed itself to additional reforms. Sustained implementation of these commitments further deepened China's internationalization.

亞洲及非洲仍為中國承包商承接國際基建項目的重點地區，分別佔中國承包商承接國際工程項目總金額約38.9%及34.9%。

根據益普索報告，於2013年，中國五大承包商佔全球市場的國際電力能源項目總營業額約48.6%或約11,311百萬美元，而本公司在該五大中國承包商中名列第二位。

根據益普索報告，中國承包商於全球市場的份額不斷增加，特別是在國際電力能源（電力）項目領域，此乃由於在中國政府提倡的「走出去戰略」的政策下，中國國際工程承包商已持續加快增長步伐。

B. 貿易行業

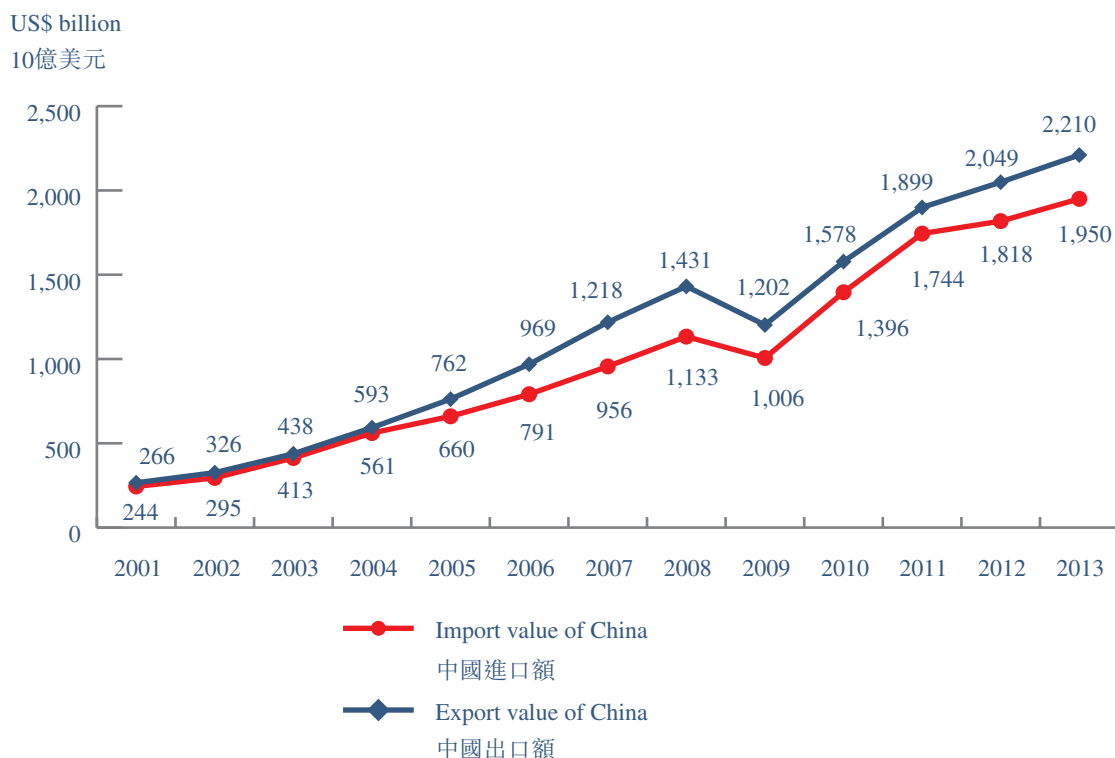
中國的國際貿易金額於2001年至2013年間大幅增長。由2001年至2013年，中國的進口額按複合年增長率約18.9%增加，而出口額則按複合年增長率約19.3%上升。隨著中國於2001年12月加入世界貿易組織，國家已承諾進行進一步改革。中國持續履行該等承諾使其更趨向國際化。

Management Discussion and Analysis

管理層討論及分析

Import and Export Value of China from 2001 to 2013

2001年至2013年中國進出口額



Sources: China Customs; Ipsos Report

資料來源：中國海關；益普索報告

Trends and Developments of China Trade

中國貿易的趨勢及發展

1. *Increasing demand for machinery and mechanical appliance, and electrical equipment made in China*

1. *對中國製造的機械電器及電子設備需求上升*

- The recovery of the global economy drove an increasing demand for the imports of machinery and mechanical appliance, and electrical equipment from China, due to their quality and reasonable price.

- 由於中國機械設備及電子設備質優且價格合理，故全球經濟復甦帶動其進口需求上升。

Management Discussion and Analysis

管理層討論及分析

- Developing countries, such as those in Latin America, the Middle East and Africa, were less affected by the financial crisis and the European sovereign debt crisis. These developing countries maintain a stable economic growth whilst they do not have mature technology for domestic production. Hence they rely heavily on imported equipment for completing their local infrastructure and construction projects.

2. Steady growth in foreign trade value with more evenly distributed trade opportunity amongst different regions in China

- According to the “Twelfth Five-Year Plan”, the PRC government aims to have a more balanced foreign trade with an annual growth of approximately 10.0%, in terms of foreign trade value, from 2011 to 2015. The foreign trade value is forecasted to reach approximately US\$4,800 billion by 2015.
- The PRC government seeks to improve the foreign trade development across different regions in China. For example, the share of foreign trade value in Central and Western China is aimed to increase at an annual growth rate of approximately 5.0% from 2011 to 2015, and account for approximately 15.0% of the total trade value in China by 2015.

3. Rise in trading of electromechanical products

- Based on the “Twelfth Five-Year Plan”, the PRC government aims to increase the foreign trade value, including both imports and exports, of electromechanical products to approximately US\$2,500 billion by 2015, with an annual growth rate of approximately 10.0% from 2011 to 2015. Electromechanical products will be the focus of China’s foreign trade development with an expected share of approximately 52.1% of the total foreign trade value in China by 2015.

- 金融危機及歐洲主權債務危機對拉丁美洲、中東及非洲等發展中國家的影響較小。該等發展中國家保持穩定的經濟增長，但缺乏成熟的技術支持國內生產，故十分依賴進口設備以完成其本土基建及建設項目。

2. 外貿額穩步上揚且中國不同地區的貿易機會分佈愈趨平均

- 根據「十二五規劃」，中國政府以達致更平衡的外貿發展為目標，使2011年至2015年外貿額的年度增長率達至約10.0%。預測外貿額於2015前達至約48,000億美元。
- 中國政府致力改善中國不同地區的外貿發展。舉例而言，中國中西部地區於2011年至2015年外貿份額以按年度增長率約5.0%上升為目標，致力於2015年前佔中國貿易總額約15.0%。

3. 機電產品貿易上升

- 根據「十二五規劃」，中國政府的目標是將機電產品的外貿額（包括進出口）於2015年前增加至約25,000億美元，使2011年至2015年的年度增長率達至約10.0%。機電產品將成為中國外貿發展的重點，預期於2015年前佔中國外貿總額約52.1%。

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II. BUSINESS OVERVIEW

A. INTERNATIONAL ENGINEERING CONTRACTING BUSINESS

The Company is a leading international engineering contracting and service provider with a primary focus on EPC projects and particular expertise in the power sector. Our International Engineering Contracting Business is one of the traditional core businesses of the Company, representing approximately 71.8% of the Company's total revenue in 2013.

The following table sets forth the details of the International Engineering Contracting Business for the year ended December 31, 2013 and the comparative figures for the year ended December 31, 2012:

II. 業務概覽

A. 國際工程承包業務

我們是中國領先的國際工程承包與服務商，主要專注於EPC項目，特別專長於電力能源行業。我們的國際工程承包業務為本公司傳統核心業務之一，約佔2013本公司總收入的約71.8%。

下表載列截至2013年12月31日止年度國際工程承包業務詳情，以及截至2012年12月31日止年度的比較數字：

Unit: RMB million
單位：人民幣百萬元

				2013 2013年	% of Total 總額的%	2012 2012年	Year- on-year Growth 按年增長
Revenue	Power	收入	電力能源	12,265.6	79.7%	10,047.3	22.1%
	Transportation		交通運輸	829.9	5.4%	1,202.1	-31.0%
	Telecommunications		電子通訊	800.4	5.2%	733.9	9.1%
	Non-Core Sectors		非核心行業	1,489.7	9.7%	1,261.4	18.1%
	Total		總計	15,385.6	100%	13,244.7	16.2%
Gross profit	Power	毛利	電力能源	2,850.2	90.5%	2,437.7	16.9%
	Transportation		交通運輸	93.9	3.0%	78.4	19.8%
	Telecommunications		電子通訊	87.3	2.8%	64.7	34.9%
	Non-Core Sectors		非核心行業	116.0	3.7%	191.6	-39.5%
	Total		總計	3,147.4	100%	2,772.4	13.5%

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As at December 31, 2013, our engineering contracting projects were undertaken in more than 47 countries and regions over the world, with a primary focus in Asia and Africa. There were a number of successful completed projects and ongoing projects in South America and Europe. The following map indicates the locations of our engineering contracting projects from 2009 to 2013.

截至2013年12月31日，我們的工程承包項目遍及全球47餘個國家和地區，主要分佈在亞洲及非洲，南美洲和歐洲也有諸多成功的完工和在建項目。以下地圖顯示工程承包項目於2009年至2013年的位置。



The following table sets forth a breakdown of the revenue from the Group's International Engineering Contracting Business by geographic locations for the year ended December 31, 2013:

下表載列截至2013年12月31日止年度按地理位置劃分的本集團國際工程承包業務收入明細：

		2013 2013年 RMB million 人民幣百萬元	% of Total 總額的%
Asia	亞洲	5,195.7	33.8%
Africa	非洲	4,605.7	29.9%
Europe	歐洲	3,428.8	22.3%
South America	南美洲	2,155.4	14.0%
Total	總計	15,385.6	100%

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In 2013, the International Engineering Contracting Business maintained positive growth and its core position became more prominent. The Company analyzed the internal and external situations in detail and spared no effort in procuring the signing and coming into effect of the projects. The Company also convened a number of business operation meetings and thematic conferences which aimed at analyzing practical difficulties of replicating core projects for development and identified specific solutions, through which a batch of projects were contracted and became effective. While achieving satisfactory progress in the performance and development of projects, we continued to promote refined management of projects and optimized project work flow. Continuous endeavor was made in strengthening the management and control of various aspects of project execution with particular emphasis on executive direction and operation, so as to play a more active and predominant role in the aspects of project decision and allocation and sharing of key resources.

1. Satisfactory Project Performance

As at the end of December 2013, the Company's ongoing projects were mainly located in Asia and Africa, which were the two principal markets of the International Engineering Contracting Business. The number of ongoing projects in South Africa and Europe was gradually increasing. Power, transportation and telecommunications sectors remained the three core business sectors of the Company, of which the power sector continued to occupy the dominant role. As a whole, the quality, construction period, cost and safety of major ongoing projects were better controlled. In particular, for projects situated at the quasi-developed countries such as the central power plant and emergency power generation project in Venezuela and the power plant project in Belarus, the Company successfully overcame the difficulties in various aspects such as design and transition of standards, thus ensured a smooth progress of those projects.

2013年，國際工程承包業務保持良好的增長，核心地位更加突出。公司深入分析內外部形勢，不遺餘力促進項目的簽約及生效，多次召開業務辦公會議和專題會議，反復分析重點開發項目中的實際困難，找到解決問題的具體方法，促成了一批簽約並生效的項目。另外，在項目履約及開發方面均取得較好的進展，同時繼續推進項目精細化管理，優化項目流程，不斷加強對項目執行的各環節的管控能力，注重領導層的指導和運作，在項目決策、關鍵資源的調配和共享等方面發揮了更積極的主導作用。

1. 項目履約情況良好

截至2013年12月底，公司的在建項目主要位於亞洲及非洲這兩個國際工程承包業務的主要市場。在南美洲和歐洲的在建項目數量逐漸上升。電力能源、交通運輸和電子通訊行業仍為本公司三大核心業務領域，電力能源行業繼續佔據主導地位。總體來看，公司對各主要在建項目都較好地控制了質量、工期、成本和安全。尤其是委內瑞拉中央電廠及應急發電站項目，白俄羅斯燃機電站項目等位於準發達國家市場的項目，公司克服了在設計、標準轉換等方面的困難，保證了工程進度。

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In 2013, certain completed projects of the Company were highly acclaimed: the power transmission and transformation project and the national dispatching centre project in the Republic of Congo were approved for final acceptance and were fully delivered to the project owners; all three generators of the Thaukyegat (2) hydropower project in Myanmar achieved early delivery; the project of Naypyidaw International Airport in Myanmar obtained the “Final Acceptance Certificate”; and the N'Djamena-Djermaya 66kV high voltage power transmission project in Chad was completed and came on stream. Furthermore, the power plant project in Sri Lanka was awarded the bronze award of international project management for the second time by the International Project Management Association in Croatia, and the project of EREN power plant in Turkey obtained the first prize of the Excellent Design Award for Overseas Power Projects issued by the China Electric Power Planning & Engineering Association. All of these awards and recognitions further enhanced the brand image of CMEC.

2. New Progress on Project Origination and Projects Becoming into Effect and Breakthrough in Expansion into New Markets

In 2013, the values of the newly signed and newly effective contracts of the International Engineering Contracting Business achieved ideal results and accomplished the operational goals set at the beginning of the year.

Fruitful results in deepening traditional market. The Company had new projects signed in countries such as Equatorial Guinea, Sri Lanka, Iraq, Nigeria, Venezuela and Serbia, which all had a contract value of over US\$100 million each.

Breakthrough in the expansion into new markets. The Company signed definitive agreements in countries and regions such as Canada, Papua New Guinea, Mongolia, Jordan and Kenya for the first time, which expanded the geographic presence of the International Engineering Contracting Business.

2013年，公司的一批完工項目獲得好評：剛果輸變電項目及國家調度中心工程項目通過了最終驗收全線移交業主；緬甸道耶卡(2)水電站項目三台機組全部實現提前移交；緬甸內比都國際機場項目取得「最終驗收證書」；乍得加賀瑪雅－恩賈梅納66kV高壓輸電線路項目竣工通電等。另外，斯里蘭卡電站項目又一次在克羅地亞獲得了國際項目管理協會頒發的國際項目管理銅獎，土耳其 EREN 電站項目獲得了由中國電力規劃設計協會頒發的電力行業優秀境外發電工程設計一等獎，這些獎項和榮譽都進一步提升了 CMEC 的品牌形象。

2. 項目開發、生效有新進展，新市場開拓有突破

2013年，國際工程承包業務的新簽約和新生效合同額都取得了較好的成績，完成了年初確定的經營目標。

*深挖傳統市場有收穫。*公司在赤道幾內亞、斯里蘭卡、伊拉克、尼日利亞、委內瑞拉及塞爾維亞等國均簽訂合同金額各超過100百萬美元的新項目。

*開拓新市場有突破。*公司首次在加拿大、巴布亞新幾內亞、蒙古、約旦、肯尼亞等國家和地區正式簽署合同，擴大了國際工程承包業務的地理版圖。

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Innovation of the financing model of projects. The student apartment project in Canada and the heat supply project in Mongolia marked the first time that the Company adopted special credit insurance provided by Sinasure to undertake and finance projects.

項目融資模式有創新。加拿大學生公寓項目、蒙古供熱項目是公司首次採用中國信保的特殊信用保險種承攬項目，並為項目融資。

The following table sets forth the details of the International Engineering Contracting Business for the year ended December 31, 2013 and the comparative figures for the year ended December 31, 2012:

下表載列截至2013年12月31日止年度國際工程承包業務詳情，以及截至2012年12月31日止年度的比較數字：

Unit: US\$ million
單位：百萬美元

				2013 2013年	% of Total 總額的%	2012 2012年	Year- on-year Growth 按年增長
Newly effective contract value	Power	新生效	電力能源	1,444.8	42.9%	4,126.8	-65.0%
	Transportation	合同金額	交通運輸	721.1	21.4%	9.0	>100%
	Telecommunications		電子通訊	366.0	10.9%	11.4	>100%
	Non-Core Sectors		非核心行業	835.4	24.8%	217.5	>100%
	Total		總計	3,367.3	100%	4,364.7	-22.9%
			As at December 31, 2013 於2013年 12月31日	% of Total 總額的%	As at December 31, 2012 於2012年 12月31日	Increase/ (decrease) 增長/ (減少)	
Backlog	Power	未完成	電力能源	5,869.1	71.4%	6,205.6	-5.4%
	Transportation	合同量	交通運輸	875.5	10.7%	287.5	>100%
	Telecommunications		電子通訊	340.6	4.1%	105.3	>100%
	Non-Core Sectors		非核心行業	1,131.7	13.8%	460.0	>100%
	Total		總計	8,216.9	100%	7,058.4	16.4%
Signed contracts pending to be effective	Power	已簽約待	電力能源	5,798.9	43.0%	5,172.8	12.1%
	Transportation	生效合同	交通運輸	3,519.0	26.1%	3,630.4	-3.1%
	Telecommunications		電子通訊	100.0	0.7%	283.2	-64.7%
	Non-Core Sectors		非核心行業	4,058.0	30.2%	3,015.9	34.6%
	Total		總計	13,475.9	100%	12,102.3	11.3%

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3. Emerging Benefits of the Core Market Structure

In 2013, each business team of the Company increased their working efforts in strengthening the presence in core markets. We intensified our effort in developing existing markets and adopted various specific initiatives, which included the completion of research reports and the comprehensive implementation of development planning of certain core markets and localization policies of staff and procurements. Through the joint efforts of each business team, newly signed and newly effective projects in the majority of areas of the principal core markets were achieved.

4. Further Enhancement of Engineering Technical Capabilities

On the one hand, fundamental technological works were further improved. In 2013, the Company completed the preliminary work regarding engineering technology filing and archiving, enriched the standard base of technology and introduced the business database. On the other hand, the cooperation between China Machinery R&D and Zhongnan in the International Engineering Contracting Business became more adept and the synergy effect became more distinct. China Machinery R&D established its Beijing branch this year which was operating well and provided strong technological guarantee for the Company's engineering contracting projects. In 2013, we further tapped on the technological potential of Zhongnan and completed the preliminary technology proposals for many power projects.

3. 核心市場建設見成效

2013年，公司各業務團隊在核心市場建設方面加大工作力度，在已有市場深耕細作，採取多種具體舉措，包括完成部分核心市場的調研報告和發展規劃，深入實踐員工屬地化和採購屬地化等措施。通過各業務團隊的共同努力，在主要核心市場中，大部分地區都有新簽約和新生效項目。

4. 工程技術能力繼續得到提升

一方面，基礎技術工作進一步完善。2013年，公司完成了工程技術檔案的前期工作，充實了技術標準庫，發佈了業務數據庫。另一方面，中機設計研究院和中南公司在國際工程承包業務的合作更加順暢，協同效應進一步凸顯。中機設計研究院於今年成立了北京分公司，現已投入正常運行，今後將為公司的工程承包項目提供強有力的技術保障。在2013年，中南公司的技術潛力得到了進一步發揮，為許多電力項目完成了前期技術方案。

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B. TRADING BUSINESS

Leveraging on our broad sales and marketing networks established in more than 150 countries and regions around the globe, we also engaged in overseas and domestic trading business. Our Trading Business bridged the demands of domestic and overseas purchasers and suppliers who wished to source or sell a wide range of products outside or in the PRC. We primarily exported and, to a lesser extent imported and domestically traded, complete sets of plants and equipment and various machinery, electrical, and instrumental products including mining equipment, ship components, automobile parts, medical instrument, household appliances, office equipment, electrical hardware and construction materials, for customers in the PRC and overseas. We conducted our Trading Business through our Company as well as subsidiaries in the PRC and other countries and regions (including Germany, the United States, Australia, Japan and Hong Kong) and overseas representative offices.

In 2013, the Company adopted a series of initiatives for mitigating the risks of the Trading Business. Being influenced by a combination of factors including the sluggish recovery of the global economy, the aggravation of market competitions and the transition period of transformation and adjustment of the Trading Business, the results of the Trading Business declined to a larger extent. For this reason, the Company strategically classified the Trading Business as “business in transformation and development” and adopted a series of adjustment policies which laid down the foundation for a healthy development of the Trading Business.

B. 貿易業務

憑藉我們在全球超過150個國家及地區所建立廣泛的銷售及市場營銷網絡，我們亦從事國際及國內貿易業務。我們的貿易業務為希望在中國國內外採購或銷售各類產品的本地及海外買方和供貨商的需求搭建橋樑。我們主要為中國及海外客戶出口以及較小程度的進口和在國內市場交易成套設備及各種機械、電氣和儀器產品，包括採礦設備、船舶部件、汽車零件、醫療儀器、家用電器、辦公室設備、電氣硬件及施工材料等。我們通過本公司及位於中國及其他國家及地區（包括德國、美國、澳大利亞、日本及香港）的附屬公司及海外代表處經營我們的貿易業務。

2013年，公司為規避貿易業務風險採取了一系列的舉措。同時受全球經濟復甦遲緩、市場競爭加劇及貿易業務正處於轉型調整的過渡期等因素的影響，貿易業務指標下降較多。為此，公司在戰略上將貿易業務列為轉型發展業務，並採取了一系列調整措施，為貿易業務的健康發展奠定了基礎。

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The following table sets forth the details of the Trading Business for the year ended December 31, 2013, together with the comparative figures for the year ended December 31, 2012:

下表載列截至2013年12月31日止年度貿易業務詳情連同截至2012年12月31日止年度的比較數字：

Unit: RMB million
單位：人民幣百萬元

				2013	% of	2012	Year-
				2013年	Total	2012年	on-year
					總額的%		Growth
							按年增長
Revenue	International trade	收入	國際貿易	3,997.0	81.4%	5,854.4	-31.7%
	Domestic trade		國內貿易	910.8	18.6%	1,308.7	-30.4%
	Total		總計	4,907.8	100%	7,163.1	-31.5%
Gross profit	International trade	毛利	國際貿易	247.9	88.3%	472.6	-47.5%
	Domestic trade		國內貿易	32.7	11.7%	108.9	-70.0%
	Total		總計	280.6	100%	581.5	-51.7%

1. Striving to become a trading integrated entity by internal consolidation

According to the strategic plan of the Company, in order to foster the transformation and upgrade of the Trading Business, the Company analyzed the overall condition of the Trading Business objectively and endeavored to change the current sizeable but less vigorous conditions of the Trading Business, so as to effectively develop large-scale domestic and overseas trading orders and actively promote the internal integration of each of the trading business team. The Company strived to develop and strengthen the Trading Business by means of the above-mentioned measures and put effort in attaining the advantage of being a trading integrated entity in order to substantially change the conditions of a single and obsolete operating mode of the Trading Business and rebuild the core competitiveness of the Trading Business.

1. 內部整合打造貿易集成商

根據公司的戰略規劃，為促進貿易業務轉型及升級，公司客觀分析了貿易業務的總體狀況，努力改變貿易業務大而不強的現狀，有效開發大型國內外貿易訂單，積極推進各貿易業務團隊的內部整合。公司力圖通過上述措施，做大做強貿易業務，努力形成貿易集成商優勢，徹底改變貿易業務經營模式單一、落後的現狀，重塑貿易業務的核心競爭力。

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2. Achieving directional transformation and upgrade

Through our continuous efforts, the Company underwent consolidation in becoming a systemized integrated entity with financing, planning and execution capabilities as well as a value-adding service provider.

3. Fruitful results in expansion of new markets

During 2013, the Company spared no effort in developing domestic and overseas new markets, new products and new customers. The number and amount of newly signed projects by certain business teams increased substantially and focus was placed on developing areas of high technology, high added value and high competition threshold, which obtained significant breakthroughs in the development of new workmanship and the extension of product chains.

C. OTHER BUSINESSES

Other than the International Engineering Contracting Business and the Trading Business, we also engaged in Other Businesses, ranging from logistics service to exhibition service, tendering agency services and other services (including export-import agency and design services) and undertook strategic investment.

In 2013, the Other Businesses of the Company achieved steady growth and each business team actively explored the mode for business upgrade. The Company's international logistics business not only fully supported the execution of international engineering contracting projects, but also bolstered the professional advantage in the industry. The external business income exceeded half of its total business income. In which, the successful signing and execution of the oil and gas pipe vessel transportation business in Tanzania signified the successful expansion of the Company's international logistics business team into the emerging market of offshore engineering logistics. In addition, the

2. 實現有方向性的轉型升級

公司通過不斷努力，整合成為集融資、規劃、實施等於一體的系統集成商及產品增值服務商。

3. 新市場開拓取得成效

2013年度，公司全力開拓國內外的新市場、新產品、新客戶。部分業務團隊新簽項目的數量和金額明顯提升，並重點開拓高技術、高附加值、高競爭門檻的領域，在產品工藝研發與延伸產品鏈方面有了突破性進展。

C. 其他業務

除了國際工程承包業務及貿易業務外，我們亦經營其他業務，包括提供物流服務、展覽服務、招標代理服務及其他服務（包括進出口代理服務及設計服務），並從事戰略性投資。

2013年，公司其他業務穩步發展，各業務團隊積極探索業務升級模式。公司的國際物流業務不僅全面支持了國際工程承包項目的執行，而且在行業內的專業優勢更加凸顯，來自外部的業務收入已超過其總業務收入的一半。其中，坦桑尼亞油氣管道船運輸業務的成功簽約及執行，標誌著公司國際物流業務團隊成功進軍海洋工程物流這一新興市場。另

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Company's international joint railway business provided extended customized service to customers based on the traditional logistics service, which demonstrated the trend of optimized transformation and upgrade. In the same year, in terms of the number and scale of exhibitions organized, CMEC Expo ranked first among organizers in the country for the first time. It was also recognized as a top brand in the overseas exhibition industry as well as being honored the "Excellent Organizer for Overseas Economic and Trade Exhibitions" (全國出國經貿展覽優秀組展單位). At the same time, the Company's design and tendering agency businesses ventured into new business sectors and maintained steady development.

The following table sets forth the details of the Company's Other Businesses for the year ended December 31, 2013, together with the comparative figures for the year ended December 31, 2012:

外，公司的國際鐵路聯運業務在傳統物流服務的基礎上，向客戶提供延伸式定制服務，顯示了良好的轉型升級態勢。本年度，西麥克展覽在組展數量和展出規模上首次位居全國組展單位之首，榮登出國展行業第一品牌，並被評為「全國出國經貿展覽優秀組展單位」。同時，公司的設計、招標代理等業務也開創了新的業務領域，保持平穩發展。

下表載列截至2013年12月31日止年度公司其他業務詳情連同截至2012年12月31日止年度的比較數字：

Unit: RMB million
單位：人民幣百萬元

				2013	% of	2012	Year-
				2013年	Total	2012年	on-year
					總額的%		Growth
							按年增長
Revenue	Logistics services	收入	物流服務	399.4	35.3%	284.2	40.5%
	Exhibition services		展覽服務	198.2	17.4%	217.4	-8.8%
	Tendering agency services		招標代理服務	12.3	1.1%	29.0	-57.6%
	Export-import agency services		進出口代理服務	69.7	6.2%	61.7	13.0%
	Design services		設計服務	401.2	35.4%	239.3	67.7%
	Other		其他	52.1	4.6%	56.7	-8.1%
	Total		總計	1,132.9	100%	888.3	27.5%
Gross profit	Total	毛利	總計	314.5	100%	377.6	-16.7%

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D. SIGNIFICANT EVENTS AND BUSINESS ACHIEVEMENTS

1. Introduction of the 'Five-Year Strategic Plan'

In August 2013, the Company announced the “CMEC Strategic Development Plan for the Next Five Years” (CMEC未來五年發展戰略規劃).

CMEC's vision of corporate development is to be the world's leading international engineering contractor and service provider. In the future, the Company will endeavor to promote transformation by breakthroughs and adjust its business structure to remold the competitiveness of the core businesses as well as striving to innovate the business to transform the development model to further entrench its position in the infrastructure industry, so as to become a world-class integrated corporation with diversified and unified development.

In the next five years, the Company will strive to create synergistic advantages of the relevant diversified businesses composed of the three principal sectors, namely engineering contracting, trading services and investment. In addition, we will endeavor to form a balanced market layout of “overseas market and domestic market”. The focus of the International Engineering Contracting Business will be on the power sector and the expansion of synergistically diversified business will be carried out while differentiated strategy with respect to regional market and localized strategy will be adopted in order to maximize the synergy effect and optimize resources allocation. The focus of the Trading Business will be on business consolidation, materialization of transformation of business mode and remolding of the overall competitiveness of business. Businesses promoted by investment will be the Company's strategic emerging business.

D. 重大事件和業務成果

1. 發佈五年戰略規劃

2013年8月，公司發佈了《CMEC未來五年發展戰略規劃》。

CMEC的企業發展願景是全球領先的國際工程承包商和服務商。未來將著力以突破促轉型，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，成為立足於基礎設施行業，進行多元化、一體化發展的一流綜合型企業。

公司在未來五年著力構建工程承包、貿易服務和投資三大板塊為主體的多項業務之間形成的相關多元業務協同優勢；形成「海外市場和國內市場」的均衡市場格局。國際工程承包業務以電力能源行業為核心、協同進行多元行業拓展，採取差異化的區域市場策略和屬地化策略，以實現協同效應的最大化和資源配置的最優化；貿易業務著力業務整合，實現業務模式轉型，重塑業務整體競爭力；投資拉動業務是公司的戰略新興業務。

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For future business layout, the Company will establish four main centres domestically, with Beijing's headquarters being the decision-making, control and operation centre, Eastern China being the trading and logistics business centre, Guangdong and Hong Kong being the investment and financing centre and Changsha being the technological research and development centre. For overseas countries, certain regional centres which can exert influence on the surrounding areas will be established in order to ensure a sustainable development of the businesses.

2. Signing of Equity Custodian Agreement

According to the undertakings made at Listing and strategic planning, SINOMACH entrusted CMEC to manage 100% equity interests held in its subsidiaries being CNEEC and CNCEC. The daily operational and management affairs (such as business, investment, equity, finance and human resources) of these two enterprises were unified under the management system of CMEC. For details, please refer to the announcement of the Company published on the respective websites of the Stock Exchange and the Company on June 26, 2013. Currently, the business arrangements are fundamentally completed.

3. Releasing of the Sanctions by the U.S. Government

On June 27, 2013, the Department of State of the government of the United States of America (the “**U.S. 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 as well as their respective subsidiaries 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 U.S. Government 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 respective websites of the Stock Exchange and the Company on June 28, 2013. This brought new opportunities to the business development of CMEC, in particular, offering favorable conditions for the Company to dip its toe in the markets of developed countries.

未來在業務佈局方面，公司將形成國內四大中心：即北京總部決策、管控和經營中心，華東貿易與物流業務中心，粵港投融資中心和長沙技術研發中心。在海外，分別建設可向周邊輻射的若干區域中心，以保證業務的可持續發展。

2. 簽署股權託管協議

按照上市時承諾和戰略部署，國機正式將中電工、中成套兩家企業100%的股權委託CMEC比照子公司進行管理，將兩家企業的業務、投資、產權、財務、人力資源等日常經營管理事項統一納入CMEC的管理體系。有關詳情，請參閱本公司於2013年6月26日分別在聯交所及本公司網站刊登的公告。目前，業務整理工作已基本完成。

3. 解除美國政府制裁

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日依據其生物武器制裁法對本公司和中設機電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。這為CMEC的業務發展迎來了新的機遇，尤其為公司進入發達國家市場提供了有利條件。

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4. Significant Breakthroughs in Business Negotiations

The Company and the government of Gabon satisfactorily completed the transfer of the project of Belinga mine through friendly negotiations. Both parties entered into the equity transfer agreement on November 27, 2013 and completed the transfer on December 24, 2013. For details, please refer to the announcements of the Company published on the respective websites of the Stock Exchange and the Company on November 27, 2013 and December 31, 2013.

In addition, pursuant to the needs of business development, the Company proposed to establish domestic and overseas branches which conformed to the business demands and characteristics of local markets in a timely manner. In 2013, the Company established a subsidiary in Namibia.

At the same time, after the stringent review procedures, on July 11, 2013, the Company and the U.S. General Electric International, Inc. entered into a memorandum of understanding under which the parties agreed to explore the commencement of business cooperation on a non-exclusive basis in areas of power generation equipment including gas turbine, steam turbine, wind turbine, jebacher, aero, gasification, water solutions, oil and gas related products and solutions, measurement control systems, and industrial solutions. The parties agreed to periodically exchange project intelligence collected from respective channels in relation to the cooperation covering energy business, and jointly develop an engineering, procurement and construction opportunity pipeline. The parties would also start to cooperate at the early stage of any given project to jointly determine product specifications, design element/equipment financing structure. A consortium may be established between both parties to pursue certain projects where appropriate, subject to mutually agreed conditions and a signed consortium agreement. For details, please refer to the announcement of the Company published on the respective websites of the Stock Exchange and the Company on July 11, 2013.

4. 業務協商取得重大突破

公司與加蓬政府就貝林加鐵礦項目最終通過友好協商的方式得以圓滿交割，雙方於2013年11月27日簽訂股權轉讓協議，並於2013年12月24日完成交割。有關詳情，請參閱本公司於2013年11月27日及2013年12月31日分別在聯交所及本公司網站刊登的公告。

此外，根據業務發展需要，公司提出適時設立符合業務需求和當地市場特點的境內外分支機構。2013年，公司在納米比亞設立了一家子公司。

同時，經過嚴格的評審程序，於2013年7月11日，公司與美國通用電氣國際公司訂立一份諒解備忘錄，同意雙方將以非排他的方式探求開展商業合作，領域包括：發電設備（燃氣輪機）、蒸汽輪機、風機、顏巴赫、航改燃機、氣化應用、水處理技術產品應用；油氣相關技術設備，測量控制系統及工業應用系統。雙方同意定期交換通過各自渠道收集的與能源相關的項目信息，並共同開發覆蓋能源業務工程、採購、施工機會項目。雙方亦將從任何特定項目的早期階段開始合作，共同確定產品規範書，設計元素／設備融資結構。在雙方同意的條件和簽訂聯合體協議的前提下，根據項目需要雙方可組成聯合體參與項目開發。有關詳情，請參閱本公司於2013年7月11日分別在聯交所及本公司網站刊登的公告。

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E. PRIORITIZED DEVELOPMENT, INTEGRATED OPERATIONS, STRENGTHENED PROFESSIONALIZED MANAGEMENT AND ESTABLISHMENT OF THE PROFESSIONAL STRUCTURE OF INVESTMENT AND FINANCING

In 2013, according to the development strategy of the Company, the Company carried out the organizational adjustment in functional departments and business divisions which streamlined the management structure and combined and integrated certain functional management departments. In order to increase the efforts in a refined management, the Company also implemented a number of internal management policies. For the purpose of promoting the professional development and effective management, the Company established new channels for professional developments and implemented new operating mechanisms for effective management.

Targeting at the International Engineering Contracting Business, the Company convened seminars to conduct discussions and researches regarding the issues of the development of the International Engineering Contracting Business and the methods of strengthening the establishment of core markets as well as promoting the localization and regionalization of projects. The Company made preliminary adjustments of the Company's internal organization and structures on such basis in order to adapt to the requirements of development strategies and the demands of market development. Through strengthening the technical support of China Machinery R&D and Zhongnan in the industry chain, the Company promoted the connection of the internal industry chains of the International Engineering Contracting Business. In order to accommodate to the adjustment of the organizational structure of the Company, the Company integrated and improved the system and work flow of business management which delegated the rights of approval of certain projects, thus further implemented the Company's development principle of "Simplification and Delegation of Power" ("簡化、放權"). Specific to the Trading Business and the Other Businesses, the Company convened the seminar of trading service business which gathered, consolidated and analyzed information about the operational status of such business and issued the standards of reorganization, merger and closure

E. 重點推進，結合經營，加強專業化管理，建立投融资專業架構

2013年，依據公司發展戰略，公司對職能部門與業務部門進行了組織機構調整，壓縮了管理層級，合併、整合了若干職能管理部門。為加大精細化管理的力度，公司還出台了多項內部管理制度。為促進職業發展和績效管理，公司建立了新型的職業發展通道並施行了新型的績效管理運作機制。

針對國際工程承包業務，公司召開了專題會，就國際工程承包行業的發展以及如何加強核心市場建設、推進項目屬地化、區域化等問題進行討論及研究，並在此基礎上對公司內部組織機構進行了初步的調整，以適應發展戰略的要求和市場發展的需求。公司通過強化中機設計研究院、中南公司等產業鏈中發揮的技術支持作用，促進了國際工程承包業務內部產業鏈條的銜接。為適應公司組織結構的調整，公司對業務管理制度及流程進行了整理和改進，下放了一部分項目的審批權，進一步落實了公司「簡化、放權」的發展方針。針對貿易業務和其他業務，公司召開了貿易服務業務專題會，對該業務的經營情況進行了收集、匯總和分析，適時地推出了子公司重組、兼並及關閉的標準，並對優質子公司增加其註冊資本，以增強其發展能力。公司還加強了對境外子公司的管理，並強化與境

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of subsidiaries as and when appropriate, as well as increasing the registered capital of premium subsidiaries to enhance its development capabilities. The Company also strengthened the management of its foreign subsidiaries and enhanced the platform sharing with overseas institutions. The above adjustment policies laid a solid managerial foundation for further transformation and upgrade of the Trading Business of the Company. At the same time, the Company established the professional management department of investment and financing business, which conducted the overall planning of the utilization of various financial resources and introduced professional talents in investment, so as to enhance the professionalized management of that business.

F. MARKETING AND PROMOTION OF THE CMEC BRAND

In 2013, the Company organized a series of brand promotion and marketing activities, such as the CMEC Turkish Brand Showcase in Istanbul, Turkey. Seizing the opportunities of the British Commonwealth Summit and Chinese Engineering Exhibitions convened in Sri Lanka, the Company successfully launched a series of activities displaying the brand image of CMEC. In these promotional activities, the senior management of the Company attended and signed new projects and agreements, which effectively increased the brand influence of CMEC and at the same time promoted project development.

G. ACTIVELY FULFILLING SOCIAL RESPONSIBILITIES

The Company persistently attached importance to the protection of ecological environment of the areas where the projects were located. It proactively sought to understand the livelihood of the local people and constructed schools, hospitals, stations, elderly homes and churches, thereby improving the local employment and economic development through recruiting local employees. Furthermore, the Company actively participated in various charitable activities.

外機構的平台共享等。上述調整措施為公司貿易業務的下一步轉型升級打下了堅實的管理基礎。同時，公司成立了投融資業務專業管理部門，統籌運作各種財務資源，並引進投資專業人才，以加強對該業務的專業化管理。

F. 推廣傳播CMEC品牌

2013年，公司組織了一系列的品牌推廣及市場營銷活動，如在土耳其伊斯坦布爾獨立舉辦了CMEC土耳其品牌展。利用英聯邦首腦會議及中國工程展覽在斯里蘭卡召開的契機，公司成功舉辦了展示CMEC品牌形象的系列活動。在此推廣活動中，公司的高級管理層人員出席並簽訂了新的項目和協議，在有效擴大CMEC品牌影響力的同時，促進了項目開發。

G. 積極履行社會責任

公司堅持注重對項目所在地區的生態環境的維護，並積極關注項目所在國家和地區的民生發展，修建學校、醫院、車站、敬老院及教堂等；並通過僱傭當地人員促進當地的就業和經濟發展。另外，公司還積極參與各項慈善公益事業。

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III. MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL POSITION AND OPERATING RESULTS

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

1. OVERVIEW

The Group's profitability improved in 2013. Profit for the year increased by 1.7% to RMB1,960.2 million in 2013 compared to RMB1,928.1 million in 2012. Profit attributable to the Shareholders amounted to RMB1,959.2 million in 2013.

2. REVENUE

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

III. 管理層對財務狀況及經營業績之討論及分析

在閱讀下述討論時，請一併參閱包含在本年報及其他章節中本集團的財務報表及附註。

1. 概覽

本集團的盈利於2013年有所改善。2013年年內溢利為人民幣1,960.2百萬元，較2012年的人民幣1,928.1百萬元增長1.7%。2013年歸屬於股東溢利為人民幣1,959.2百萬元。

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。

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

下表載列於所示期間三個業務分部各自的金額及佔總收入的百分比：

		Year ended December 31, 截至12月31日止年度			
		2013 2013年 (RMB million) (人民幣百萬元)	(%)	2012 2012年 (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	12,265.6	57.2%	10,047.3	47.2%
Transportation	交通運輸	829.9	3.9%	1,202.1	5.6%
Telecommunications	電子通訊	800.4	3.7%	733.9	3.4%
Non-Core Sectors	非核心行業	1,489.7	7.0%	1,261.4	5.9%
Trading Business	貿易業務				
International trade	國際貿易	3,997.0	18.6%	5,854.4	27.5%
Domestic trade	國內貿易	910.8	4.3%	1,308.7	6.1%
Other Businesses	其他業務	1,132.9	5.3%	888.3	4.3%
Total	總計	21,426.3	100%	21,296.1	100%

1) International Engineering Contracting Business

The Group's revenue generated from its International Engineering Contracting Business increased by 16.2% to RMB15,385.6 million in 2013 compared to RMB13,244.7 million in 2012, primarily due to the increase in revenue generated from the performance of the projects in the power sector.

The revenue generated from the power sector increased by 22.1% to RMB12,265.6 million in 2013 as compared to RMB10,047.3 million in 2012, primarily due to the significant progress of the power station projects in Asia and South America in 2013.

1) 國際工程承包業務

2013年，本集團的國際工程承包業務收入為人民幣15,385.6百萬元，而2012年則為人民幣13,244.7百萬元，增幅為16.2%，主要由於履行電力能源板塊項目的收入增加。

2013年電力能源行業收入為人民幣12,265.6百萬元，比2012年人民幣10,047.3百萬元增長22.1%，主要由於亞洲和南美洲的電站項目於2013年取得較大進展。

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The revenue generated from the transportation sector decreased by 31.0% to RMB829.9 million in 2013 as compared to RMB1,202.1 million in 2012, primarily due to the completion of the construction of the vessel projects for project owners in Asia and Europe in 2012.

The revenue generated from the telecommunications sector increased by more than 9.1% to RMB800.4 million in 2013, as compared with RMB733.9 million in 2012, primarily due to the commencement of the construction of telecommunications projects in Asia and Africa in 2013.

The revenue generated from the non-Core Sectors increased by 18.1% to RMB1,489.7 million in 2013 as compared to RMB1,261.4 million in 2012, primarily due to the progress of the cement plant project in Asia and the commencement of the construction of the medical and educational projects in Africa.

2) Trading Business

The Group's revenue generated from its Trading Business decreased by 31.5% to RMB4,907.8 million in 2013 compared to RMB7,163.1 million in 2012, primarily due to the impact of termination of its Trading Business in the sanctioned countries and the lower transaction volume as a result of effective risk management of the Company by not entering into certain transactions with higher risk profile.

The revenue generated from international trade decreased by 31.7% to RMB3,997.0 million in 2013 as compared to RMB5,854.4 million in 2012, primarily due to the impact of termination of its Trading Business in the sanctioned countries and the completion and delivery of complete sets of equipment exported to Africa on non-recurring basis in 2012.

The revenue generated from domestic trade decreased by 30.4% to RMB910.8 million in 2013 as compared to RMB1,308.7 million in 2012, primarily due to the lower transaction volume as a result of effective risk management of the Company.

2013年交通運輸行業收入為人民幣829.9百萬元，比2012年人民幣1,202.1百萬元減少31.0%，主要由於為亞洲、歐洲項目業主興建船舶項目於2012年完工。

2013年電子通訊行業收入為人民幣800.4百萬元，而2012年為人民幣733.9百萬元，增加超過9.1%，主要是位於亞洲和非洲的電子通訊項目於2013年開始建設。

2013年非核心行業收入為人民幣1,489.7百萬元，比2012年人民幣1,261.4百萬元增加18.1%，主要原因是亞洲水泥廠項目進展以及非洲的醫療和教育項目開始建設。

2) 貿易業務

2013年，本集團的貿易業務收入為人民幣4,907.8百萬元，而2012年則為人民幣7,163.1百萬元，降幅為31.5%，主要由於受到被制裁國家貿易業務停止以及公司為控制風險而不從事附帶高風險的交易而降低交易量的影響。

2013年，國際貿易收入為人民幣3,997.0百萬元，比2012年人民幣5,854.4百萬元減少31.7%，主要原因是受到被制裁國家貿易業務停止的影響以及出口非洲的非持續性成套設備業務於2012年完成交貨。

2013年，國內貿易收入為人民幣910.8百萬元，比2012年人民幣1,308.7百萬元減少30.4%，主要由於公司為控制風險而降低交易量。

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3) Other Businesses

The Group's revenue generated from its Other Businesses increased by 27.5% to RMB1,132.9 million in 2013 compared to RMB888.3 million in 2012, primarily due to the increase in revenue generated from the logistics and design services of the Group.

3. COST OF SALES

The Group's cost of sales increased by 0.7% to RMB17,683.8 million in 2013 compared to RMB17,564.6 million in 2012. The cost of sales remained relatively stable.

4. GROSS PROFIT AND GROSS PROFIT MARGIN

(i) Gross profit of the Group in 2013 consists of the following:

3) 其他業務

2013年，本集團的其他業務收入為人民幣1,132.9百萬元，而2012年則為人民幣888.3百萬元，增幅為27.5%，主要由於本集團的物流和設計服務收入增加。

3. 銷售成本

2013年，本集團的銷售成本為人民幣17,683.8百萬元，而2012年則為人民幣17,564.6百萬元，增幅為0.7%，銷售成本相對維持穩定。

4. 毛利及毛利率

(i) 2013年本集團毛利構成情況如下：

		Year ended December 31, 截至12月31日止年度			
		2013 2013年 (RMB million) (人民幣百萬元)	(%)	2012 2012年 (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	2,850.2	76.2%	2,437.7	65.3%
Transportation	交通運輸	93.9	2.5%	78.4	2.1%
Telecommunications	電子通訊	87.3	2.3%	64.7	1.7%
Non-Core Sectors	非核心行業	116.0	3.1%	191.6	5.1%
Trading Business	貿易業務				
International trade	國際貿易	247.9	6.6%	472.6	12.7%
Domestic trade	國內貿易	32.7	0.9%	108.9	2.9%
Other Businesses	其他業務	314.5	8.4%	377.6	10.2%
Total	總計	3,742.5	100%	3,731.5	100%

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(ii) Gross profit margins of the Group in 2013 are set out in the following table:

(ii) 2013年本集團毛利率載於下表：

		Year ended December 31, 截至12月31日止年度	
		2013 2013年 (%)	2012 2012年 (%)
International Engineering Contracting Business	國際工程承包業務	20.5%	20.9%
Power	電力能源	23.2%	24.3%
Transportation	交通運輸	11.3%	6.5%
Telecommunications	電子通訊	10.9%	8.8%
Non-Core Sectors	非核心行業	7.8%	15.2%
Trading Business	貿易業務	5.7%	8.1%
International trade	國際貿易	6.2%	8.1%
Domestic trade	國內貿易	3.6%	8.3%
Other Businesses	其他業務	27.8%	42.5%
Total	總計	17.5%	17.5%

The Group's gross profit increased by 0.3% to RMB3,742.5 million in 2013 compared to RMB3,731.5 million in 2012. This increase is mainly attributable to the increase in gross profit from the International Engineering Contracting Business. The Group's overall gross profit margin remained relatively stable in 2013.

2013年，本集團的毛利為人民幣3,742.5百萬元，而2012年則為人民幣3,731.5百萬元，增幅為0.3%。此增幅主要由於國際工程承包業務的毛利增加。2013年，本集團整體毛利率相對維持穩定。

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1) International Engineering Contracting Business

(a) Gross profit

The gross profit generated from the International Engineering Contracting Business increased by 13.5% to RMB3,147.5 million in 2013 as compared to RMB2,772.4 million in 2012, primarily due to the increase in gross profit from the power sector.

The gross profit generated from the power sector increased by 16.9% to RMB2,850.2 million in 2013 as compared to RMB2,437.7 million in 2012, primarily due to the significant progress of the power station projects in Asia and South America in 2013.

The gross profit generated from the transportation sector increased by 19.8% to RMB93.9 million in 2013 as compared to RMB78.4 million in 2012, primarily due to the progress of the road projects in Africa in 2013 and the commencement of the construction of the vessel projects in Asia in 2013.

The gross profit generated from the telecommunications sector increased by more than 34.9% to RMB87.3 million in 2013 as compared to RMB64.7 million in 2012, primarily due to the commencement of the construction of the telecommunications projects in Asia and Africa in 2013.

The gross profit generated from the non-Core Sectors decreased by 39.5% to RMB116.0 million in 2013 as compared to RMB191.6 million in 2012, primarily due to the completion of a housing project in Asia in 2012 and the foreseeable losses arising from the changes in the work scope and workload of a cement plant construction project in Asia.

(b) Gross Profit Margin

The gross profit margin generated from the International Engineering Contracting Business slightly decreased to 20.5% in 2013 as compared to 20.9% in 2012, primarily due to the decrease in gross profit margin from the power and non-Core Sectors.

1) 國際工程承包業務

(a) 毛利

2013年，國際工程承包業務毛利為人民幣3,147.5百萬元，而2012年則為人民幣2,772.4百萬元，增加13.5%。主要由於電力能源行業毛利的增加。

2013年，電力能源行業毛利為人民幣2,850.2百萬元，而2012年為人民幣2,437.7百萬元，增加16.9%，主要因為亞洲和南美洲的電站項目於2013年取得較大進展。

2013年，交通運輸行業毛利為人民幣93.9百萬元，而2012年為人民幣78.4百萬元，增加19.8%，主要因為非洲的公路項目在2013年的進展以及2013年開始建設的亞洲船舶項目。

2013年，電子通訊行業毛利為人民幣87.3百萬元，而2012年為人民幣64.7百萬元，增加超過34.9%，主要由於我們位於亞洲和非洲的電子通訊項目於2013年開始建設。

2013年，非核心行業毛利為人民幣116.0百萬元，比2012年的人民幣191.6百萬元減少39.5%，主要由於某亞洲住宅項目2012年已完工，以及亞洲水泥廠項目的工作範圍和工作量發生變化而導致的預計損失。

(b) 毛利率

2013年，國際工程承包業務毛利率小幅下降至20.5%，而2012年則為20.9%，主要由於電力能源及非核心行業毛利率的降低。

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The gross profit margin generated from the power sector decreased to 23.2% in 2013 as compared to 24.3% in 2012, primarily due to the completion or near completion of certain power projects with relatively higher gross profit margin in Africa in 2012.

The gross profit margin generated from the transportation sector increased to 11.3% in 2013 as compared to 6.5% in 2012, primarily due to higher gross profit margin of the vessel projects in Asia and the road projects in Africa, which commenced construction in 2013, as compared to that in 2012.

The gross profit margin generated from the telecommunications sector increased to 10.9% in 2013 as compared to 8.8% in 2012, primarily due to the commencement of the construction of the telecommunications projects in Asia and Africa which had relatively higher gross profit margin.

The gross profit margin generated from the non-Core Sectors decreased to 7.8% in 2013 as compared to 15.2% in 2012, primarily due to the foreseeable losses arising from the changes in the work scope and workload of a cement plant construction project in Asia. This project was suspended due to the unstable local political environment in prior years and resumed construction during 2013 as local political environment became stable.

2) Trading Business

(a) Gross profit

The gross profit generated from the Trading Business decreased by 51.7% to RMB280.6 million in 2013 as compared to RMB581.5 million in 2012, primarily due to the impact of termination of its Trading Business in the sanctioned countries and the lower transaction volume as a result of effective risk management of the Company.

2013年，電力能源行業毛利率降至23.2%，而2012年則為24.3%，主要由於若干位於非洲國家毛利率相對較高的電力項目於2012年完工或接近完工。

2013年，交通運輸行業毛利率增至11.3%，而2012年則為6.5%，主要由於2013年開始建設的位於亞洲的船舶項目以及非洲的公路項目毛利率相對高於2012年水平。

2013年，電子通訊行業毛利率增至10.9%，而2012年則為8.8%，主要由於位於亞洲和非洲毛利率相對較高的通訊項目開始建設。

2013年，非核心行業毛利率降至7.8%，而2012年則為15.2%，主要由於亞洲水泥廠項目的工作範圍和工作量發生變化而導致的預計損失。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。於2013年，因當地政治局勢趨於穩定，項目重新復工。

2) 貿易業務

(a) 毛利

2013年，貿易業務毛利為人民幣280.6百萬元，比2012年的人民幣581.5百萬元減少51.7%，主要由於受到被制裁國家貿易業務停止以及公司為有效控制風險而降低交易量的影響。

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The gross profit generated from international trade decreased by 47.5% to RMB247.9 million in 2013 as compared to RMB472.6 million in 2012, primarily due to the impact of termination of its Trading Business in the sanctioned countries and the completion and delivery of complete sets of equipment exported to Africa on non-recurring basis in 2012.

The gross profit generated from domestic trade decreased by 70.0% to RMB32.7 million in 2013 as compared to RMB108.9 million in 2012, primarily due to the lower transaction volume as a result of effective risk management of the Company.

(b) Gross Profit Margin

The gross profit margin generated from the Trading Business decreased to 5.7% in 2013 as compared to 8.1% in 2012, primarily due to the completion and delivery of complete sets of equipment exported to Africa on non-recurring basis and more severe competition in the domestic market.

The gross profit margin generated from international trade decreased to 6.2% in 2013 as compared to 8.1% in 2012, primarily due to the completion and delivery of complete sets of equipment exported to Africa on non-recurring basis in 2012.

The gross profit margin generated from domestic trade decreased to 3.6% in 2013 as compared to 8.3% in 2012, primarily due to the impact of domestic competition landscape, resulting in the decrease in the gross profit margin generated from domestic trade.

2013年，國際貿易業務毛利為人民幣247.9百萬元，比2012年的人民幣472.6百萬元減少47.5%，主要由於受到被制裁國家貿易業務停止的影響以及出口非洲的非持續性成套設備業務於2012年完成交貨。

2013年，國內貿易業務毛利為人民幣32.7百萬元，比2012年的人民幣108.9百萬元減少70.0%，主要是由於公司為有效控制風險而降低交易量。

(b) 毛利率

2013年，貿易業務毛利率降至5.7%，而2012年則為8.1%，主要由於出口非洲的非持續性成套設備業務完成交貨及國內競爭日趨激烈。

2013年，國際貿易業務毛利率降至6.2%，而2012年則為8.1%，主要由於出口非洲的非持續性成套設備業務於2012年完成交貨。

2013年，國內貿易業務毛利率降至3.6%，而2012年則為8.3%，主要是由於國內競爭導致國內貿易的毛利率下降。

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3) Other Businesses

(a) Gross profit

The gross profit generated from the Other Businesses decreased by 16.7% to RMB314.5 million in 2013 as compared to RMB377.6 million in 2012, while the overall gross profit was substantially the same.

(b) Gross Profit Margin

The gross profit margin generated from the Other Businesses decreased to 27.8% in 2013 as compared to 42.5% in 2012, primarily due to the decrease in businesses with higher gross profit margin (such as tendering services) and the decrease in gross profit margin of design services in 2013 due to market factors.

5. OTHER REVENUE

The Group's other revenue increased by 3.3% to RMB12.4 million in 2013 compared to RMB12.0 million in 2012. This category of revenue remained relatively stable.

6. OTHER INCOME AND EXPENSES, NET

The Group's other income and expenses, net amounted to RMB353.5 million in 2013 compared to expenses of RMB10.1 million in 2012. Income increased by 3,400.0%. This increase is mainly attributable to the increase in net gains from changes in fair value of foreign currency forward contracts and the net gain of the disposal of the equity in subsidiaries.

3) 其他業務

(a) 毛利

2013年，其他業務毛利為人民幣314.5百萬元，比2012年的人民幣377.6百萬元減少16.7%，整體毛利基本穩定。

(b) 毛利率

2013年，其他業務毛利率下降至27.8%，而2012年則為42.5%，主要由於招標服務等具有較高毛利率的業務有所減少，以及設計服務因市場原因毛利率在2013年度下降。

5. 其他收入

2013年，本集團的其他收入為人民幣12.4百萬元，而2012年則為人民幣12.0百萬元，增幅為3.3%。該類收入保持相對穩定。

6. 其他收支淨額

2013年，本集團的其他收支淨額為人民幣353.5百萬元，而2012年則為開支人民幣10.1百萬元，收入增幅為3,400.0%。此增幅主要由於遠期外匯合同公允價值變動的淨收益增加以及處置子公司權益的淨收益。

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7. SELLING AND MARKETING EXPENSES

The Group's selling and marketing expenses increased by 6.5% to RMB1,157.7 million in 2013 compared to RMB1,086.6 million in 2012. This increase is mainly attributable to the increases in wages expenses.

8. ADMINISTRATIVE EXPENSES

The Group's administrative expenses increased by 16.5% to RMB557.0 million in 2013 compared to RMB478.3 million in 2012. This increase is mainly attributable to the increases in wages, welfare expenses and travel expenses.

9. OTHER OPERATING EXPENSES

The Group's other operating expenses decreased by 47.7% to RMB65.6 million in 2013 compared to RMB125.5 million in 2012. This decrease is mainly attributable to the decrease in impairment losses on receivables as compared to that in 2012.

10. PROFIT FROM OPERATIONS

The Group's profit from operations increased by 12.8% to RMB2,328.1 million in 2013 compared to RMB2,063.2 million in 2012. This increase is mainly attributable to the net gains from changes in fair value of the foreign currency forward exchange contracts, and the disposal of the interests in a subsidiary.

11. FINANCE INCOME/FINANCE EXPENSES

The Group's finance income increased by 26.6% to RMB737.9 million in 2013 compared to RMB583.0 million in 2012. This increase is mainly attributable to the increase in interest income.

7. 銷售及市場營銷開支

2013年，本集團的銷售及市場營銷開支為人民幣1,157.7百萬元，而2012年則為人民幣1,086.6百萬元，增幅為6.5%。此增幅主要由於工資費用的增加。

8. 行政開支

2013年，本集團的行政開支為人民幣557.0百萬元，而2012年則為人民幣478.3百萬元，增幅為16.5%。此增幅主要由於工資、福利費用及差旅費用的增加。

9. 其他經營開支

2013年，本集團的其他經營開支為人民幣65.6百萬元，而2012年則為人民幣125.5百萬元，降幅為47.7%。此降幅主要由於應收款項減值虧損較2012年減少。

10. 經營溢利

2013年，本集團的經營溢利為人民幣2,328.1百萬元，而2012年則為人民幣2,063.2百萬元，增幅為12.8%。此增幅主要由於遠期外匯合同公允價值變動的淨收益和處置於一間子公司權益的淨收益。

11. 財務收入／財務開支

2013年，本集團的財務收入為人民幣737.9百萬元，而2012年則為人民幣583.0百萬元，增幅為26.6%。此增幅主要由於利息收入的增加。

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The Group's finance expenses increased by 1,225.7% to RMB401.7 million in 2013 compared to RMB30.3 million in 2012. This increase is mainly attributable to the increase in foreign exchange losses.

As a result, the Group's net finance income decreased by 39.2%, amounting to RMB336.2 million in 2013 compared to the net finance income of RMB552.7 million in 2012.

12. INCOME TAX

The Group's income tax increased by 2.4% to RMB703.9 million in 2013 compared to RMB687.7 million in 2012. This increase is mainly attributable to the increase in the profit before tax for 2013. Effective tax rate remained relatively stable in 2013.

13. PROFIT FOR THE YEAR

As a result of the foregoing, the Group's net profit for the year increased by 1.7% to RMB1,960.2 million in 2013 compared to RMB1,928.1 million in 2012 and its net profit margin increased by 9.15% in 2013 compared to 9.1% in 2012.

14. PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS

The profit attributable to the Shareholders increased by 1.6% to RMB1,959.2 million in 2013 compared to RMB1,927.6 million in 2012.

2013年，本集團的財務開支為人民幣401.7百萬元，而2012年則為人民幣30.3百萬元，增幅為1,225.7%。此增幅主要由於匯兌損失的增加。

因此，2013年，本集團的財務收入淨額為人民幣336.2百萬元，而2012年為財務淨收入人民幣552.7百萬元，降幅為39.2%。

12. 所得稅

2013年，本集團的所得稅為人民幣703.9百萬元，而2012年則為人民幣687.7百萬元，增幅為2.4%。此增幅主要由於2013年稅前溢利的增加。2013年實際稅率維持相對穩定。

13. 年內溢利

由於上文所述，2013年，本集團的年內淨溢利為人民幣1,960.2百萬元，而2012年則為人民幣1,928.1百萬元，增幅為1.7%，其於2013年的淨溢利率升至9.15%，而2012年則為9.1%。

14. 歸屬於股東溢利

2013年，歸屬於股東溢利為人民幣1,959.2百萬元，而2012年則為人民幣1,927.6百萬元，增幅為1.6%。

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15. PROFIT ATTRIBUTABLE TO THE HOLDERS OF NON-CONTROLLING INTERESTS

The profit attributable to the holders of non-controlling interests of the Group increased by 100% to RMB1.0 million in 2013 compared to profit of RMB0.5 million in 2012.

16. MAJOR INVESTMENT

The Group made no major investment during the year of 2013.

17. MAJOR ACQUISITION AND DISPOSALS

The Group had disposed of the equity in an African subsidiary in 2013. For details, please refer to the announcements of the Company published on the respective websites of the Stock Exchange and the Company on November 27, 2013 and December 31, 2013.

18. SIGNIFICANT EVENTS

Please see the paragraphs headed “II. BUSINESS OVERVIEW – D. Significant Events and Business Achievements” on pages 33 to 35 of this annual report.

15. 歸屬於非控股權益持有人溢利

2013年，歸屬於本集團非控股權益持有人溢利為人民幣1.0百萬元，而2012年則為溢利人民幣0.5百萬元，增幅為100%。

16. 重大投資

2013年度內，本集團並無重大投資事宜。

17. 重大收購及出售

本集團在2013年處置了某非洲子公司的權益。詳情請參閱本公司於2013年11月27日及2013年12月31日分別於聯交所及本公司網頁刊發的公告。

18. 重大事項

請參閱本年報第33至35頁「II. 業務概覽 – D. 重大事件和業務成果」一段。

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IV. 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.

1. CASH FLOWS

The following table sets forth a summary of our cash flows for the year ended December 31, 2013, with the comparing figures for the year ended December 31, 2012:

		For the year ended December 31, 截至12月31日止年度	
		2013 2013年 RMB million 人民幣百萬元	2012 2012年 RMB million 人民幣百萬元
Net cash generated from operating activities	經營活動產生的現金淨額	(499.9)	6,972.1
Net cash used in investing activities	投資活動所用的現金淨額	3,228.9	(2,597.5)
Net cash generated from/(used in) financing activities	融資活動產生/(所用)的現金淨額	(131.9)	2,549.5
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	2,597.1	6,924.1
Cash and cash equivalents at the beginning of the year	年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	(136.3)	(5.4)
Cash and cash equivalents at the end of the year	年末的現金及現金等價物	14,550.2	12,089.4

IV. 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，我們主要靠經營活動所得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籌措。

1. 現金流量

下表載列截至2013年12月31日止年度我們的現金流量概況，以及截至2012年12月31日止年度的比較數字：

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As at December 31, 2013, the Group's cash and cash equivalents amounted to RMB14,500.2 million, compared to RMB12,089.4 million as at December 31, 2012, representing an increase of 20.4%. The main source of the Group's operating capital is the decrease in cash investment in fixed deposit.

於2013年12月31日，本集團持有現金及現金等價物為人民幣14,550.2百萬元，而於2012年12月31日則為人民幣12,089.4百萬元，增幅為20.4%。本集團的業務資金來源主要為投資於定期存款的現金減少。

2. CASH FLOWS FROM OPERATING ACTIVITIES

For the year ended December 31, 2013, we had net cash generated from operating activities of RMB(499.9) million. Net cash outflow generated from operating activities was mainly attributable to changes in working capital, which resulted in a cash outflow of RMB1,763.3 million in 2013. The changes in working capital mainly included (i) a decrease in receivables for construction contracts of RMB1,671.8 million, (ii) a decrease in receipts in advance of RMB5,688.7 million, (iii) a decrease in trade and other receivables of RMB855.9 million and (iv) an increase in trade and other payables of RMB1,403.5 million. In 2013, cash generated from profit from operations amounted to RMB2,166.5 million, cash outflow from changes in working capital was RMB1,763.3 million and income tax paid was RMB903.1 million, which resulted in net cash outflow generated from operating activities of RMB499.9 million.

2. 來自經營活動的現金流量

截至2013年12月31日止年度，我們經營活動產生的現金淨額為人民幣(499.9)百萬元。經營活動產生的現金淨流出主要原因是營運資金的變動影響，2013年營運資金變動致使現金流出人民幣1,763.3百萬元。營運資金變動主要包括(i)建造合同應收款項減少人民幣1,671.8百萬元、(ii)預收款項減少人民幣5,688.7百萬元、(iii)貿易及其他應收款項減少人民幣855.9百萬元及(iv)貿易及其他應付款項增加人民幣1,403.5百萬元。2013年經營溢利產生的現金為人民幣2,166.5百萬元，營運資金變動現金流出人民幣1,763.3百萬元，支付所得稅人民幣903.1百萬元，因此經營活動產生的現金淨流出為人民幣499.9百萬元。

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3. CASH FLOWS FROM INVESTING ACTIVITIES

For the year ended December 31, 2013, our net cash used in investing activities was RMB3,228.9 million. Our cash outflow from investing activities mainly consisted of (i) payments for acquisition of property, plant and equipment of RMB91.5 million, (ii) payment for acquisition of land use right of RMB152.8 million and (iii) a decrease in cash investment in time deposits of RMB2,849.7 million. Such amount was partially offset by interest income received of RMB482.5 million.

4. CASH FLOWS FROM FINANCING ACTIVITIES

For the year ended December 31, 2013, our net cash generated from financing activities was RMB(131.9) million. Our cash inflow from financing activities primarily consisted of (i) net proceeds from public shares offer of RMB519.4 million and (ii) proceeds from borrowings of RMB211.5 million. Such amount was partially offset by (i) repayment of borrowings from banks of RMB180.2 million and (ii) dividends paid to Shareholders of RMB675.0 million.

5. CAPITAL EXPENDITURES

Our capital expenditures consisted primarily of the purchase of property, plant and equipment, investment properties, lease prepayments and intangible assets. In 2013, the Group's capital expenditure was RMB69.4 million, representing a decrease of 79.2% as compared to RMB333.2 million in 2012, mainly due to the higher expenses on land use rights in 2012 as compared to those in 2013.

3. 來自投資活動的現金流量

截至2013年12月31日止年度，我們投資活動所用的現金淨額為人民幣3,228.9百萬元。我們投資活動的現金流出主要包括(i)支付收購物業、廠房及設備的款項人民幣91.5百萬元、(ii)支付收購土地使用權的款項人民幣152.8百萬元及(iii)投資於定期存款的現金減少人民幣2,849.7百萬元。部份該等金額已由已收取利息收入人民幣482.5百萬元所抵銷。

4. 來自融資活動的現金流量

截至2013年12月31日止年度，我們融資活動產生的現金淨額為人民幣(131.9)百萬元。我們融資活動的現金流入主要包括(i)公開發售股份的所得款項淨額人民幣519.4百萬元、(ii)借貸所得款項人民幣211.5百萬元。部份該等金額已由(i)償還銀行借貸人民幣180.2百萬元及(ii)派付人民幣675.0百萬元股息予股東所抵銷。

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、預付租賃款項及無形資產。2013年，本集團的資本開支為人民幣69.4百萬元，而2012年則為人民幣333.2百萬元，降幅為79.2%，主要由於相對2013年，2012年的土地使用權支出較大。

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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.

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 year ended December 31, 2013 and 2012.

The turnover days of the average trade receivables for Trading Business (Note 1)	貿易業務平均貿易應收款項的週轉天數 (附註1)	89	80
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)	207	184

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 360.

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、向供貨商預付款、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。

下表載列於截至2013年及2012年12月31日止年度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。

For the year ended December 31, 截至12月31日止年度

2013	2012
2013年	2012年
days	days
天數	天數
89	80
207	184

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年初結餘與年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360得出。

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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 360.

附註2：平均貿易應付款項乃將貿易應付款項年初結餘與年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360得出。

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 December 31, 2013 and 2012.

下表載列於2013年及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 December 31,	
		於12月31日	
		2013	2012
		2013年	2012年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
Within 3 months	3個月以內	1,306.5	1,814.7
3 to 6 months	3至6個月	218.5	398.9
6 months to 1 year	6個月至1年	301.8	370.6
Over 1 year	1年以上	532.4	507.1
		2,359.2	3,091.3

The Group's credit policies with its customers for the year ended December 31, 2013 remained consistent as that for the year ended December 31, 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 December 31, 2013, allowance provided for doubtful debts for our trade and bill receivables amounted to RMB461.3 million, accounting for 16.4% of our trade and bill receivables, as

截至2013年12月31日止年度，本集團與其客戶的信貸政策與截至2012年12月31日止年度相同。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12月31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

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compared to 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 Contracting Business and Trading Business as a result of evidences of significant financial difficulties of debtors that came into our attention.

(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 December 31, 2013 and 2012:

		As at December 31, 於12月31日	
		2013	2012
		2013年	2012年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
Within 3 months	3個月以內	4,707.0	6,039.3
3 to 6 months	3至6個月	761.4	468.6
6 months to 1 year	6個月至1年	534.1	547.1
Over 1 year	1年以上	4,770.4	2,540.6
		10,772.9	9,595.6

The Group's credit policies with its suppliers for the year ended December 31, 2013 remained the same as that for the year ended December 31, 2012.

幣461.3百萬元，佔我們貿易應收款項及應收票據的16.4%，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。

(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12月31日止年度，本集團與其供應商的信貸政策與截至2012年12月31日止年度相同。

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V. INDEBTEDNESS

1. BORROWINGS

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

V. 債務

1. 借貸

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

		As at December 31,	
		於12月31日	
		2013	2012
		2013年	2012年
		RMB million	<i>RMB million</i>
		人民幣百萬元	<i>人民幣百萬元</i>
Current:	流動：		
Short-term borrowings	短期借貸		
Bank loans	銀行貸款		
unsecured	無擔保	16.9	18.6
secured	有擔保	145.7	33.8
Subtotal	小計	162.6	52.4
Add: current portion of long-term borrowings	加：長期借貸的流動部份	71.7	81.5
Subtotal	小計	234.3	133.9
Non-current:	非流動：		
Long-term borrowings	長期借貸		
Bank loans	銀行貸款		
unsecured	無擔保	2.7	—
secured	有擔保	148.6	236.1
Subtotal	小計	151.3	236.1
Less: current portion of long-term borrowings	減：長期借貸的流動部份	71.7	81.5
Subtotal	小計	79.6	154.6
Total	總計	313.9	288.5

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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 December 31, 2013, our short-term borrowings (including the current portion of long-term borrowings) amounted to RMB234.3 million, accounting for 74.6% 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 RMB151.3 million as at December 31, 2013. As at December 31, 2013, our long-term borrowings (excluding the current portion) amounted to RMB79.6 million, accounting for 25.4% of our total borrowings. The decrease in our interest-bearing borrowings to RMB79.6 million as at December 31, 2013 was primarily due to the repayment of long-term bank borrowings using cash generated from our business operations.

As at December 31, 2013, certain of the Group's borrowings were secured by certain of the Group's buildings with an aggregate net book value of RMB4,698,000 and bank deposits of RMB154,030,000.

As at December 31, 2012, certain of the Group's borrowings were secured by certain of the Group's buildings with an aggregate net book value of RMB5,063,000, lease prepayments of RMB8,592,000, trade receivables of RMB6,754,000, construction contracts of RMB30,759,000, and bank deposits of RMB318,580,000.

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12月31日，我們的短期借貸（包括長期借貸的流動部份）為人民幣234.3百萬元，佔我們的借貸總額74.6%。

長期借貸主要包括來自商業銀行及其他金融機構的抵押借貸。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12月31日，該等借貸（包括流動部份）的結餘總額約為人民幣151.3百萬元。於2013年12月31日，不包括流動部份的長期借貸為人民幣79.6百萬元，佔我們借貸總額的25.4%。我們的計息借貸於2013年12月31日減少至人民幣79.6百萬元，主要由於以我們業務經營產生的現金償還長期銀行借貸。

截至2013年12月31日，本集團的若干借貸以總賬面淨值為人民幣4,698,000元的本集團若干樓宇及人民幣154,030,000元的銀行存款作抵押。

截至2012年12月31日，本集團的若干借貸以總賬面淨值為人民幣5,063,000元的本集團若干樓宇、人民幣8,592,000元的預付租賃款項、人民幣6,754,000元的貿易應收款項、人民幣30,759,000元的建造合同及人民幣318,580,000元的銀行存款作抵押。

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There had been no material defaults in payment of our bank borrowings and breaches of the finance covenants during the year ended December 31, 2013.

於截至2013年12月31日止年度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。

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

於2013年及2012年12月31日，我們的計息借貸到期日如下：

		As at December 31,	
		於12月31日	
		2013	2012
		2013年	2012年
		(RMB million)	(RMB million)
		(人民幣百萬元)	(人民幣百萬元)
Within 1 year or on demand	1年以內或實時還款	234.3	133.9
After 1 year but within 2 years	1年至2年	73.7	73.6
After 2 years but within 5 years	2年至5年	4.0	77.9
After 5 years	5年以上	1.9	3.1
Total	總計	313.9	288.5

The Group monitors capital on the basis of the gearing ratio. Gearing ratio is derived by dividing total borrowings by total assets multiplied by 100%. In 2013, the Group's gearing ratio was 1.0%, which is similar to 0.8% in 2012.

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。2013年，本集團的槓桿比率為1.0%，與2012年的0.8%基本保持穩定。

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2. CONTINGENT LIABILITIES

We were involved in a number of legal proceedings and claims against either our Company or a subsidiary of our 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. For some export-import agency services, we issued irrevocable letters of guarantee through certain banks to buyers for the benefit of sellers, which guarantee 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. These guarantees are typically issued to provide security to the buyer in paying an advance to a seller before the actual goods are received, and we do not receive separate consideration for issuing such guarantees. In order for us to issue these letters of guarantee, we require the sellers to provide us 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 December 31, 2013, the total outstanding amount under these letters of guarantee issued was RMB179.9 million (2012: RMB662.0 million), which are secured by the sellers' assets or guaranteed by certain banks on behalf of the sellers.

2. 或有負債

我們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。我們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份墊款時，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，我們並不就發出該等保函而另外收取對價。為了能讓我們發出該等保函，我們要求賣方向我們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12月31日，該等已發出保函項下的未償還總額為人民幣179.9百萬元（2012年：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。

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VI. RISK FACTORS AND RISK MANAGEMENT

We are exposed to various types of market 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.

1. CURRENCY RISK

We are exposed to currency risk primarily through sales and purchases and our International Engineering Contracting Business overseas and overseas financing 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, Euros and Hong Kong dollars. 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

VI. 風險因素及風險管理

我們於日常業務過程中面對多類市場風險，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及時有效地執行。

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以及海外融資產生之以外幣（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，歐元以及港元。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匹配，即該等合同的金額及條款與將收取的外匯款項相匹

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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 December 31, 2013, we had 288 foreign currency forward contracts outstanding (2012: 126). We entered into more foreign 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 December 31, 2013, the net fair value assets of our foreign currency forward contracts were RMB142.3 million, representing gross fair value assets and liabilities of such contracts of RMB142.3 million and nil, respectively, which represent our exposure under the foreign currency forward contracts estimated as at December 31, 2013. We maintain and follow our internal policies and controls for managing our Group’s use of derivative financial instruments.

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

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12月31日，我們有288份遠期外匯合同尚未結算（2012年：126份）。於2012年，鑑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。遠期外匯合同初始按公允價值確認。於各報告期末，公允價值重新計量，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12月31日，我們的遠期外匯合同公允值資產淨額為人民幣142.3百萬元，代表該等合同的總公允值資產及負債分別為人民幣142.3百萬元及零元，代表我們估計的於2013年12月31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。

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

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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 interests 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 December 31, 2013, the remaining balance of the loan is US\$23.4 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 December 31, 2013, the net and gross fair value liabilities of our interest rate swap contract were RMB6.3 million, which represent our exposure under the interest rate swap estimated as at December 31, 2013.

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 is monitored on an ongoing basis. Credit terms extended to our customers

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12月31日，貸款的未償還餘額為23.4百萬美元。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12月31日，我們利率掉期合同的公允值負債淨額及總額為人民幣6.3百萬元，代表我們估計的於2013年12月31日所面臨的利率掉期風險。

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

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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 December 31, 2013, 9.3% of the total trade and other receivables was due from our largest customer (2012: 9.6%), and 26.0% of the total trade and other receivables was due from the five largest customers (2012: 24.6%).

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。公司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，公司作為承包商主要以金融機構提供的貸款或信貸額度，或在較小程度上，以公司自有財務資源（如項目業主會以遞延方式向我們付款用作融資）為項目融資。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，我們及我們貿易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12月31日，貿易及其他應收款項總額中有9.3%來自我們的最大客戶（2012年：9.6%），而貿易及其他應收款項總額中有26.0%來自五大客戶（2012年：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 and 2013, our net current assets amounted to RMB3,665.5 million and RMB6,113.9 million, respectively.

5. COMPETITION RISK

In terms of our International Engineering Contracting Business, we compete with both domestic and foreign contractors for International Engineering Contracting Business. Competition largely focuses on price, design, variety of the services provided, service quality, financial 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 the developed countries such as the U.S., 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 on our competitive advantage

4. 流動資金風險

流動資金風險指我們資產負債表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年及2013年12月31日，我們的流動資產淨額分別為人民幣3,665.5百萬元及人民幣6,113.9百萬元。

5. 競爭風險

在公司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

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in pricing, especially in the developing countries, due to lower labor cost and price of the equipment. We will also continue to leverage on the cooperation between the PRC government and foreign governments (especially those of the developing countries) to compete with both domestic and foreign contractors.

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 focuses on price, range of products, suppliers and purchasers, whereas competition with foreign companies focuses on the price and quality of products manufactured by Chinese and 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 on-site maintenance services. With more than 30 years of operating history in the international trading business, we believe we have an edge over our PRC competitors within the industry in terms of our extensive sales and marketing networks, long established experiences in the international trading market, well-trained commercial capabilities, strong capabilities in providing financing solutions and good reputation.

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。

在公司貿易業務方面，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訂融資方案。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。

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6. OTHER BUSINESS RISKS

- Investment risks: The investment risks mainly represent deviation between actual investment revenue and the anticipated revenue caused by factors out of control or contingent factors. In addition, it also includes relevant advance payments for projects, decrease of investment in infrastructural projects by non-governmental investment institutions resulting from changes in policies, and significant outlay of working capital over extended periods.
- Risks of project management: The construction and infrastructure industry is a high-risk industry in itself. Coupled with the rapid growth in the business scale of the Company in recent years, and the gradually widened span of operation, project management becomes more and more difficult. As such, there is a severe challenge to the safety and quality management for the projects, which could result in management risks.
- Operational risks: For the International Engineering Contracting Business, the bidding prices of construction contracting projects are affected largely by market competition. Meanwhile, there are also certain operation risks for the Group to control the cost and to engage subcontractors.
- Market risks: Various expectations from the government could have adverse impact on the Group's business, such as expectation on growth level of both national and regional economic, usage of infrastructure and expectation on future expansion of demand and expectation on the overall growth level of related industries. In addition, the instability of political and economic environment of overseas market, could bring uncertainties to the Group's overseas market development, which may affect the normal implementation of projects.

6. 其他業務風險

- 投資風險：投資風險主要包括由於不可控因素或隨機因素的影響，實際投資收益與預期收益的相偏離。另外還包括由於墊付項目的有關款項、政策變動造成非政府投資機構對基建項目的投資減少、在較長期間內動用大量營運資金等。
- 項目管理風險：建築及基礎設施行業本身屬高風險行業，加之近年公司經營規模的快速增長，經營跨度越來越大，項目管理的難度不斷加大。因此，對項目安全質量管理提出了嚴峻挑戰，存在一定的管理風險。
- 經營風險：國際工程承包業務中，工程承包項目的標價格受市場競爭影響較大，同時，對成本和委聘分包商的控制也存在一定的經營風險。
- 市場風險：政府對國家和地區經濟增長水平的預期、基礎設施的使用狀況和未來擴張需求的預期、相關行業增長整體水平的預期等都可能對本集團經營市場產生不利影響。此外，國外市場的政治、經濟環境存在一定的不穩定性，可能會給本集團海外市場發展帶來不確定性因素，使施工項目的正常推進可能受到影響。

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VII. PROSPECTS

In 2014, the primary guiding principle of the Company's operation will be consolidating management foundation, enhancing management level, achieving stable growth of businesses and solidly driving forward transformation and upgrading of businesses under the leadership of the Company's Board with new strategic plans being the blueprint, so as to stride towards the new strategic goals.

A. BUSINESS DEVELOPMENT STRATEGIES

1. Enhancing the International Engineering Contracting Business

- (a) *Achieving the regionalization of localized operation and the professionalization of project management*

The Company will establish overseas branches in line with regional characteristics, formulate and finalize the localized operation strategies as well as exploring the setting up of the CMEC's overseas staff management system, so as to deepen the localization of projects by means of recruiting overseas staff. On the basis of the accountability system of project managers, the Company will promote the professionalization of project management in an austere manner, establish the supervising system on project performance and put emphasis on the progress, quality and safety of projects. The Company will adjust the strategies in a timely manner and increase the capability of dealing with emergency events in accordance with the change in political and economic environment where the projects are located. The Company will also establish the inspection system on core projects, strengthen the review and examination of core projects and projects with higher execution difficulties and promote the signing and coming into effect of projects.

VII. 前景

2014年，公司經營工作的主要指導思想是：在公司董事會的領導下，以新的戰略規劃為藍圖，鞏固管理基礎，提升管理水平，實現業務的穩定增長，紮實推進業務的轉型升級，向新的戰略目標邁進。

A. 業務發展策略

1. 增強國際工程承包業務

- (a) *實現屬地經營區域化，項目管理專業化*

公司將建立適應於區域特點的海外分支機構，制定並落實屬地化經營策略，探索建立CMEC海外員工管理制度，以僱傭海外員工等方式深化項目屬地化。在堅持項目經理負責制的基礎上，公司將認真推進項目管理專業化，建立項目履約督查制度，重點關注項目進度、質量、安全。公司將根據項目所在國政治、經濟環境的變化，及時調整對策，增強應對突發事件的能力。公司還將建立重點項目的巡視制度，加強對重點項目及執行難度較大項目的審計和檢查，推動項目簽約和生效。

Management Discussion and Analysis

管理層討論及分析

(b) Further innovating project financing method

The Company will actively utilize new credit mechanisms (such as special credit insurance) to develop projects.

2. Developing trading and other service businesses steadily

In 2014, the Company will continue its reorganization of the trading sector in order to ensure that each team is able to fully leverage the integrated and industrialized edges after the reorganization as well as improving the business flow and management system, so as to ensure the fulfillment of operational goals. The Company will integrate its own business characteristics and clarify the market positioning of its core businesses and core products. The Company will also build the core brand and seize the opportunities brought by urbanization in China to actively expand the domestic market, while at the same time effectively promoting business in primary regions and primary projects as well as emphasizing on the environmental-friendly and new energy projects. The Company will also accelerate the transformation of services and businesses and pursue the development of domestic and overseas markets at the same time.

3. Establishing the foundation of investment and financing business

The Company will commence the exploration of investment business with strict adherence to the principle of “investment driven EPC” and integrate with the regionalized strategy of the International Engineering Contracting Business, with a view to investing in line with regional characteristics. The Company will focus on various domestic and overseas power projects and endeavor to achieve breakthroughs in investment business. In the domestic market, the Company will fully utilize its own advantages, with China Machinery R&D and CNCEC servicing as platforms, to focus on the municipal environmental protection projects.

(b) 進一步創新項目融資方式

公司將積極利用新的信貸機制如特殊信用險等開拓項目。

2. 穩定發展貿易與其他服務業務

2014年，公司要繼續做好貿易板塊的重組工作，確保重組後各團隊能夠發揮集成化、產業化優勢，完善業務流程及管理制度，確保完成經營指標。公司將結合自身的業務特點，明確核心業務及核心產品的定位、打造核心品牌，並抓住國內城鎮化發展的契機，積極開拓國內市場，同時對重點地區及重點項目予以積極推進，並著重關注環保及新能源項目。公司還將加快服務業務轉型，內外市場並重發展。

3. 奠定投融資業務基礎

公司將重點圍繞「投資帶動EPC」這一宗旨，開展探索投資業務，並與國際工程承包業務的區域化戰略相結合，根據區域特色進行投資。公司將以境內外多個電力項目為重點，力爭實現投資類業務的突破。在國內市場，公司將充分利用自身優勢，以中機設計研究院和中成套為平台，重點關注市政環保類項目。

Management Discussion and Analysis

管理層討論及分析

B. OTHER STRATEGIC POLICIES

1. Enhancing internal synergies and encouraging business development

The Company will enhance the synergy between the International Engineering Contracting Business, Trading Business and the business of investment and financing, as well as the collaboration of each subordinate branch around the world. The Company will also further strengthen the sharing of overseas platforms of the International Engineering Contracting Business and the Trading Business, in particular, to utilize the overseas branches established in the developing countries for the International Engineering Contracting Business to seek opportunities for the Trading Business, as well as to utilize the overseas branches established in the developed countries for the Trading Business to effectively promote the collaboration with the engineering contractors and investors in the developed countries.

2. Improving the incentive and training systems of talents

The Company will further improve the performance assessment mechanism and remuneration and award system, as well as consulting and studying the related policies of equity incentive policy adopted by listed companies. The Company will also improve the three-level talent training system conducted overseas, by domestic institutions and within the Company, to engage professionals of core competitive sectors through various channels.

B. 其他戰略措施

1. 加強內部協同，鼓勵業務發展

公司將加強國際工程承包、貿易及投融資業務之間的協同，以及全球各下屬機構之間的協作。公司還將進一步加強國際工程承包業務與貿易業務的海外平台共享，特別是利用因國際工程承包業務而在發展中國家設立的境外機構，為貿易業務尋找機會，並利用因貿易業務而在發達國家設立的境外機構有效推動與發達國家工程承包商、投資商的合作。

2. 完善人才激勵和人才培養制度

公司將進一步完善績效考核機制及薪酬獎勵制度，同時積極諮詢及研究有關上市公司股權激勵的相關政策。公司還將完善海外、國內院校及公司內部的三級人才培訓體系，通過各種渠道，引進核心競爭領域的專業人員。

Management Discussion and Analysis

管理層討論及分析

3. Enhancing fundamental management of the Company

(1) Enhancing financial and audit management

The Company will enhance the overall management of budgets, intensify the efforts of mitigation and control of financial risks and reinforce the management of receivables and significant events financial reports, to improve the taxation management system of the Company and augment the research and planning of overseas taxation. The Company will also extend the scope of audit and conduct specified audits on the progress of the Company's particular infrastructure projects in accordance with the divisions.

(2) Enhancing management of safe production

The Company will further improve the establishment of the safe production management system by means of enhancing the awareness of the responsibility of safe production, preventing overseas emergency events and putting the focus on the supervision and inspection of projects located in high-risk regions in order to ensure the stability of the Company's safe production.

(3) Enhancing the supportive legal system

In order to materialize the control of the entire risk management process, the Company will continue to increase the level of compliance of its management and gradually foster the capability of legal services and protection of investment and mergers and acquisitions. The Company will continue to focus on the progress of significant legal and arbitral proceedings in order to achieve the most favorable outcome.

3. 加強公司基礎管理

(1) 加強財務和審計管理

公司將加強全面預算管理，加大財務風險防控工作力度，還將加強應收款項管理及重大事項財務報告管理，完善公司稅務管理體系並加強境外稅務研究和籌劃。公司還將提高審計工作的覆蓋面，對公司特定基礎設施建設項目的施工進度按照節點開展專項審計。

(2) 加強安全生產管理

公司要進一步完善安全生產管理體系建設，強化安全生產責任意識，預防境外突發事件，並將高風險地區的項目作為監督檢查的重點，努力保持公司的安全生產處於平穩狀態。

(3) 加強法律支持體系

為了實現風險管理的全流程控制，公司要持續提高合規管理水平，逐步培育投資併購類業務的法律服務及保障能力。公司將持續關注重大訴訟、仲裁案件的進展，以實現最有利的結果。

Representative Newly Effective Projects and Newly Signed Projects

具代表性的新生效項目和新簽約項目

In 2013, the values of the newly signed and newly effective contracts of the International Engineering Contracting Business achieved ideal results and accomplished the operational goals set at the beginning of the year.

2013年，國際工程承包業務的新簽約和新生效合同價值均取得理想成績，並達到年初訂立的經營目標。

The following chart shows some representative examples of the newly effective and newly signed contracts:

下表為新生效和新簽約合同的部分代表性例子：

Newly Effective Contract 新生效合同	Contract Value 合同金額 (US\$ million) (百萬美元)	Effective Date 生效日期	Expected Construction Period 預期工期 (Month) (月)	Sector 行業
CONSTRUCTION OF EXTENSION OF SOUTHERN EXPRESSWAY FROM MATARA TO HAMBANTOTA (SECTION 2 FROM BELIATTA TO WETIYA) IN SRI LANKA 斯里蘭卡南部高速公路 (Matara至Hambantota) 延長線第二標段 (Beliatta至Wetiya段) 項目合同	429.77	Nov-13 2013年11月	43	Transportation 交通運輸
INSTALLATION OF NEXT – GENERATION – NETWORK BASED TELECOMMUNICATION NETWORK FOR DIGITAL BANGLADESH IN BANGLADESH 孟加拉國新一代網絡智能化項目	182.79	Nov-13 2013年11月	33	Telecommunications 電子通訊
KAR GROUP 6,000 TONES PER DAY CEMENT PLANT PROJECT IN QARAC HOG, IRAQ 伊拉克卡拉喬日產6,000噸水泥廠項目	236.05	Oct-13 2013年10月	24	Non-Core 非核心行業
RECONSTRUCTING AND UPGRADING KISENEPOI TO KAUGEL RIVER SECTION OF HIGHLANDS HIGHWAY IN THE INDEPENDENT STATE OF PAPUA NEW GUINEA 巴布亞新幾內亞高地公路 Kisenepoi-Kaugel River段升級改造項目	170.91	Oct-13 2013年10月	36	Transportation 交通運輸

Representative Newly Effective Projects and Newly Signed Projects

具代表性的新生效項目和新簽約項目

Newly Effective Contract 新生效合同	Contract Value 合同金額 (US\$ million) (百萬美元)	Effective Date 生效日期	Expected Construction Period 預期工期 (Month) (月)	Sector 行業
CONSTRUCTION CONTRACT OF THE UNIVERSITY TOWN IN MALABO, EQUATORIAL GUINEA 赤道幾內亞馬拉博大學城建設項目	308.02	Sep-13 2013年9月	30	Non-Core 非核心行業
CONTRACT OF THE YANKARI POWER PLANT IN BAUCHI STATE, NIGERIA 尼日利亞包奇州YANKARI電站項目	201.00	Jul-13 2013年7月	33	Power 電力能源
CONTRACT OF THE SAPELE POWER PLANT IN NIGERIA 尼日利亞SAPELE電站項目	420.50	Jul-13 2013年7月	31	Power 電力能源
DEVELOPMENT AND REHABILITATION OF MUNICIPAL WATER AND SEWAGE TREATMENT WORKS PROJECT IN ZIMBABWE 津巴布韋城市供水及污水處理系統改造項目	144.43	Jun-13 2013年6月	36	Non-Core 非核心行業
PHASE II PROJECT OF BANGLADESH NATIONAL BROADBAND INFRASTRUCTURE NETWORK 孟加拉國國家寬帶基礎網二期項目	133.00	May-13 2013年5月	14	Telecommunications 電子通訊
THE HEAT ONLY BOILER PLANT AND ITS ANCILLARY FACILITIES PROJECT IN AMGALAN DISTRICT, ULAANBAATAR, MONGOLIA 蒙古烏蘭巴托市阿木古朗地區建設供熱站及其附屬設施項目	75.90	Apr-13 2013年4月	18	Power 電力能源

Representative Newly Effective Projects and Newly Signed Projects

具代表性的新生效項目和新簽約項目

Newly Signed Contract 新簽約合同	Contract Value 合同金額 (US\$ million) (百萬美元)	Date of Contract 簽約日期	Expected Construction Period 預期工期 (Month) (月)	Sector 行業
PHASE II OF THE KOSTO LAC B-POWER PLANT IN THE REPUBLIC OF SERBIA 塞爾維亞共和國科斯托拉茨B二期電站項目	715.60	Nov-13 2013年11月	58	Power 電力能源
UPGRADING OF MOI TEACHING AND REFERRAL HOSPITAL IN KENYA 肯尼亞莫伊教學與轉診醫院擴建項目	291.59	Nov-13 2013年11月	36	Non-Core 非核心行業
POWER GRID CONSTRUCTION AND EXPANSION PROJECTS in SIX CITIES IN CONTINENTAL REGION OF EQUATORIAL GUINEA 赤道幾內亞大陸地區新建及擴建六座城市電網項目	126.85	Oct-13 2013年10月	21	Power 電力能源
CONSTRUCTION CONTRACT FOR THE AMERICAN UNIVERSITY OF MADABA PHASE IV PROJECT IN JORDAN 約旦馬達巴美國大學(四期)建設項目	265.78	Oct-13 2013年10月	30	Non-Core 非核心行業
THE HIGHWAY POWER SUPPLY PROJECT IN CONTINENTAL REGION OF EQUATORIAL GUINEA 赤道幾內亞大陸地區高速路供電項目	199.04	Oct-13 2013年10月	24	Power 電力能源
MASTER CONSTRUCTION CONTRACT FOR GAMPAHA, ATTANAGALLA & MINUWANGODA INTEGRATED WATER SUPPLY SCHEME IN SRI LANKA 斯里蘭卡阿塔納水廠項目 建設總承包合同	229.50	May-13 2013年5月	36	Non-Core 非核心行業
CONSTRUCTION OF 33 PRIMARY HEALTH CARE CENTERS (PHCCS) IN THE UPPER NILE REGION OF THE REPUBLIC OF SOUTH SUDAN 南蘇丹上尼羅河區33所初級衛生保健中心建設項目	215.37	Apr-13 2013年4月	24	Non-Core 非核心行業

Major Events in 2013

2013年重大事項

February 二月



On February 18, we received the “Certificate of Final Acceptance” of the Naypyidaw international airport project in Burma from the project owner. This project was the first airport project undertaken by CMEC.

2月18日，緬甸內比都國際機場項目收到業主簽發的「最終驗收證書」。該項目是CMEC承建的第一個機場項目。

April 四月



During April 25 to April 27, Chairman SUN Bai and President ZHANG Chun met with the Prime Minister Azarov, Deputy Prime Minister Arbutov and other senior officials of the Ukrainian government and signed cooperation documents of the relevant projects.

4月25日至4月27日，孫柏董事長、張淳總裁共同拜會烏克蘭總理阿扎羅夫、副總理阿爾布佐夫等政府高層並簽署相關項目合作文件。

May 五月



On May 16, the opening ceremony of the M67 highway upgrading project in Namibia was held with the presence of the President of Namibia, Pohamba.

5月16日，納米比亞M67號公路升級項目的開工儀式隆重舉行，納米比亞總統漢巴參亦參與其中。

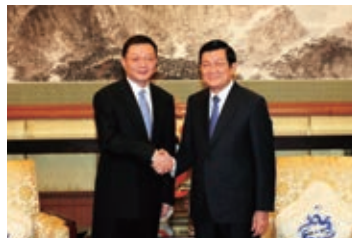
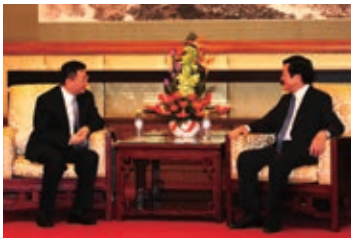
Major Events in 2013 2013年重大事項



On May 22, Premier LI Keqiang, during his state visit in Pakistan, witnessed the signing of the loan agreement for CMEC's NJ project in Pakistan together with the Prime Minister of Pakistan. The successful signing of this loan agreement between the Export-Import Bank of China and the Ministry of Economic Affairs of Pakistan will secure the funding for the NJ project in Pakistan.

5月22日，在李克強總理對巴基斯坦進行國事訪問期間，CMEC巴基斯坦NJ項目貸款協議在中巴兩國總理的見證下，由中國進出口銀行與巴基斯坦經濟事務部成功簽約。該貸款協議的成功簽約將有效保證巴基斯坦NJ項目的資金需求。

June 六月



In the morning of June 20, President ZHANG Chun met with TRUONG Tan Sang, the President of Vietnam, and his delegation. Talks were held in a cordial and friendly manner between the two sides.

6月20日上午，張淳總裁拜會越南國家主席張晉創一行，雙方進行了親切友好的交談。

On June 26, SINOMACH entrusted CMEC to manage 100% equity interests held in its subsidiaries, namely CNEEC and CNCEC.

6月26日，國機正式將中電工、中成套兩家企業100%的股權委託CMEC比照子公司進行管理

On June 27, the Department of State of the U.S. Government published public notice no. 8361 in the Federal Register in relation to a determination to lift the Chemical and Biological Weapons Proliferation Sanctions imposed against the Company and CMEC Machinery & Electric as well as their respective subsidiaries and successors on July 9, 2002.

6月27日，美國政府國務院在《聯邦紀事》上公開發佈第8361號通告，內容有關其決定解除於2002年7月9日依據其生物武器制裁法對本公司和中設機電及其各自的附屬公司和繼任公司實施的制裁。

Major Events in 2013

2013年重大事項

July 七月



On July 11, CMEC entered into a memorandum of understanding for strategic cooperation with GE.

7月11日，CMEC與GE簽署戰略合作備忘錄。

In the morning of July 11, under the witness of Mr. Jonathan, the President of Nigeria and Chairman SUN Bai signed a general contract for Yankari power plant project with the Governor of Bauchi in Nigeria.

7月11日上午，在尼日利亞總統喬納森先生的見證下，董事長孫柏與尼日利亞Bauchi州州長簽署了Yankari電站項目合同。



On July 25, CMEC Expo, a subsidiary of CMEC, was honoured “Excellent Organizer for Overseas Economic and Trade Exhibitions” from 2011 to 2012.

7月25日，CMEC附屬公司西麥克展覽被評為2011-2012年度「全國出國經貿展覽優秀組展單位」。

In July, CMEC received AA credit rating from China Development Bank, upgrading to be the bank's premium client.

7月份，CMEC獲國家開發銀行給予AA信用評級，升級為該行的優質客戶。

Major Events in 2013

2013年重大事項

August 八月

On August 2, CMEC won the honorary title of 2013 National Advance Organization in the “Safety Production Month” activities.

8月2日，CMEC被評為「安全生產月」2013年全國活動先進單位。

On August 27, President ZHANG Chun met with the President of Serbia, Nikolić during his visiting in China.

8月27日，張淳總裁拜會了來華訪問的塞爾維亞總統尼科利奇。

In August, the Company announced the “CMEC Strategic Development Plan for the Next Five Years” (CMEC未來五年發展戰略規劃).

8月，公司發佈了「CMEC未來五年發展戰略規劃」。

September 九月



On September 17, CMEC Brand Showcase was successfully held in Istanbul, Turkey.

9月17日，CMEC品牌展在土耳其伊斯坦布爾成功舉辦。



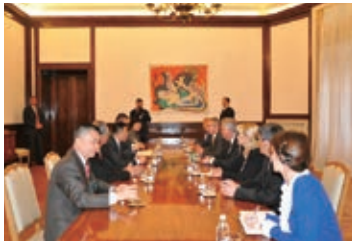
On September 25, Chairman SUN Bai and President ZHANG Chun met with Florencio Randazzo and his delegation, the Minister of Ministry of Interior and Ministry of Transport of Argentina. Both parties expressed opinions on the implementation of Belgrano freight railway renovation project undertaken by CMEC in Argentina and signed a supplemental agreement for this project.

9月25日，孫柏董事長和張淳總裁會見了阿根廷內政和交通部部長弗洛倫西奧·蘭達索一行，雙方就CMEC在阿根廷承建的貝爾格拉諾貨運鐵路改造項目執行交換了意見，並就該項目簽署了補充協議。

Major Events in 2013

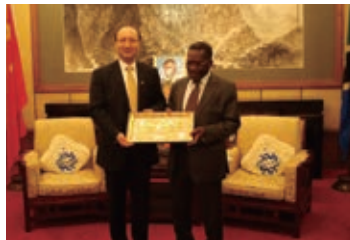
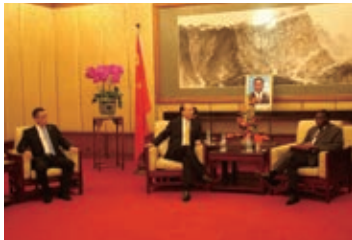
2013年重大事項

October 十月



From October 5 to October 9, President ZHANG Chun led a delegation to visit Serbia and met with President Nikolić and First Deputy Prime Minister Vucic of Serbia.

10月5日至10月9日，張淳總裁率團訪問塞爾維亞並拜會塞爾維亞總統尼科利奇和塞爾維亞第一副總理武契奇。



On October 18, Chairman SUN Bai met with Mizengo Pinda, the Prime Minister of Tanzania.

10月18日，孫柏董事長拜會了坦桑尼亞總理米金戈•平達。



On October 19, the completion ceremony of the Omotosho 500MW single-cycle power plant project in Ondo State, Nigeria undertaken by CMEC was held. The President of Nigeria cut the ribbon at the ceremony..

10月19日，CMEC承建的尼日利亞翁多州歐莫托休500MW單循環燃機電站項目舉行完工慶典，尼日利亞總統在典禮上剪綵。

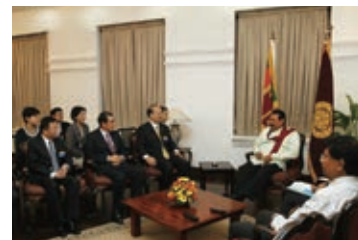
Major Events in 2013 2013年重大事項

November 十一月



On November 11, Chairman SUN Bai and President ZHANG Chun met with the Chairman of the Commonwealth Business Council and signed a memorandum of undertaking for strategic cooperation.

11月11日，孫柏董事長和張淳總裁會見英聯邦政府首腦會議商業委員會主席，並簽訂了戰略合作諒解備忘錄。



On November 11, Chairman SUN Bai and President ZHANG Chun met with Sri Lanka's President, Mahinda Rajapaksa.

11月11日，孫柏董事長、張淳總裁拜會斯里蘭卡總統馬欣達•拉賈帕克薩閣下。



During November 13 to 17, the 12th "China Engineering and Technology Expo" was successfully held in the Battaramulla Art Centre, Colombo, the capital city of Sri Lanka. Sri Lanka's President Rajapaksa and the first lady attended the opening ceremony of the exhibition and cut the ribbon with Chinese Ambassador to Sri Lanka and our Chairman SUN Bai.

11月13日至17日，第12屆「中國工程技術展覽會」在斯里蘭卡首都科倫坡拜塔瑞姆拉藝術中心圓滿舉行。斯里蘭卡總統及其夫人出席中國工程技術展開幕儀式，並與中國駐斯里蘭卡大使和孫柏董事長共同剪綵。

Major Events in 2013

2013年重大事項



On November 14, Chairman SUN Bai met with Tanzanian President, Jakaya Mrisho Kikwete.

11月14日，孫柏董事長拜會坦桑尼亞總統賈卡亞·姆里紹·基奎特。



On November 14, President ZHANG Chun participated in the business roundtable of the Commonwealth Heads of Government Meeting chaired by the President of Sri Lanka, Mahinda Rajapaksa.

11月14日，張淳總裁參加了由斯里蘭卡總統馬欣達·拉賈帕克薩主持的英聯邦政府首腦會議之商業論壇圓桌會議。

December 十二月



On December 5, President ZHANG Chun met with Ms. Christina Fernandez de Kirchner, the President of Argentina.

12月5日，張淳總裁拜會阿根廷總統克里斯蒂娜·費爾南德斯·德基什內爾女士。



On December 19, the groundbreaking ceremony for CMEC's Guangdong-HK Investment and Financing Center was grandly held. Chairman SUN Bai, President ZHANG Chun and CFO ZHOU Yamin attended the ceremony.

12月19日，CMEC粵港投融資中心大廈奠基儀式隆重舉行。孫柏董事長、張淳總裁、周亞民財務總監出席了儀式。

On December 21, CMEC held a seminar for the first anniversary of the Listing at Shangri-La, Hong Kong. CMEC's leaders have in-depth discussion and communication with the investors and analysts of the capital market.

12月21日，公司上市一週年座談會在香港香格里拉酒店隆重舉行。公司領導與資本市場投資者和分析師進行了深入的溝通。

Report of Directors

董事會報告

The Board is pleased to present its report together with the audited consolidated financial statements of the Group prepared in accordance with IFRS for the year ended December 31, 2013.

GLOBAL OFFERING

The Company was incorporated in the PRC on January 18, 2011 as a joint stock company with limited liability under the Companies Law. The Company's H Shares were listed on the Stock Exchange on the Listing Date.

PRINCIPAL ACTIVITIES

The Company is a leading international engineering contracting and services provider with a primary focus on EPC projects and 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.

Details of the Company's subsidiaries are set out in note 18 to the audited consolidated financial statements.

RESULTS

The audited results of the Group for the year ended December 31, 2013 are set out in the consolidated statement of comprehensive income on pages 166 to 167 of this annual report. The financial position of the Group and the Company as at December 31, 2013 are set out in the consolidated balance sheet on pages 168 to 169 and the balance sheet on pages 170 to 171 of this annual report, respectively. The cash flows of the Group for the year ended December 31, 2013 is set out in the consolidated cash flow statement on pages 173 to 175 of this annual report.

A discussion and analysis of the Group's performance during the year and the key factors affecting its results and financial position are set out in the section "Management Discussion and Analysis" of this annual report.

董事會欣然提呈根據國際財務報告準則編製的本集團截至2013年12月31日止年度的報告，連同經審計合併財務報表。

全球發售

本公司於2011年1月18日根據公司法在中國註冊成立為股份有限公司。本公司的H股於上市日期在聯交所上市。

主要業務

本公司為領先的國際工程承包及服務商，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。

本公司附屬公司的詳情載於經審計合併財務報表附註18。

業績

本集團截至2013年12月31日止年度的經審計業績載於本年報第166頁至167頁的合併綜合收益表。本集團及本公司於2013年12月31日的財務狀況分別載於本年報第168頁至169頁的合併資產負債表及第170頁至171頁的資產負債表。本集團截至2013年12月31日止年度的現金流量情況載於本年報第173頁至175頁的合併現金流量表。

本集團年內表現的討論與分析以及影響其業績及財務狀況的主要因素載於本年報「管理層討論及分析」一節。

Report of Directors

董事會報告

FINAL DIVIDENDS

The Board recommends the distribution of a final dividend of RMB0.19 per Share (pre-tax) for 4,125,700,000 Shares for year ended December 31, 2013, representing a total amount of RMB783,883,000 (pre-tax).

According to the Articles of Association, dividends will be denominated and declared in Renminbi. Dividends on Domestic Shares will be paid in Renminbi and dividends on H Shares will be paid in Hong Kong dollars.

The proposed final dividend is subject to Shareholders' approval at the upcoming annual general meeting of the Company ("AGM"). The Company will issue a separate announcement regarding the date of the upcoming AGM, the record date for the payment of H Share dividends and the dates of closure of register of members of the Company.

In accordance with tax law and relevant requirements under taxation regulatory institutions of the PRC, the Company is required to withhold 10% enterprise income tax when it distributes the final dividend for the year ended December 31, 2013 to all non-resident enterprise shareholders (including HKSCC Nominees Limited, other nominees, trustees or other entities and organizations, who will be deemed as non-resident enterprise shareholders) whose names appear on the H share register of members of the Company on July 9, 2014.

Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), the Implementation Regulations of the Individual Income Tax Law (《中華人民共和國個人所得稅法實施條例》), the Tentative Measures on Withholding and Payment of Individual Income Tax (《個人所得稅代扣代繳暫行辦法》) and other relevant laws and regulations and based on the Company's consultation with the relevant PRC tax authorities, the Company is required to withhold and pay 20% individual income tax for the Company's individual H shareholders whose names appear on the register of members of H shares of the Company (the "Individual H Shareholders"). Pursuant to the Notice on Matters concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題

末期股息

董事會建議派付截至2013年12月31日止年度的末期股息，就4,125,700,000股每股人民幣0.19元(稅前)，合共人民幣783,883,000元(稅前)。

根據章程規定，股息將以人民幣計價和宣佈。內資股的股息將以人民幣支付，而H股的股息則以港元支付。

擬派發的末期股息須經股東於本公司應屆股東週年大會(「股東週年大會」)上批准。本公司將就應屆股東週年大會日期、支付H股股息的記錄日期及本公司暫停辦理股份過戶登記日期刊發獨立公告。

根據稅法及中國稅務監管機構的有關要求，本公司向於2014年7月9日名列公司H股股東名冊上的所有非居民企業股東(包括香港中央結算(代理人)有限公司、其他代理人、受託人或其他團體及組織，將被視為非居民企業股東)派發截至2013年12月31日止年度之末期股息時，須預扣10%的企業所得稅。

根據《中華人民共和國個人所得稅法》、《中華人民共和國個人所得稅法實施條例》和《個人所得稅代扣代繳暫行辦法》等相關法律法規及基於本公司與中國有關稅務當局的諮詢，本公司須為名列本公司H股股東名冊之本公司H股個人股東(「H股個人股東」)代扣代繳20%的個人所得稅。根據國家稅務總局《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》及聯交所題為「有關香港居民就內地企業派發

的通知》) issued by the State Administration of Tax of the PRC and the letter titled “Tax arrangements on dividends paid to Hong Kong residents by Mainland companies” issued by the Stock Exchange, the overseas resident individual shareholders of the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax arrangements between the countries where they reside and China and the tax arrangements between China mainland and Hong Kong (Macau). The Company will identify the country of domicile of the Individual H Shareholders according to their registered address on the H share register of members of the Company on July 9, 2014 (the “**Registered Address**”). The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the Individual H Shareholders and for any claims arising from or in connection with any delay in or inaccurate determination of the tax status or tax treatment of the Individual H Shareholders or any disputes over the withholding mechanism or arrangements. Details of arrangements are as follows:

- For Individual H Shareholders who are Hong Kong or Macau residents or those whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders.
- For Individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders. If relevant Individual H Shareholders would like to apply for a refund of the additional amount of tax withheld and paid, the Company can assist the relevant shareholder to handle the application for the underlying preferential tax benefits pursuant to the tax treaties, provided that the relevant shareholder shall submit to the Company the information required under the “Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative)” (Guo Shui Fa [2009] No.124) (《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)) (the “**Tax Treaties**
- 股息稅務安排」的函件，持有境內非外商投資企業在香港發行的股份的境外居民個人股東，可根據其居民身份所屬國家與中國簽署的稅收協定及內地和香港（澳門）間稅收安排的規定，享受相關稅收優惠。公司須根據2014年7月9日名列公司H股股東名冊的H股個人股東的登記地址（「**登記地址**」）確定其居民身份。對於H股個人股東的納稅身份或稅務待遇及因H股個人股東的納稅身份或稅務待遇未能及時確定或不準確確定而引致或相關的任何申索或對於代扣機制或安排的任何爭議，本公司概不負責，亦不承擔任何責任。安排詳情如下：
- H股個人股東為香港、澳門居民或其住所所在國與中國簽訂股息稅率為10%的稅收協定的，本公司將按10%的稅率代扣代繳個人所得稅。
- H股個人股東住所所在國為與中國簽訂股息稅率低於10%的稅收協定的，本公司將按10%的稅率代扣代繳股息的個人所得稅。如相關H股個人股東欲申請退還多扣繳稅款，本公司可根據稅收協定代為辦理享受有關稅收協定待遇的申請，但股東須於2014年7月2日或該日之前向本公司呈交《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)（「**稅收協定通知**」）規定的資料，經主管稅務機關審

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Notice) on or before July 2, 2014. Upon examination and approval by competent tax authorities, the Company will assist in refunding the additional amount of tax withheld and paid.

- For Individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will finally withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty.
- For Individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or a country which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will finally withhold and pay individual income tax at the rate of 20% on behalf of the Individual H Shareholders.

If the domicile of an Individual H Shareholder is not the same as the Registered Address or if the Individual H Shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the Individual H Shareholder shall notify and provide relevant supporting documents to the Company on or before July 2, 2014. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding provisions and arrangements. Individual H Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the Tax Treaties Notices if they do not provide the relevant supporting documents to the Company within the time period stated above.

Shareholders are recommended to consult their tax advisers regarding the PRC, Hong Kong and other tax implications arising from or in connection with their holding and disposal of the H Shares of the Company.

核批准後，本公司將協助對多扣繳稅款予以退還。

- H股個人股東住所所在國為與中國簽訂股息稅率高於10%但低於20%的稅收協定的，本公司將最終按相關稅收協定實際稅率代扣代繳個人所得稅。
- H股個人股東住所所在國為與中國簽訂股息稅率20%的稅收協定的、與中國並沒有簽訂任何稅收協定的或在任何其他情況下，本公司將最終按20%稅率代扣代繳個人所得稅。

如H股個人股東的住所與登記地址不符或希望申請退還最終多扣繳的稅款，H股個人股東須於2014年7月2日或該日之前通知本公司並提供相關證明文件，證明文件經相關稅務機關審核後，本公司會遵守稅務機關的指引執行與代扣代繳相關的規定和安排。如H股個人股東在上述期限前未能向本公司提供相關證明文件，可按稅收協定通知的有關規定自行或委託代理人辦理有關手續。

建議股東應向彼等的稅務顧問諮詢有關擁有及處置本公司H股所涉及或相關的中國、香港及其他稅務影響的意見。

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CLOSURE OF REGISTER

In order to confirm the identity of shareholders who qualify for attending the forthcoming AGM to be held on June 26, 2014, the register of members of the Company will be closed from May 27, 2014 to June 26, 2014 (both days inclusive), during which period no transfer of shares will be registered. All transfer documents accompanied by the relevant H share certificates and transfer forms must be lodged with the Company's H shares registrar, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on May 26, 2014.

In order to confirm the identity of shareholders who qualify for final dividend, the register of members of the Company will also be closed from July 4, 2014 to July 9, 2014 (both days inclusive), during which period no transfer of shares will be registered. All transfer documents accompanied by the relevant H share certificates and transfer forms must be lodged with the Company's H shares registrar, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on July 3, 2014.

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the last five financial years are set out in the section "Financial Highlights" of this annual report. This summary does not form part of the audited consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended December 31, 2013, the Group's five largest suppliers accounted for 11.0 % (2012: 13.8%) of the Group's total purchases. The Group's largest supplier accounted for 3.2% (2012: 4.2%) of the Group's total purchases.

For the year ended December 31, 2013, the Group's sales to its five largest customers accounted for 30.0 % (2012: 28.0%) of the Group's total sales. The Group's sales to its largest customer accounted for 9.7% (2012: 8.7%) of the Group's total sales.

暫停辦理股份過戶登記

為確定有權出席將於2014年6月26日舉行的應屆股東週年大會的股東身份，本公司將於2014年5月27日至2014年6月26日（包括首尾兩天在內）暫停辦理股份過戶登記手續。所有股份過戶文件連同相關H股股票及過戶表格須於2014年5月26日下午4時30分前送交本公司H股證券登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

為確定有權收取末期股息的股東名單，本公司亦將於2014年7月4日至2014年7月9日（包括首尾兩天在內）暫停辦理股份過戶登記手續。所有股份過戶文件連同相關H股股票須於2014年7月3日下午4時30分前送交本公司H股證券登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

財務概要

本集團於過往五個財政年度的業績、資產及負債之概要載於本年報「財務摘要」一節。本概要並不構成經審計合併財務報表的一部分。

主要客戶及供應商

截至2013年12月31日止年度，本集團的五大供應商佔本集團採購總額的11.0%（2012年：13.8%）。本集團的最大供應商佔本集團採購總額的3.2%（2012年：4.2%）。

截至2013年12月31日止年度，本集團向其五大客戶作出的銷售額佔本集團銷售總額30.0%（2012年：28.0%）。本集團向其最大客戶作出的銷售額佔本集團銷售總額9.7%（2012年：8.7%）。

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None of the Directors of the Company or any of their associates or any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group during the year ended December 31, 2013 are set out in note 14 to the audited consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 30 to the audited consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company during the year are set out in note 30 to the audited consolidated financial statements, and details of movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

As at December 31, 2013, the Company's reserves available for distribution, calculated in accordance with the provisions of Companies Law, amounted to approximately RMB3,468.8 million (as at December 31, 2012: 2,377.5 million).

BANK LOAN AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Company and the Group as at December 31, 2013 are set out in note 25 to the audited consolidated financial statements.

本公司董事或彼等任何聯繫人或任何股東（就董事所深知，擁有本公司已發行股本5%以上）概無與本集團五大客戶及供應商擁有任何權益。

物業、廠房及設備

本公司及本集團於截至2013年12月31日止年度的物業、廠房及設備的變動詳情載於經審計合併財務報表附註14。

股本

本公司於年內的股本變動詳情載於經審計合併財務報表附註30。

儲備

本公司於年內的儲備變動詳情載於經審計合併財務報表附註30，而本集團於年內的儲備變動詳情載於合併權益變動表內。

可分派儲備

於2013年12月31日，根據公司法條文計算本公司可供分派的儲備約為人民幣3,468.8百萬元（於2012年12月31日：人民幣2,377.5百萬元）。

銀行貸款及借貸

本公司及本集團於2013年12月31日的銀行貸款及其他借貸之詳情載於經審計合併財務報表附註25。

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BOARD

The Directors during the year ended December 31, 2013 and up to the date of this report were:

Executive Directors:

- Mr. YANG Wansheng (*Chairman*) (appointed on January 13, 2011 and retired on April 19, 2013)
Mr. SUN Bai (*Chairman*) (appointed on April 19, 2013 and re-appointed on February 20, 2014)
Ms. LI Taifang (*Vice Chairperson*) (appointed on July 29, 2011 and appointment ceased effective on February 20, 2014)
Mr. ZHANG Chun (*President*) (appointed on March 16, 2012 and re-appointed on February 20, 2014)

Non-executive Directors:

- Mr. PAN Chongyi (appointed on January 13, 2011 and appointment ceased effective on February 20, 2014)
Mr. WANG Zhian (appointed on January 13, 2011 and re-appointed on February 20, 2014)
Mr. YU Benli (appointed on February 20, 2014)
Mr. ZHANG Fusheng (appointed on February 20, 2014)

INEDs:

- Mr. LIU Li (appointed on January 13, 2011 and re-appointed on February 20, 2014)
Ms. LIU Hongyu (appointed on January 13, 2011 and re-appointed on February 20, 2014)
Mr. FANG Yongzhong (appointed on July 29, 2011 and re-appointed on February 20, 2014)
Mr. CHAN Kin Ho Philip (appointed on December 30, 2011 and appointment ceased effective on February 20, 2014)
Mr. WU Tak Lung (appointed on February 20, 2014)

董事會

於截至2013年12月31日止年度內及直至本報告日期，董事包括：

執行董事：

- 楊萬勝先生（*董事長*）（於2011年1月13日獲委任及於2013年4月19日退任）
孫柏先生（*董事長*）（於2013年4月19日獲委任及於2014年2月20日獲重新委任）
李太芳女士（*副董事長*）（於2011年7月29日獲委任及委任於2014年2月20日終止）
張淳先生（*總裁*）（於2012年3月16日獲委任及於2014年2月20日獲重新委任）

非執行董事：

- 潘崇義先生（於2011年1月13日獲委任及委任於2014年2月20日終止）
王治安先生（於2011年1月13日獲委任及於2014年2月20日獲重新委任）
余本禮先生（於2014年2月20日獲委任）
張福生先生（於2014年2月20日獲委任）

獨立非執行董事：

- 劉力先生（於2011年1月13日獲委任及於2014年2月20日獲重新委任）
劉紅宇女士（於2011年1月13日獲委任及於2014年2月20日獲重新委任）
方永忠先生（於2011年7月29日獲委任及於2014年2月20日獲重新委任）
陳建豪先生（於2011年12月30日獲委任及委任於2014年2月20日終止）
吳德龍先生（於2014年2月20日獲委任）

Report of Directors

董事會報告

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the current Directors and senior management of the Group are set out in the section “Directors, Supervisors, Senior Management and Employees” of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the INEDs and the Company considers such Directors to be independent for the year ended December 31, 2013.

SERVICE CONTACT AND LETTER OF APPOINTMENTS OF DIRECTORS AND SUPERVISORS

Each of the executive Directors (save for Mr. SUN Bai) and non-executive Directors for the first session of the Board has entered into a service agreement with the Company on November 10, 2012 for a term commencing from the date of the general meeting in which the respective executive Directors or non-executive Directors were appointed, until the end of the term of the first session of the Board and may be terminated in accordance with the respective terms of the service agreements.

Mr. SUN Bai has entered into a service agreement with the Company on April 19, 2013 for a term commencing from the date of the general meeting in which he was appointed as executive Director, until the end of the term of the first session of the Board and may be terminated in accordance with the terms of the service agreement.

Each of the INEDs for the first session of the Board has signed a letter of appointment on November 10, 2012 for a term commencing from the date of the general meeting in which the respective INEDs were appointed until the end of the term of the first session of the Board.

董事會及高級管理層

本集團現任董事及高級管理層的履歷詳情載於本年報「董事、監事、高級管理人員及僱員」一節。

獨立非執行董事的獨立性確認書

本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定作出其符合獨立性之年度確認書，且本公司認為該等董事於截至2013年12月31日止年度內皆為獨立人士。

董事及監事的服務合約及委任函

第一屆董事會各執行董事（孫柏先生除外）及非執行董事均於2012年11月10日與本公司訂立服務協議，任期為自股東大會選舉其為執行董事或非執行董事之日起，至第一屆董事會任期結束之日止，並可按服務協議各自的條款予以終止。

孫柏先生已於2013年4月19日與本公司訂立服務協議，任期為自股東大會選舉其為執行董事之日起，至第一屆董事會任期結束之日止，並可根據服務協議的條款予以終止。

第一屆董事會各獨立非執行董事已於2012年11月10日簽立任期為自股東大會選舉其為獨立非執行董事之日起，至第一屆董事會任期結束之日止的委任函。

Report of Directors

董事會報告

The term for the first session of the Board and Supervisory Board commenced from January 13, 2011 and ended on February 20, 2014 when the second session of the Board was elected by the shareholders and the re-appointments of the Supervisors for the second session of the Supervisory Board became effective.

As approved at the extraordinary general meeting on February 20, 2014, Ms. LI Taifang, Mr. PAN Chongyi and Mr. CHAN Kin Ho Philip have ceased to be Directors due to expiration of their service term. Their term of office ended upon the conclusion of the extraordinary general meeting. Meanwhile, as approved at the same extraordinary general meeting, (i) Mr. SUN Bai and Mr. ZHANG Chun have been re-appointed as executive Directors of the second session of the Board, (ii) Mr. WANG Zhian has been re-appointed and Mr. YU Benli and Mr. ZHANG Fusheng have been appointed as non-executive Directors of the second session of the Board, (iii) Mr. LIU Li, Ms. LIU Hongyu and Mr. FANG Yongzhong have been re-appointed and Mr. WU Tak Lung has been appointed as INEDs of the second session of the Board, whose term of service commenced on February 20, 2014 until the expiration of the term of second session of the Board; and (iv) Mr. QUAN Huaqiang and Mr. QIAN Xiangdong have been re-appointed as shareholder representative Supervisors for the second session of the Supervisory Board. Mr. BAI Ming has been re-appointed as the staff representative Supervisor for the second session of the Supervisory Board on January 24, 2014 and he together with Mr. QUAN Huaqiang and Mr. QIAN Xiangdong formed the second session of the Supervisory Board. Their term of service commenced on February 20, 2014 until the expiration of the term of second session of the Supervisory Board.

After their appointment, all members of the second session of the Board have entered into service contracts and/or appointment letters with the Company for a term of 3 years, commencing from February 20, 2014 and ending on February 19, 2017 or on the date when the third session of the Board is elected by the shareholders. The Company shall have power to enter into service contracts and/or appointment letters with the members of the second session of the Supervisory Board.

For the year ended December 31, 2013, none of the Directors or Supervisors had entered or proposed to enter into a service contract with any member of the Group which will not expire or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

第一屆董事會及第一屆監事會的任期自2011年1月13日起，至2014年2月20日（股東選出第二屆董事會及重新委任第二屆監事會的監事生效之日）為止。

經2014年2月20日舉行的臨時股東大會批准，李太芳女士、潘崇義先生及陳建豪先生已因彼等的任期屆滿而不再出任董事。彼等的任期於臨時股東大會結束時終止。同時，於同一臨時股東大會上亦批准，(i)孫柏先生及張淳先生已獲重新委任為第二屆董事會執行董事；(ii)王治安先生已獲重新委任，及余本禮先生及張福生先生已獲委任為第二屆董事會非執行董事；(iii)劉力先生、劉紅宇女士及方永忠先生已獲重新委任，及吳德龍先生已獲委任為第二屆董事會獨立非執行董事，彼等的任期自2014年2月20日起直至第二屆董事會屆滿為止；及(iv)全華強先生及錢向東先生已獲重新委任為第二屆監事會股東代表監事。白明先生已於2014年1月24日獲重新委任為第二屆監事會職工代表監事，彼與全華強先生及錢向東先生組成第二屆監事會。彼等的任期自2014年2月20日起直至第二屆監事會屆滿為止。

彼等獲委任後，第二屆董事會的全體成員已與本公司訂立服務合約及／或委任函，任期為三年，自2014年2月20日起，至2017年2月19日或股東選出第三屆董事會之日止。本公司有權與第二屆監事會成員訂立服務合約及／或委任函。

截至2013年12月31日止年度，概無董事及監事已與本集團任何成員公司訂立或擬訂立於一年後屆滿或僱主不得於一年內於毋須作出賠償（法定賠償除外）下將其終止的任何服務合約。

Report of Directors

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year ended December 31, 2013.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended December 31, 2013.

EMOLUMENT POLICY

A remuneration committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

The Company does not adopt any pre- or post-IPO share award scheme and share option scheme as incentive to eligible employees.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the directors and five highest paid individuals are set out in notes 9 and 10 to the audited consolidated financial statements.

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

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).

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

董事於重大合約之權益

截至2013年12月31日止年度，各董事概無於本公司或其任何附屬公司所訂立對本集團業務而言屬重大的任何合約中直接或間接擁有重大權益。

管理合約

截至2013年12月31日止年度，概無就有關本公司整體業務或其任何主要部分的管理及行政訂立或訂有任何合約。

薪酬政策

設立薪酬委員會旨在根據本集團的經營業績、董事與高級管理層的個人表現及可資比較的市場慣例，檢討本集團的薪酬政策以及所有董事及高級管理層的薪酬架構。

本公司概無採納任何首次公開發售前或後股份獎勵計劃及購股權計劃，作為對合資格僱員的獎勵。

董事薪酬及五位最高薪酬人士

有關董事及五位最高薪酬人士的薪酬詳情載於經審計合併財務報表附註9及10。

董事資料變動

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。

除上文所披露者外，截至本年報日期，董事、監事或高級管理層的資料概無任何其他變動而須根據上市規則第13.51B(1)條予以披露。

INTERESTS, SHORT POSITIONS AND SHARE OPTION SCHEME OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at December 31, 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 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.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, no time during the year ended December 31, 2013 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at December 31, 2013, so far as it was known by or otherwise notified to any Directors or the chief executive of the Company, the particulars of the corporations or persons (other than a Director, Supervisors or the chief executive of the Company) which had 5% or more interests and short positions in the Shares and the underlying Shares as recorded in the register kept under section 336 of the SFO were as follows:

董事、監事及高級管理層於股份、相關股份及債券的權益、淡倉及購股權

於2013年12月31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做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。

董事購買股份或債券的權利

除本報告披露者外，截至2013年12月31日止期間，概無授予任何董事或彼等各自的配偶或未滿18歲的子女通過購入本公司股份或債券的方式而獲益的權利，或由彼等行使任何該等權利；亦無由本公司或其任何附屬公司作出安排以令董事，或彼等各自的配偶或未滿18歲的子女於任何其他法人團體獲得該等權利。

主要股東及其他人士於股份、相關股份及債券的權益及淡倉

於2013年12月31日，據任何董事或本公司最高行政人員所知或以其他方式獲知會，根據證券及期貨條例第336條存置的登記冊所記錄擁有股份及相關股份5%或以上權益及淡倉的法團或人士（董事、監事或本公司最高行政人員除外）詳情如下：

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董事會報告

Long positions in the Shares

股份的好倉

Name of Shareholders	Class of Shares	Capacity/Nature of interest	Number of Issued Shares/Underlying Shares Held 所持已發行股份／相關股份的數目 (Share) (股)	Approximate Percentage of Shareholding in the Relevant Class of Share (Note 1) 佔有關股份類別股權概約百分比 (附註1) (%)	Approximate Percentage of Shareholding in the Total Share (Note 1) 佔股份總額股權概約百分比 (附註1) (%)
SINOMACH	Domestic Shares	Interests of beneficial owner and controlled corporation	3,217,430,000 (Note 2) (Long position) (附註2)(好倉)	100%	77.99%
國機	內資股	實益擁有人權益及受控法團權益			
NSSF	H Shares	Interests of beneficial owner	89,972,000 (Long position) (好倉)	9.91%	2.18%
社保基金理事會	H股	實益擁有人權益			
Cheah Capital Management Limited	H Shares	Interests of controlled corporation	45,547,000 (Note 3) (Long position) (附註3)(好倉)	5.01%	1.1%
切亞資本管理有限公司	H股	受控法團權益			
Cheah Company Limited	H Shares	Interests of controlled corporation	45,547,000 (Note 3) (Long position) (附註3)(好倉)	5.01%	1.1%
切亞有限公司	H股	受控法團權益			
Hang Seng Bank Trustee International Limited	H Shares	Trustee	45,547,000 (Note 3) (Long position) (附註3)(好倉)	5.01%	1.1%
恒生銀行信託國際有限公司	H股	受託人			

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Name of Shareholders	Class of Shares	Capacity/Nature of interest	Number of Issued Shares/Underlying Shares Held 所持已發行股份／相關股份的數目 (Share) (股)	Approximate Percentage of Shareholding in the Relevant Class of Share (Note 1) 佔有關股份類別股權概約百分比 (附註1) (%)	Approximate Percentage of Shareholding in the Total Share (Note 1) 佔股份總額股權概約百分比 (附註1) (%)
股東名稱	股份類別	身份／權益性質			
Value Partners Group Limited	H Shares	Interests of controlled corporation	45,547,000 (Note 3) (Long position)	5.01%	1.1%
惠理集團有限公司	H股	受控法團權益	(附註3)(好倉)		
Cheah Cheng Hye	H Shares	Person who set up a discretionary trust	45,547,000 (Note 3) (Long position)	5.01%	1.1%
謝清海	H股	全權信託創立人	(附註3)(好倉)		
To Hau Yin	H Shares	Interests of spouse	45,547,000 (Note 3) (Long position)	5.01%	1.1%
杜巧賢	H股	配偶權益	(附註3)(好倉)		
The People's Insurance Co. (Group) of China Ltd.	H Shares	Interests of beneficial owner	71,759,000 (Long position)	7.90%	1.74%
中國人民保險集團股份有限公司	H股	實益擁有人權益	(好倉)		
China South Locomotive & Rolling Stock Corporation Limited	H Shares	Interests of controlled corporation	71,759,000 (Note 4) (Long position)	7.90%	1.74%
中國南車股份有限公司	H股	受控法團權益	(附註4)(好倉)		

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董事會報告

Name of Shareholders	Class of Shares	Capacity/Nature of interest	Number of Issued Shares/Underlying Shares Held 所持已發行股份／相關股份的數目 (Share) (股)	Approximate Percentage of Shareholding in the Relevant Class of Share	Approximate Percentage of Shareholding in the Total Share
				(Note 1) 佔有關股份類別股權概約百分比 (附註1) (%)	(Note 1) 佔股份總額股權概約百分比 (附註1) (%)
CSR (Hong Kong) Company Limited	H Shares	Interests of beneficial owner	71,759,000 (Note 4) (Long position)	7.90%	1.74%
中國南車(香港)有限公司	H股	實益擁有人權益	(附註4)(好倉)		
CSR Group	H Shares	Interests of controlled corporation	71,759,000 (Note 4) (Long position)	7.90%	1.74%
中國南車集團公司	H股	受控法團權益	(附註4)(好倉)		

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 December 31, 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 beneficially 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 are 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.

附註：

- (1) 該百分比乃以本公司於2013年12月31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股內資股中擁有實益權益，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。

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- (3) The 45,547,000 Shares as referred to in note 3 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.

- (4) The 71,759,000 shares as referred to in note 4 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.

Save as disclosed above, and as at December 31, 2013, the Directors were not aware of any persons (who were not Directors, Supervisors 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.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended December 31, 2013, the Company did not redeem any of its H Shares listed on the Stock Exchange nor did the Company or any of its subsidiaries purchase or sell any of such shares.

- (3) 上文附註3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）擁有切亞有限公司全部權益，而切亞有限公司擁有切亞資本管理有限公司全部權益。切亞資本管理有限公司擁有惠理集團有限公司28.47%權益，而惠理集團有限公司擁有惠理基金管理香港有限公司全部權益。惠理基金管理香港有限公司擁有惠理基金管理公司全部權益。

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。

- (4) 上文附註4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。

除上文披露者外，於2013年12月31日，董事並不知悉，任何人士（並非董事、監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。

購買、出售或贖回上市證券

於截至2013年12月31日止年度，本公司並無贖回其於聯交所上市的任何H股，而本公司或其任何附屬公司亦無購買或出售任何該等股份。

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董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the Companies Law, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

NON-COMPETITION UNDERTAKING

SINOMACH entered into a non-competition agreement dated July 12, 2011 as supplemented by a supplemental agreement dated December 10, 2012 (together as **“Non-Competition Agreement”**) with the Company. Pursuant to the agreement, SINOMACH provided certain non-competition undertakings to the Company and granted the option to acquire certain retained business which overlaps with the Company’s International Engineering Contracting Business in the Core Sectors (the **“Relevant Sectors”**) and right of first refusal for any new business opportunities in relation to the Relevant Sectors. Pursuant to the Non-competition Agreement, the INEDs are responsible for reviewing the implementation of the undertakings under the agreement on an annual basis. During the year, the INEDs have reviewed the implementation of the Non-Competition Agreement and confirmed that SINOMACH has been in full compliance with the agreement and there was no breach by SINOMACH.

SINOMACH has confirmed in writing to the Company of its compliance with the Non-competition Agreement for disclosure in this annual report during the year ended December 31, 2013.

DIRECTORS’ INTEREST IN COMPETING BUSINESS

As at December 31, 2013, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the businesses of the Group.

優先認股權

章程或公司法概無規定本公司須向現有股東按比例提呈發售新股的優先認股權條文。

避免同業競爭承諾

國機與本公司於2011年7月12日簽訂避免同業競爭協議，並經日期為2012年12月10日的補充協議所補充（統稱**「避免同業競爭承諾」**）。根據協議，國機向本公司作出若干避免同業競爭承諾，並授予收購本公司於核心行業（**「相關行業」**）國際工程承包業務部分保留業務的選擇權及就相關行業所產生的新商機之優先選擇權。根據避免同業競爭協議，獨立非執行董事每年負責檢討協議項下承諾的執行情況。年內，獨立非執行董事已對避免同業競爭協議作了檢討，並確認國機完全遵守有關協議，且概無作出任何違反行為。

截至2013年12月31日止年度，國機已以書面形式向本公司確認，其已遵循避免同業競爭承諾於本年報中予以披露。

董事於競爭性業務中的權益

於2013年12月31日，概無董事或彼等各自的聯繫人從事或於任何與本集團業務形成競爭或可能形成競爭的業務中擁有權益。

CONNECTED TRANSACTION

I. Connected Transaction

The Company has on December 27, 2013 entered in the Capital Injection Agreement (the “**Agreement**”) with SINOMACH, a controlling shareholder of the Company and Apparatus Institute, a wholly-owned subsidiary of SINOMACH, pursuant to which the Company will inject a total of RMB105,400,722 (the “**Capital Increase Amount**”) into Apparatus Institute by way of capital increase in cash. Out of the Capital Increase Amount, RMB24,000,000 will contribute to the increase in the registered capital of Apparatus Institute, and RMB81,400,722 will contribute to the increase in the capital reserve of Apparatus Institute. Upon completion of the Agreement, Apparatus Institute will be owned as to 8% by the Company and 92% by SINOMACH. Details for the transaction may refer to the Company’s announcement made on December 27, 2013.

II. Non-Exempt Continuing Connected Transaction

The connected transactions of the Company are also related party transactions, which are disclosed in note 34 to the audited consolidated financial statements in accordance with International Accounting Standard 24 “Related Party Disclosure”.

In terms of the non-exempt continuing connected transactions of category 1 to category 4 as stated below, the Company obtained approval from the Stock Exchange in respect of the annual caps of such continuing connected transactions when the Company’s H Shares were listed, and was granted a waiver from strict compliance with the announcement and independent Shareholders’ approval requirements.

關連交易

I. 關連交易

本公司已於2013年12月27日與本公司控股股東國機及國機的全資附屬公司中國電器院訂立一份注資協議（「**該協議**」），據此，本公司將以現金增資形式向中國電器院注入合共人民幣105,400,722元（「**增資額**」）。增資額當中，人民幣24,000,000元將作為中國電器院的註冊資本增加，而人民幣81,400,722元將作為中國電器院的資本儲備增加。協議完成後，本公司及國機將分別擁有中國電器院8%及92%權益。有關交易詳情，可參閱本公司日期為2013年12月27日的公告。

II. 不獲豁免的持續關連交易

亦屬關聯方交易的本公司關連交易已根據國際會計準則第24號「關聯方披露」於經審計合併財務報表附註34披露。

就下表所述第1至第4類不獲豁免持續關連交易而言，本公司已於H股上市時獲聯交所對該類持續關連交易年度上限的批准，並獲豁免嚴格遵守有關公告及獨立股東批准規定。

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The table below set out the annual caps and the actual transaction amount of such connected transactions for 2013:

下表載列該等關連交易於2013年的年度上限及實際交易金額：

	Connected Transactions	Connected Person	Annual cap for 2013 <i>(note(i))</i> 2013年的年度上限 <i>(附註(i))</i>	Actual Transaction Amount for 2013 2013年的實際交易金額
	關連交易	關連人士		
1	Provision of engineering services and products by our Group to SINOMACH Group 本集團向國機集團提供工程服務及產品	N/A 不適用	RMB673.0 million 人民幣 673.0百萬元	RMB NIL 人民幣零元
2	Receipt of engineering services and products from SINOMACH Group by our Group 本集團接受國機集團的工程服務及產品	China Machinery Industry Construction Group INC. 中國機械工業建設集團有限公司 China National General Machinery Engineering Corporation 中國通用機械工程總公司 China JK Institute of Engineering Investigation and Design Institute 機械工業勘察設計研究院 Shanghai Sino-Perfect Co., Ltd. 上海中浦供銷有限公司 Harbin Power System Engineering and Research Institute Co., Ltd. 哈爾濱電站設備成套設計研究所有限公司 China Electric Design & Research Institute Co.,Ltd 中機中電設計研究院有限公司	RMB1,200.0 million 人民幣 1,200.0百萬元	RMB750.0 million 人民幣 750.0百萬元

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Connected Transactions	Connected Person	Annual cap for 2013 (note(i)) 2013年的 年度上限 (附註(i))	Actual Transaction Amount for 2013 2013年的 實際交易金額
關連交易	關連人士		
	China Construction Machinery Co., Ltd. 中工工程機械成套有限公司		
	Beijing Sciencetech International Project Management Co., Ltd. 北京興電國際工程管理有限公司		
	CMCU Engineering Co.,Ltd 中機中聯工程有限公司		
	Guangzhou Kinte Industrial Co., Ltd. 廣州擎天實業有限公司		
	Zhengzhou Zhongxing Project Supervision Co., Ltd. 鄭州中興工程監理有限公司		
	China Ocean Engineering Construction General Bureau 中海工程建設總局		
	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		
	China SANAN Construction Corporation 中國三安建設有限公司		
3 Trading procurement by our Group from SINOMACH Group 本集團向國機集團進行貿易採購	N/A 不適用	RMB17.0 million 人民幣 17.0百萬元	RMB NIL 人民幣零元

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			Annual cap for 2013 (note(i)) 2013年的 年度上限 (附註(i))	Actual Transaction Amount for 2013 2013年的 實際交易金額
Connected Transactions	Connected Person			
關連交易	關連人士			
4	Provision of integrated services by our Group to SINOMACH Group 本集團向國機集團提供綜合服務	SINOMACH 國機 China Machinery Industry Construction Group INC. 中國機械工業建設集團有限公司 SUMEC Group Corporation 江蘇蘇美達集團有限公司 China Auto Caiec Ltd. 中汽凱瑞貿易有限公司 China Ocean Aviation Group Incorporation 中國海洋航空集團公司 China Machine-Building International Hebei Co., Ltd. 河北中機合作有限公司 China Abrasives Import & Export Corporation 中國磨料磨具工業有限公司 Guangdong CMIC Import & Export Co., Ltd. 廣東艾希機械對外合作有限公司	RMB44.0 million 人民幣 44.0百萬元	RMB23.0 million 人民幣 23.0百萬元

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Connected Transactions	Connected Person	Annual cap for 2013 (note(i)) 2013年的 年度上限 (附註(i))	Actual Transaction Amount for 2013 2013年的 實際交易金額
關連交易	關連人士		
	China Geological Equipment Group Co., Ltd. 中國地質裝備集團有限公司		
	China National Bearing Joint Import & Export Corporation 中國軸承進出口聯營公司		
	CMIC Heilongjiang Import & Export Co., Ltd. 黑龍江中經進出口有限公司		
	Beijing SNL Trading Co., Ltd. 北京海洲貿易有限責任公司		
	Zhangjiakou CGE GEO-Machinery Co., Ltd. 張家口中地裝備探礦工程機械有限公司		
	Beijing Drilling Tools Factory 北京鑽探工具廠		
	Chongqing Geological Instrument Factory 重慶地質儀器廠		
	Hengyang Zhongdi Equipment Prospecting Engineering Machinery Co., Ltd. 衡陽中地裝備探礦工程機械有限責任公司		
	Wuxi Drilling Tools Factory 無錫鑽探工具廠		
	Jiangsu Wallong-hsin Import & Export Corporation Ltd. 江蘇華隆興進出口有限公司		

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Connected Transactions	Connected Person	Annual cap for 2013 (note(i)) 2013年的 年度上限 (附註(i))	Actual Transaction Amount for 2013 2013年的 實際交易金額
關連交易	關連人士		
	Jiangsu linhai Power Machinery Group 江蘇林海動力機械集團公司		
	Xiamen Wallong Import and Export Corporation 廈門華隆進出口公司		
	YTO International, Ltd. 一拖國際經濟貿易有限公司		
	China National Air Separation Plant Co., Ltd. 中國空分設備有限公司		
	China IPPR International Engineering Co., Ltd. 中國中元國際工程有限公司		
5	Financing services by our Group from SINOMACH Group 國機集團向本集團提供金融服務	Sinomach Finance Co., Ltd. 國機財務有限責任公司 RMB750.0 million 人民幣750.0 百萬元	RMB581.4 million (note(ii)) 人民幣581.4 百萬元 (附註(ii))

Note:

- (i) The annual Cap is disclosed in the Prospectus of the Company dated December 11, 2012.
- (ii) The actual transaction amount represents the highest daily deposit balance.

附註：

- (i) 年度上限已於本公司日期為2012年12月11日的招股章程內披露。
- (ii) 實際交易金額代表每日最高存款結餘。

1. Provision of engineering services and products by our Group to SINOMACH Group

The Company entered into a framework agreement on provision of engineering services and products with SINOMACH on July 12, 2011 as supplemented by the supplemental agreement dated December 10, 2012 (the “**Provision of Engineering Services and Products Agreement**”). Pursuant to the agreement, the Group provides engineering services and products, including but not limited to, undertaking turnkey project and provision of general contracting services in the power and energy sector and procurement services and products to SINOMACH Group for the engineering contracting projects undertaken by SINOMACH Group, in particular those engineering contracting projects subcontracted to our Group by SINOMACH Group.

Please refer to relevant disclosure below for principal terms and conditions of the Provision of Engineering Services and Products Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2013 was RMB673.0 million and the actual transaction amount was RMB nil.

1. 本集團向國機集團提供工程服務及產品

本公司於2011年7月12日與國機訂立提供工程服務和產品框架協議（經日期為2012年12月10日的補充協議所補充）（「**提供工程服務和產品框架協議**」）。根據該協議，本集團已就國機集團所承接的工程承包項目，尤其是國機集團分包予本集團的工程承包項目，向國機集團提供工程服務及產品，包括（但不限於）承接交鑰匙項目、提供電力能源行業的總承包服務以及採購服務及產品。

有關提供工程服務和產品框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此，根據上市規則其連同其附屬公司為本公司的關連人士。

於報告期內，本持續關連交易於2013年的年度上限為人民幣673.0百萬元，而實際交易金額則為人民幣零元。

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2. Receipt of engineering services and products from SINOMACH Group by our Group

The Company entered into a framework agreement on receipt of engineering services and products with SINOMACH Group on July 12, 2011 as supplemented by the supplemental agreement dated December 10, 2012 (the “**Receipt of Engineering Services and Products Agreement**”). Pursuant to the agreement, our Group receives engineering services and products from SINOMACH Group, including but not limited to, design, installation, construction, building, subcontracting and procurement services and products relating to its engineering contracting projects.

Please refer to relevant disclosure below for principal terms and conditions of the Receipt of Engineering Services and Products Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2013 was RMB1,200.0 million and the actual transaction amount was RMB750.0 million.

2. 本集團接受國機集團提供的工程服務及產品

本公司於2011年7月12日與國機集團訂立接受工程服務和產品框架協議（經日期為2012年12月10日的補充協議所補充）（「**接受工程服務和產品框架協議**」）。根據該協議，本集團已接受國機集團提供的工程服務及產品，包括（但不限於）與其工程承包項目有關的設計、安裝、施工、建設、分包及採購服務及產品。

有關接受工程服務和產品框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此，根據上市規則其連同其附屬公司為本公司的關連人士。

於報告期內，本持續關連交易於2013年的年度上限為人民幣1,200.0百萬元，而實際交易金額則為人民幣750.0百萬元。

3. Trading procurement by our Group from SINOMACH Group

The Company entered into a framework agreement on the provision of trading products by SINOMACH Group to our Group on July 12, 2011 as supplemented by the supplemental agreement dated December 10, 2012 (the **“Trading Procurement Agreement”**). Pursuant to the agreement, our Group sources various trading products from SINOMACH Group to support our Trading Business, which consist of, but not limited to, agriculture machinery and equipment, agriculture transportation vehicles, logging equipment and mining equipment.

Please refer to relevant disclosure below for principal terms and conditions of the Trading Procurement Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2013 was RMB17.0 million and the actual transaction amount was RMB nil.

4. Provision of integrated services by our Group to SINOMACH Group

The Company entered into a framework agreement on the provision of integrated services by our Group to SINOMACH Group on July 12, 2011 as supplemented by the supplemental agreement dated December 10, 2012 (the **“Integrated Services Agreement”**). Pursuant to the agreement, our Group provides integrated services such as exhibition and conference services, storage and logistics services, tendering agency services, import and export agency services and real estate leasing and management services to SINOMACH Group in respect of the business undertaken by SINOMACH Group.

3. 本集團向國機集團進行貿易採購

本公司於2011年7月12日訂立由國機集團向本集團提供貿易產品的框架協議（經日期為2012年12月10日的補充協議所補充）（「**貿易採購框架協議**」）。根據該協議，本集團已自國機集團採購各種貿易產品，包括（但不限於）農業機械設備、農業運輸車輛、測井設備及採礦設備，以支持我們的貿易業務。

有關貿易採購框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此，根據上市規則其連同其附屬公司為本公司的關連人士。

於報告期內，本持續關連交易於2013年的年度上限為人民幣17.0百萬元，而實際交易金額則為人民幣零元。

4. 本集團向國機集團提供綜合服務

本公司於2011年7月12日訂立由本集團向國機集團提供綜合服務的框架協議（經日期為2012年12月10日的補充協議所補充）（「**綜合服務框架協議**」）。根據此協議，本集團已就國機集團所承接的業務向國機集團提供綜合服務（如展覽及會議服務、倉存及物流服務、招標代理服務、進出口代理服務及房地產租賃及管理服務）。

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Please refer to relevant disclosure below for principal terms and conditions of the Integrated Services Agreement.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2013 was RMB44.0 million and the actual transaction amount was RMB23.0 million.

Principal terms of the agreement

Each of the Provision of Engineering Services and Products Agreement, Receipt of Engineering Services and Products Agreement, Trading Procurement Agreement and Integrated Services Agreement is a framework agreement that comprises the general terms and conditions upon which the Group and SINOMACH Group shall carry out the particular type of transactions contemplated thereunder. Members of SINOMACH Group and members of the Group may from time to time enter into detailed agreements in respect of the specific services and/or products to be provided or received by the Group, provided that the terms of such detailed agreements shall not be inconsistent with the terms of the respective framework agreement. The actual services and/or products to be provided or received by our Group shall be subject to such detailed agreements entered into between the relevant member of SINOMACH Group and the relevant member of the Group from time to time.

有關綜合服務框架協議的主要條款及條件，請參見下文相關披露。

國機為本公司的控股股東，因此，根據上市規則其連同其附屬公司為本公司的關連人士。

於報告期內，本持續關連交易於2013年的年度上限為人民幣44.0百萬元，而實際交易金額則為人民幣23.0百萬元。

協議的主要條款

提供工程服務和產品框架協議、接受工程服務和產品框架協議、貿易採購框架協議及綜合服務框架協議均為框架協議，本集團及國機集團須按其中所載一般條款及條件進行擬根據該等協議進行的特定種類交易。國機集團成員公司及本集團成員公司可不時就將由本集團提供或收取的特定服務及／或產品訂立詳細協議，但該等詳細協議的條款不得抵觸相應框架協議的條款。本集團實際提供或收取的服務及／或產品視乎國機集團相關成員公司及本集團相關成員公司不時訂立的詳細協議而定。

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Each of the Provision of Engineering Services and Products Agreement, Receipt of Engineering Services and Products Agreement, Trading Procurement Agreement and Integrated Services Agreement is of a term commencing from the Listing Date and ending on December 31, 2014 and may be renewed on terms to be agreed upon by SINOMACH and the Company. Each of such framework agreements (i) may be terminated by a non-defaulting party by serving a written default notice to the defaulting party stipulating the relevant breach and the defaulting party having failed to remedy such breach within a reasonable period after its receipt of the default notice; and (ii) shall be terminated automatically if the performance of the transactions contemplated thereunder will be in breach of the requirements under the Listing Rules or the necessary approvals required under the Listing Rules or relevant waivers from the Stock Exchange cannot be obtained.

Pursuant to each of the Provision of Engineering Services and Products Agreement, Receipt of Engineering Services and Products Agreement, Trading Procurement Agreement and Integrated Services Agreement, the price payable for the subject services and/or products thereunder shall be determined in accordance with the prevailing market price of the relevant services and/or products, unless there is a guidance price range determined by the relevant governmental authorities. The prevailing market price shall be the price asked for by independent third parties for the relevant services and/or products under normal commercial terms at the relevant time in their place of supply or a place in close proximity to such place of supply, or the price asked for by independent third parties for supplying the relevant services and/or products under normal commercial terms at the relevant time. Where there are no available prevailing market prices or where it is impracticable to obtain such market prices, the Company and SINOMACH shall mutually agree on a price determined based on reasonable costs of the provision of the relevant service and/or product, and a reasonable profit margin.

提供工程服務和產品框架協議、接受工程服務和產品框架協議、貿易採購框架協議及綜合服務框架協議的年期，均由上市日期起至2014年12月31日止，並可按國機與本公司商定的條款續期。每一份該等框架協議可在下列情況下終止：(i)非違約方向違約方發出說明有關違反行為的書面違約通知，而違約方於收到違約通知後一段合理期間內仍無法彌補有關違反行為；及(ii)若履行據此擬進行的交易將違反上市規則規定或不能取得上市規則規定的必要批准或聯交所授予的相關豁免，則自動終止。

根據提供工程服務和產品框架協議、接受工程服務和產品框架協議、貿易採購框架協議及綜合服務框架協議，除非相關政府機構已釐定指引價格範圍，收取服務及／或產品一方應付的價格將按相關服務及／或產品的現行市價釐定。現行市價應為獨立第三方按一般商業條款在其供應地點或非常靠近該供應地點的地點，於相關時間就有關服務及／或產品所支付的價格，或獨立第三方按一般商業條款於相關時間就提供有關服務及／或產品所收取的價格。倘其時並無可用的現行市價或難以取得有關市價，則本公司與國機將以提供相關服務及／或產品的合理成本及合理溢利率為基準，釐定雙方同意的價格。

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5. Financing services by our Group from SINOMACH Group

The Company entered into a framework agreement on receipt of financial services with SINOMACH Group on June 20, 2013 (the “**Financial Services Agreement**”). Pursuant to the agreement, our Group sources various financial services from SINOMACH Group, including but not limited to deposit, general loan, entrusted loan and general financial services.

Details for the Financial Services Agreement may refer to the Company’s announcement made on June 20, 2013.

SINOMACH is the controlling shareholder of the Company and is, together with its subsidiaries, connected person of the Company under the Listing Rules.

During the reporting period, the annual cap of this continuing connected transaction for 2013 was RMB750.0 million and the actual transaction amount was RMB581.4 million.

The INEDs have reviewed each of the above mentioned continuing connected transactions and confirmed that the transactions have been conducted:

- (1) in the usual course of business of the Company;
- (2) on normal commercial terms or, if there are no sufficient comparable transactions to determine whether they are on normal commercial terms, from the perspective of the Company, on terms no less favorable than the terms available to or from independent third parties; and
- (3) in accordance with relevant agreements governing the relevant transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

5. 國機集團向本集團提供之金融服務

本公司於2013年6月20日與國機集團訂立接受金融服務框架協議（「**金融服務合作協議**」）。根據該協議，本集團已接受國機集團提供的金融服務，包括（但不限於）存款、一般貸款、委託貸款及一般金融服務。

有關金融服務合作協議的詳情，可參閱本公司日期為2013年6月20日的公告。

國機為本公司的控股股東，因此，根據上市規則其連同其附屬公司為本公司的關連人士。

於報告期內，本持續關連交易於2013年的年度上限為人民幣750.0百萬元，而實際交易金額則為人民幣581.4百萬元。

獨立非執行董事已審閱上述各項持續關連交易，並確認該等交易：

- (1) 在本公司日常業務中進行；
- (2) 按照一般商業條款進行，若可供比較的交易不足以判斷該等交易的條款是否為一般商業條款時，則對本公司而言，該等交易的條款不遜於獨立第三方可取得或獲提供的條款；及
- (3) 乃根據有關交易的協議條款進行，而交易條款屬公平合理，並符合股東的整體利益。

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Pursuant to Rule 14A.38 of the Listing Rules, the Board engaged the auditor of the Company to conduct a limited assurance engagement on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their conclusion to the Board stating that:

- a. nothing has come to the auditor’s attention that causes the auditor to believe that the non-exempt continuing connected transactions have not been approved by the Board;
- b. for transactions involving the provision of goods or services by the Group, nothing has come to the auditors’ attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company;
- c. nothing has come to the auditor’s attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- d. with respect to the aggregate amount of each of the non-exempt continuing connected transactions set out above, nothing has come to the auditor’s attention that causes the auditor to believe that the non-exempt continuing connected transactions have exceeded the maximum aggregate annual value disclosed above.

The auditor has issued their unqualified letter containing their findings and conclusions in respect of the abovementioned transactions in accordance with Rule 14A.38 of the Listing Rules. The Company has provided a copy of the said letter to the Stock Exchange.

In respect of the above-mentioned non-exempt connected transactions, the Directors also confirmed that the Company was in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

根據上市規則第14A.38條，董事會已委聘本公司核數師按照香港會計師公會所頒佈的香港核證委聘準則第3000號「歷史財務資料審計或審閱以外之核證委聘」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就上述持續關連交易履行有限核證委聘。核數師已將彼等的結果向董事會匯報，當中指出：

- a. 核數師並無注意到任何事項令彼等相信該等不獲豁免的持續關連交易未獲董事會批准；
- b. 就本集團提供貨品或服務所涉及的交易而言，核數師並無注意到任何事項令彼等相信該等交易在所有重大方面未有按照本公司的定價政策進行；
- c. 核數師並無注意到任何事項令彼等相信該等交易在所有重大方面未有按照規管該等交易的相關協議所進行；及
- d. 就各項不獲豁免的持續關連交易之總金額而言，核數師並無注意到任何事項令彼等相信該等不獲豁免的持續關連交易之金額超出上文所披露的年度上限總額。

核數師已根據上市規則第14A.38條發出載有彼等對上述交易的調查結果與結論的無保留意見函件。本公司已向聯交所提供上述函件的副本。

就上述不獲豁免的關連交易而言，董事亦確認本公司已遵循上市規則第14A章的披露規定。

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POST BALANCE SHEET EVENTS

The material post balance sheet events are disclosed in note 37 to the audited consolidated financial statements.

AUDIT COMMITTEE

The audit committee had reviewed together with the management and external auditor the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year.

CODE OF CONDUCT REGARDING EMPLOYEES' SECURITIES TRANSACTIONS

The Company also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company in respect of their dealings in the Company's securities.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as its own code of corporate governance. The Company has complied with the code provisions as set out in the CG Code during the year ended December 31, 2013 and up to the date of this report. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

SUFFICIENCY OF PUBLIC FLOAT

The Stock Exchange granted to the Company a waiver from strict compliance with Rule 8.08(1) of the Listing Rules (the "**Public Float Waiver**"). Pursuant to the Public Float Waiver, the Company's prescribed minimum percentage of Shares which must be in public hands must not be less than 22.01% of the total issued share

結算日後事項

重大結算日後事項於經審計合併財務報表附註37內予以披露。

審計委員會

審計委員會已與管理層及外聘核數師審閱本集團採納的會計準則及政策以及本年度經審計合併財務報表。

僱員進行證券交易的行為守則

本公司亦已採納其僱員證券交易的行為守則，該套守則不遜於《標準守則》所訂標準，由可能擁有本公司未公佈股價敏感資料的相關僱員在買賣本公司證券時遵守。

企業管治

本集團致力於維持企業管治的高標準以確保股東利益及提高公司價值及問責性。本公司已採用《企業管治守則》作為其企業管治守則。本公司於截至2013年12月31日止年度至本報告日期一直遵守《企業管治守則》所載的守則條文。本公司將繼續檢討及提升其企業管治常規，以確保遵守《企業管治守則》。

充足的公眾持股量

聯交所向本公司授予豁免（「**公眾持股量規定豁免**」），批准本公司毋須嚴格遵守上市規則第8.08(1)條的規定。根據公眾持股量規定豁免，公眾於本公司持有的指定最低股份百分比不得少於本公司已發行總股本

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capital of the Company. Based on information publicly available to the Company and to the knowledge of the Directors, at least 22.01% of the Company's total issued share capital, the prescribed minimum percentage of public float approved by the waiver and permitted under the Listing Rules, are held by the public at all times as of the date of this report.

AUDITORS

KPMG (畢馬威會計師事務所) and Da Hua Certified Public Accountants (Special General Partnership) (大華會計師事務所 (特殊普通合夥)) were appointed as the Company's international and domestic auditors, respectively, for the year ended December 31, 2013. The 2013 consolidated financial statements of the Company prepared in accordance with IFRS have been audited by KPMG.

The Company has not changed its auditor since the Listing.

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. In particular, the Company has taken the following measures to ensure compliance with the Sanctions Undertakings:

1. Proceeds Account – The Company has opened and maintained separate designated banks account for the proceeds from the Listing in Hong Kong as at the date of this report (the

的22.01%。根據本公司可公開的資料及就董事所知，截至本報告日期，本公司已發行總股本中至少22.01%（該豁免規定且根據上市規則所批准的指定最低公眾持股量百分比）一直由公眾所持有。

核數師

本公司已分別委任畢馬威會計師事務所及大華會計師事務所（特殊普通合夥）為本公司截至2013年12月31日止年度的海外及境內核數師。畢馬威會計師事務所已審計本公司按國際財務報告準則編製的2013年合併財務報表。

本公司自上市起，尚未更換過核數師。

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）或執行令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。尤其是，本公司已採取下列措施，以確保遵守制裁承諾：

1. 所得款項賬目 – 我們已就截至本報告日期於香港上市的所得款項開立及維持單獨的指定銀行賬戶（「**所得款項賬**

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“**Proceeds Accounts**”). The Proceeds Account is segregated from other normal bank accounts of our Company and designated for the sole use of deposit and deployment of the proceeds from Listing. With such segregation and designation, the Proceeds Account records all transactions and activities within these bank accounts and trace the flow of funds in and out of the Proceeds Account.

2. Accounting measures – The Company has ensured that separate books and records are in place to monitor the activities, including deposits and disbursements, of the Proceeds Accounts.
3. Internal control policies – We have formulated a dedicated set of internal control policies particularly in respect of the Proceeds Account to regulate various aspects of operating the Proceeds Account, such as the designated use, record keeping (e.g. the underlying documents for projects or transactions towards which the proceeds will be applied), regular review, responsible personnel to be appointed, accountability and reporting line and other necessary operational procedures.
4. Internal compliance program (the “**ICP**”) on export control – With the Company’s existing ICP platform, the export control office has continued to be responsible for project approval from an export control perspective to ensure the nature and location of the activities or business, as well as the identity of the counterparties involved, would not violate the Sanctions Undertakings.

目])。所得款項賬目與本公司其他一般銀行賬戶分離開來，並指定作唯一用途，即存入及調配上市所得款項。鑑於上述賬戶分離及賬戶指定，所得款項賬目會記錄在該等銀行賬戶內進行的所有交易及活動，並可追蹤所得款項賬目的資金流進出情況。

2. 會計措施 – 本公司已確保擁有分立的賬簿及記錄，以監察所得款項賬目的存入及支出等活動。
3. 內部控制政策 – 我們已制定一套專用的內部控制政策，尤其是在所得款項賬目上，以規範操作所得款項賬目的多個方面，如指定用途、記錄保存（如將動用所得款項的項目或交易的相關文件）、定期審閱、將予委任的負責人員、問責及匯報程序以及其他必要營運程序。
4. 有關出口管制的內控合規機制（「**內控合規機制**」）– 憑借本公司現有的內控合規機制平台，出口管制辦公室已繼續負責從出口管制層面進行項目批准，確保所涉及的活動或業務的性質及地點以及交易对手的身份將不違反制裁承諾。

By Order of the Board
SUN Bai
Chairman

承董事會命
孫柏
董事長

Beijing, PRC, March 24, 2014

中國北京，2014年3月24日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE REPORT

The Board is pleased to present this corporate governance report in the annual report of the Company for year ended December 31, 2013 (the “Year”). In addition, certain information regarding the Directors and the board committees has been updated as at the date of this annual report.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The CG Code has been adopted as the Company’s own code of corporate governance. The Company had applied the principles and complied with all applicable code provisions as set out in the CG Code during the Year. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Chairman and President

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. Under the current organization structure of the Company, Mr. SUN Bai is the Chairman of the Board and Mr. ZHANG Chun is the President. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprise experienced and high caliber individuals. Pursuant to the Articles of Association, the primary duties and responsibilities of the chairman of the Board include:

- a) presiding over the shareholders’ general meetings and convening and presiding over meetings of the Board, examining the implementation of the resolutions of the Board;
- b) organizing the formulation of regulations on the operation of the Board, and coordinating the operation of the Board;

企業管治報告

董事會欣然呈列本公司截至2013年12月31日止年度（「本年度」）之年報所載之企業管治報告。此外，於本年報日期，若干有關董事及董事委員會的資料經已更新。

企業管治常規

本集團致力維持高水平的企業管治，以保障股東權益以及提升企業價值及問責性。本公司以企業管治守則作為公司本身的企業管治守則。本公司於本年度內已應用及遵守企業管治守則所載的所有適用守則條文。本公司將繼續檢討並提升其企業管治常規，以確保符合企業管治守則。

董事長及總裁

根據企業管治守則之守則條文A.2.1，董事長及行政總裁之角色應有所區分，應由不同人士擔任。於本公司目前的組織架構下，孫柏先生為董事長及張淳先生為總裁。由經驗豐富的人才組成的高級管理層及董事會可確保權力與職權平衡。根據章程，董事長的主要職務及職責包括：

- a) 主持股東大會以及召開並主持董事會會議、檢討董事會決議案的實施；
- b) 組織制定有關董事會運作的規例及協調董事會運作；

Corporate Governance Report

企業管治報告

- c) receiving regular or non-regular performance reports on the Company's senior management; and
- d) giving opinions guiding the execution of board resolutions and signing the Company's share certificates, debentures and other important documents.

The major responsibilities of the president of the Company include:

- a) leading the production, operation and management of the Company, and reporting his works to the Board;
- b) organizing the implementation of the resolutions of the Board, the Company's annual business plans and investment plans;
- c) preparing the Company's annual budgets and final accounts, and providing recommendations to the Board;
- d) formulating the plans for merger, division or reorganization of the wholly-owned subsidiaries and controlled subsidiaries of the Company;
- e) preparing plans for the establishment of the Company's basic management system and the internal management structure, preparing plans for the establishment of domestic and overseas branches of the Company, formulating specific rules and regulations of the Company;
- f) appointing or removing the management personnel, except for those that shall be appointed or removed by the Board;
- g) formulating the remunerations, benefits and incentive programs, as well as the appointment and removal of the Company's employees;
- h) proposing to convene an extraordinary board meeting when emergency arises; and
- i) determining on investment, financing, contracts and transactions of the Company within the scope of authorization of the Board.

The chairman of the Company held a meeting with the non-executive Directors (including the INEDs) without the presence of the executive Directors during the Year.

- c) 接收本公司高級管理層的定期或非定期表現報告；及
- d) 提供意見以指引董事會決議案的執行以及簽署公司股票、債權證與其他重要文件。

本公司總裁的主要職責包括：

- a) 領導本公司的生產、營運及管理並向董事會匯報；
- b) 組織董事會決議案、本公司年度業務計劃及投資計劃的實施；
- c) 編製本公司年度預算及全年賬目並向董事會提供建議；
- d) 制定合併、分拆或重組本公司全資附屬公司及受控附屬公司的計劃；
- e) 編製建立本公司基本管理系統及內部管理架構的計劃、編製建立本公司國內及海外分公司的計劃、制定本公司特殊規則及規例；
- f) 委任或辭退管理人員（須由董事會委任或罷免的人士除外）；
- g) 制定薪酬、福利及獎勵計劃、委任及辭退本公司僱員；
- h) 於出現緊急事件時建議召開特別董事會會議；及
- i) 釐定屬董事會授權範疇的本公司投資、融資、合約及交易。

於年內，本公司董事長與非執行董事（包括獨立非執行董事）在執行董事回避的情況下舉行一次會議。

SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Upon specific enquiry of all the Directors and Supervisors of the Company, all the Directors and Supervisors confirmed that they had complied with the Model Code during the year ended December 31, 2013.

The Company also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished price-sensitive information or inside information of the Company in respect of their dealings in the Company's securities.

BOARD OF DIRECTORS

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives. The functions performed by the Board include but not limited to formulating the Group's business plans and strategies, reviewing the Company's financial results and performance and approving its interim and annual results; approving appointment, removal or re-appointment of the Board members upon the recommendation of the Nomination Committee of the Board; approving the remuneration package of directors and senior management of the Company upon the recommendation of the Remuneration Committee established by the Board, deciding all significant financial (including major capital expenditure) and operational issues, developing, monitoring and reviewing the Group's corporate governance, and all other functions reserved to the Board under the Company's Articles and Association. The Board may from time to time delegate certain functions to senior management of the Group if and when considered appropriate. The senior management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

董事及監事的證券交易

本公司已採納《標準守則》，作為其董事進行證券交易的行為守則。對全體董事及監事的專門查詢後，各董事及監事均確認，彼等於截至2013年12月31日止年度一直遵守《標準守則》。

本公司已採納一套其條款不遜於標準守則所訂標準的僱員證券交易的自身行為守則，以供可能掌握本公司的未公開價格敏感資料或內幕消息的僱員遵照規定買賣本公司證券。

董事會

董事會主要負責監察及監管本集團的業務事宜管理及整體表現。董事會確立本集團的價值及標準，並確保本集團擁有必需的財務及人力資源支持以達至其目標。董事會履行的職能包括但不限於制定本集團業務計劃及策略、審閱本公司財務業績及表現以及批准其中期及年度業績；於獲得董事會的提名委員會推薦建議後批准委任、罷免或重新委任董事會成員；於獲得董事會成立的薪酬委員會推薦建議後批准本公司董事及高級管理層的薪酬組合、決定所有重大財務（包括主要資本開支）及經營問題，制定、監察及檢討本集團的企業管治；以及根據本公司的組織章程細則由董事會保留的所有其他職能。董事會可於有需要時不時向本集團高級管理層轉授若干職能。高級管理層主要負責執行董事會採納及向其不時轉授的業務計劃、戰略及政策。

Corporate Governance Report

企業管治報告

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

Currently, the Board comprises the following nine Directors:

Executive Directors

SUN Bai (*Chairman*)

ZHANG Chun (*President*)

Non-Executive Directors

WANG Zhian

YU Benli

ZHANG Fusheng

INEDs

LIU Li

LIU Hongyu

FANG Yongzhong

WU Tak Lung

The biographical details of each of the Directors are set out in the section headed “Directors, Supervisors, Senior Management and Employees” of this annual report.

Save as disclosed in this annual report, there was no financial, business, family or other material relationship among the Directors.

The two Executive Directors are responsible for the leadership and control of the Company and overseeing the Group’s businesses, strategic decisions and performances and are collectively responsible for promoting the success of the Company by directing and supervising its affairs.

The four INEDs are responsible for ensuring a high standard of financial and other mandatory reporting of the Board as well as providing a balance in the Board in order to effectively exercise independent judgment on the corporate actions of the Company so as to protect shareholders’ interest and overall interest of the Group.

全體董事須確保彼等本著真誠並遵守適用法律及法規，以及於任何時間按本公司及其股東之利益履行職責。

董事會目前由以下九名董事組成：

執行董事

孫柏 (*董事長*)

張淳 (*總裁*)

非執行董事

王治安

余本禮

張福生

獨立非執行董事

劉力

劉紅宇

方永忠

吳德龍

各董事的個人履歷載於本年報「董事、監事、高級管理人員及僱員」一節。

除於本年報披露者外，各董事之間概無任何財務、業務、親屬或其他重要關係。

兩名執行董事負責領導及控制本公司並監管本集團的業務、策略決策及表現，並集體負責透過指導及監管本公司之事務推動其成功發展。

四名獨立非執行董事負責確保董事會作出高水平的財務及其他法定報告，並平衡董事會，以就本公司的公司行動有效行使獨立判斷，從而保護股東利益及本集團的整體利益。

Corporate Governance Report

企業管治報告

Throughout the Year, the Company had at all times met the requirement of the Listing Rules that the number of INEDs must represent at-least one-third of the Board members and at least one of the INEDs had appropriate professional qualifications or accounting or related financial management expertise. The Company has four INEDs currently representing four-ninths of the Board and therefore the Company has complied with the Listing Rules.

All Directors, including the INEDs, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The INEDs were invited to serve on the Audit Committee, the Remuneration Committee, the Nomination Committee, the Strategy and Development Committee and the Operation and Risk Management Committee.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as their identity and the time involved to the issuer, the Directors agreed to disclose their commitments to the Company in a timely manner.

The Company has arranged appropriate insurance coverage on the liabilities of the Directors and officers in respect of any legal actions taken against the Directors and senior management arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

於整個年度，本公司於任何時候符合上市規則的規定，規定獨立非執行董事的人數須佔董事會成員至少三分之一，且至少一名獨立非執行董事擁有適當的專業資格或會計或相關財務管理專業。本公司現時擁有四位獨立非執行董事，佔董事會的九分之四及因此本公司已遵守上市規則。

全體董事（包括獨立非執行董事）給董事會帶來廣泛珍貴之業務經驗、知識及專業技能，從而促使董事有效且高效地發揮其職能。獨立非執行董事獲邀加入本公司審計委員會、薪酬委員會、提名委員會、戰略與發展委員會以及經營與風險管理委員會。

就有關要求董事向發行人披露彼等於公眾公司或組織機構任職的次數及性質，以及其他重大承擔，連同彼等之身份及投入時間之企業管治守則條文而言，董事同意及時向本公司披露彼等之承擔。

本公司已為董事及高級管理層投購合適的責任保險，保障彼等因履行職務而可能要承擔的訴訟責任。該保險範圍乃按年檢討。

Corporate Governance Report

企業管治報告

Confirmation of Independence

Each of the INEDs has made an annual confirmation of independence by reference to Rule 3.13 of the Listing Rules and the Board is satisfied that all INEDs were independent and met the independent guidelines set out in Rule 3.13 of the Listing Rules, up to the date of this annual report.

Directors' Induction and Continuous Professional Development

Each newly appointed Director has received formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

The Company has from time to time provided briefings to all Directors to develop and refresh the Directors' duties and responsibilities. Continuing briefing and professional development for Directors will be arranged whenever necessary. The Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge his or her duties. All Directors are also encouraged to attend relevant training courses at the Company's expense. They have been required to provide the Company with their training records.

During the Year, all Directors had participated in continuous professional development ("CPD") to develop and refresh their knowledge and skills by reading materials and/or attending briefings by legal counsels or seminars organised by professional bodies on corporate governance or updates on laws, rules and regulations relating to the roles, functions and duties of a director.

獨立性確認書

各名獨立非執行董事已根據上市規則第3.13條作出年度獨立性確認書。董事會信納全體獨立非執行董事均為獨立，並於截至本年報期間符合上市規則第3.13條所載的獨立性指引。

董事之入職及持續專業發展

每位新委任董事均將於首次接受委任時獲得正式、全面及專門的入職簡介，以確保該董事對本公司的業務及營運均有適當的理解，並充分知悉彼於上市規則及相關法定規定下的責任及義務。

本公司不時向全體董事提供簡介會，以提高及重溫董事的職能及責任。如有需要，本公司將會為董事安排持續的簡介會及專業發展。董事亦可每月獲取有關本公司表現、狀況及前景的最新消息，致使整個董事會及各董事得以履行彼等的職責。全體董事亦獲鼓勵出席相關培訓課程，費用由本公司承擔。彼等須向本公司提供其培訓記錄。

於本年度內，所有董事均參與持續專業發展（「持續專業發展」），透過閱讀有關企業管治或有關董事角色、職能及責任的法律、規則及法規最新資料的材料及／或出席法律顧問的簡介會或專業團體舉辦的講座，以提高及重溫彼等的知識及技能。

Corporate Governance Report

企業管治報告

Individual record of each Director who received training for the Year is summarised as follows:

本年度接受培訓的各董事的個人記錄概述如下：

Directors 董事		Type of CPD 持續專業發展的種類 (Notes) (附註)
Executive Directors		
Mr. YANG Wansheng (retired on April 19, 2013)	執行董事 楊萬勝先生 (於2013年4月19日退任)	A and B A及B
Mr. SUN Bai (appointed on April 19, 2013)	孫柏先生 (於2013年4月19日獲委任)	A and B A及B
Ms. LI Taifang (appointment ceased effective on February 20, 2014)	李太芳女士 (委任於2014年2月20日終止)	A and B A及B
Mr. ZHANG Chun	張淳先生	A and B A及B
Non-executive Directors		
Mr. PAN Chongyi (appointment ceased effective on February 20, 2014)	非執行董事 潘崇義先生 (委任於2014年2月20日終止)	A and B A及B
Mr. WANG Zhian	王治安先生	A and B A及B
Mr. YU Benli (appointed on February 20, 2014)	余本禮先生 (於2014年2月20日獲委任)	B
Mr. ZHANG Fusheng (appointed on February 20, 2014)	張福生先生 (於2014年2月20日獲委任)	B
INEDs		
Mr. LIU Li	獨立非執行董事 劉力先生	A and B A及B
Ms. LIU Hongyu	劉紅宇女士	A and B A及B
Mr. FANG Yongzhong	方永忠先生	A and B A及B
Mr. CHAN Kin Ho Philip (appointment ceased effective on February 20, 2014)	陳建豪先生 (委任於2014年2月20日終止)	A and B A及B
Mr. WU Tak Lung (appointed on February 20, 2014)	吳德龍先生 (於2014年2月20日獲委任)	B

Notes:

附註：

- A: attending seminars/forums/workshops/conferences relevant to the business or directors' duties
- B: studying regulatory updates on laws, rules and regulations relating to directors' roles and functions

- A: 出席有關業務或董事職責的研討會／論壇／工作坊／會議
- B: 學習有關董事角色及職能的法律、規則及法規的監管事項更新資料

Corporate Governance Report

企業管治報告

Meetings of Board and Board Committees and Directors' Attendance Records

The Company adopts the practice of holding board meetings regularly, at least four times a year. Notices of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are dispatched to the Directors or committee members at least fourteen days before the regular meetings and at least five days before the extraordinary meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When the Directors or committee members are unable to attend a meeting, he or she may appoint in writing another Director to attend the meeting on his or her behalf. The power of attorney shall specify the scope of authorization. The proxy shall exercise the rights of the Director within the scope of the authorization. A Director failing to attend the board meeting in person or by proxy shall be deemed as having waived his or her voting rights at such meeting.

The Joint Company Secretaries or his/her delegate are responsible for keeping all minutes of the Board meetings and the Board committees. Draft minutes are normally circulated to Directors for comments within a reasonable time after each meeting and the final version is open for Directors' inspection. According to the Listing Rules, any directors and their associates with a material interest in the transactions to be discussed at the Board meetings will abstain from voting on resolutions approving such transactions and will not be counted in the quorum at meetings.

Any Director wishing to do so in the furtherance of his or her duties may take independent professional advice at the Company's expense. Directors get familiar with the Group's principal activities through initial induction, ongoing participation at the Board and committee meetings, and meeting with key members of management. The Directors are encouraged to update their skills and knowledge.

董事會及董事會委員會的會議及董事的出席記錄

本公司採納定期舉行董事會會議之慣例，最少一年舉行四次。全體董事將獲發不少於十四天之通知以召開定期董事會會議，令全體董事均獲機會出席定期會議並討論議程事項。就其他董事會及委員會會議而言，一般將獲發合理通知。會議議程及隨附之董事會文件最少於定期會議舉行前十四天及臨時會議舉行前五天寄發予董事或委員會成員，以確保彼等有足夠時間審閱文件及為會議作充足準備。倘董事或委員會成員未能出席會議，彼可以書面形式委任另一名董事代其出席會議。授權書須訂明授權範圍。代表可行使授權範圍內的董事權力。未能親身或委派代表出席董事會會議的董事視作已放棄其於有關會議上的投票權。

聯席公司秘書或其委任代表負責保存董事會會議及董事會委員會的所有會議記錄。會議記錄草案一般會於每次會議之後的合理時間內向董事傳閱以供其發表意見，最終版本可供董事查閱。根據上市規則，任何於董事會會議上將予討論的交易中擁有重大利益的董事及彼等的聯繫人，均須就批准有關交易的決議案放棄投票，且不得計入會議的法定人數。

董事可為履行職責而尋求獨立專業意見，費用由本公司承擔。董事可透過初始入職、持續參與董事會及委員會會議，及與管理層主要成員會面，藉以熟悉本集團的主要業務。董事獲鼓勵更新其技能及知識。

Corporate Governance Report

企業管治報告

During the Year and up to the date of this annual report, the Company held 19 Board meetings (including written resolutions), two extraordinary general meetings (“EGM”) and one AGM. Details of attendance of the Directors are as follows:

於本年度及截至本年報日期，公司已舉行19次董事會會議（包括書面決議）、兩次股東特別大會（「股東特別大會」）及一次股東週年大會。董事出席參加該等會議記錄詳情載列如下：

Directors 董事		Board meetings 董事會會議	EGM 股東特別大會	AGM 股東週年大會
Executive Directors 執行董事				
Mr. YANG Wansheng (retired on April 19, 2013)	楊萬勝先生（於2013年4月19日退任）	4/4	1/2	N/A 不適用
Mr. SUN Bai (appointed on April 19, 2013)	孫柏先生（於2013年4月19日獲委任）	15/15	1/2	1/1
Ms. LI Taifang (appointment ceased effective on February 20, 2014)	李太芳女士（委任於2014年2月20日終止）	16/16	1/2	1/1
Mr. ZHANG Chun	張淳先生	19/19	2/2	1/1
Non-Executive Directors 非執行董事				
Mr. PAN Chongyi (appointment ceased effective on February 20, 2014)	潘崇義先生（委任於2014年2月20日終止）	16/16	1/2	1/1
Mr. WANG Zhian	王治安先生	19/19	2/2	1/1
Mr. YU Benli (appointed on February 20, 2014)	余本禮先生（於2014年2月20日獲委任）	3/3	N/A 不適用	N/A 不適用
Mr. ZHANG Fusheng (appointed on February 20, 2014)	張福生先生（於2014年2月20日獲委任）	3/3	N/A 不適用	N/A 不適用
INEDs 獨立非執行董事				
Mr. LIU Li	劉力先生	19/19	1/2	1/1
Ms. LIU Hongyu	劉紅宇女士	19/19	1/2	-/1
Mr. FANG Yongzhong	方永忠先生	19/19	2/2	1/1
Mr. CHAN Kin Ho Philip (appointment ceased effective on February 20, 2014)	陳建豪先生（委任於2014年2月20日終止）	16/16	2/2	1/1
Mr. WU Tak Lung (appointed on February 20, 2014)	吳德龍先生（於2014年2月20日獲委任）	3/3	N/A 不適用	N/A 不適用

Note: N/A means not applicable as the relevant Director had not joined the Board at the relevant time.

附註：不適用表示相關董事於相關時間尚未加入董事會，故並不適用。

Corporate Governance Report

企業管治報告

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy and discussed all measurable objectives set for implementing the policy.

The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

BOARD COMMITTEES

The Board has established, with written terms of reference, five Board committees, namely the audit committee (the “**Audit Committee**”), the remuneration committee (the “**Remuneration Committee**”), the nomination committee (the “**Nomination Committee**”), the strategy and development committee (the “**Strategy and Development Committee**”) and the operation and risk management committee (the “**Operation and Risk Management Committee**”) (together, the “**Board Committees**”), to oversee particular aspects of the Company's affairs. The Board Committees are provided with sufficient resources to discharge their duties.

The written terms of reference for each Audit Committee, Remuneration Committee and Nomination Committee are in line with the Listing Rules and they are posted on the respective websites of the Stock Exchange and the Company.

Audit Committee

The Board established the Audit Committee with written terms of reference in compliance with the CG Code. The Audit Committee comprises two INEDs and one non-executive Director, namely Mr. LIU Li, Ms. LIU Hongyu and Mr. WANG Zhian, the majority of them are INEDs. Mr. LIU Li is the chairman of the Audit Committee.

董事會成員多元化政策

董事會採納董事會成員多元化政策，並就政策實施討論所有重要目標。

本公司認同及樂於獲取董事會成員多元化所帶來的裨益。其致力確保董事會是一個擁有適合本公司業務所需而在技能、經驗及意見多元化方面取得平衡的董事會。所有董事會成員的委任將繼續以甄選優秀人才為基準，並充分顧及董事會成員多元化的裨益。甄選候選人將按多方面作考慮，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他方面）、技能及知識。最終決定將會按照獲甄選候選人將會為董事會帶來的益處及貢獻而作出。

董事會委員會

董事會已成立擁有書面職權範圍的五個董事會委員會，即審計委員會（「**審計委員會**」）、薪酬委員會（「**薪酬委員會**」）、提名委員會（「**提名委員會**」）、戰略與發展委員會（「**戰略與發展委員會**」）以及經營與風險管理委員會（「**經營與風險管理委員會**」）（統稱「**董事會委員會**」），以監察本公司特定範疇的事務。董事會委員會獲得充足資源履行職能。

審計委員會、薪酬委員會及提名委員會的書面職權範圍均符合上市規則，並刊載於聯交所及本公司網站。

審計委員會

董事會根據企業管治守則成立審計委員會，並以書面制定其職權範圍。審計委員會由兩名獨立非執行董事及一名非執行董事組成，分別為劉力先生、劉紅宇女士及王治安先生，大部分成員為獨立非執行董事。劉力先生為審計委員會主席。

Corporate Governance Report

企業管治報告

The primary duties of the Audit Committee include, among others:

- a) To review the financial statements and reports and consider any significant or unusual items raised by the internal audit division or external auditor before submission to the Board;
- b) To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditor; and
- c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures, including the adequacy of the resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function.

For the Year, the Audit Committee held three meetings to review and supervise the financial reporting process and internal control review. It had, in conjunction with KPMG, the external auditor of the Company, review the Group's audited results for the year ended December 31, 2013 and unaudited interim results for the Year and recommended the same to the Board for their consideration and approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made. The Audit Committee also carried out and discharged its other duties as set out in the CG Code.

審計委員會的主要職責包括（其中包括）：

- a) 於呈交董事會前審閱財務報表及報告，並考慮內部審計機構或外聘核數師提出之任何重大或不尋常項目；
- b) 透過參考核數師進行的工作、其費用及委聘條款檢討與外聘核數師的關係，並就委任、重新委任及罷免外聘核數師向董事會提出建議；及
- c) 檢討本公司的財務申報系統、內部監控系統以及風險管理系統及相關程序的充足度與成效，包括資源充足度、員工資格及經驗、培訓課程及本公司的會計及財務申報職能預算。

於本年度內，審計委員會曾召開三次會議，審閱及監察財務申報程序及內部監控。其亦與本公司外聘核數師畢馬威會計師事務所審閱本集團截至2013年12月31止年度的經審核業績及本年度的未經審核中期業績，並就此向董事會作出推薦建議，以供董事會考慮及批准。審計委員會認為，編製該等業績符合適用會計準則及規定，且已作出足夠的披露。審計委員會亦履行其於企業管治守則所載的其他職責。

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企業管治報告

Details of attendance of the Audit Committee meetings are as follows:

審計委員會會議的出席詳情如下：

Directors 董事		Attendance 出席次數
Mr. LIU Li (<i>Chairman</i>)	劉力先生 (主席)	3/3
Ms. LIU Hongyu	劉紅宇女士	3/3
Mr. WANG Zhian	王治安先生	3/3

Remuneration Committee

The Board established the Remuneration Committee with written terms of reference in compliance with the CG Code. The Remuneration Committee comprises two INEDs and one Executive Director, namely Mr. FANG Yongzhong, Mr. SUN Bai and Mr. LIU Li, the majority of them are INEDs. Mr. FANG Yongzhong is the chairman of the Remuneration Committee.

薪酬委員會

董事會根據企業管治守則成立薪酬委員會，並以書面制定其職權範圍。薪酬委員會由兩名獨立非執行董事及一名執行董事組成，分別為方永忠先生、孫柏先生及劉力先生，大部分成員為獨立非執行董事。方永忠先生為薪酬委員會主席。

The primary duties of the Remuneration Committee include, among others:

薪酬委員會之主要職責包括（其中包括）：

- To make recommendations to the Board on the Company's policy and structure for remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing the remuneration policy;
 - To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; and
 - To determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management, or to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.
- 就本公司董事及高級管理人員的薪酬政策及構架，及就設立正規而具透明度的程序制定薪酬政策，向董事會提出建議；
 - 因應董事會所訂企業的方針及目標而檢討及批准管理層的薪酬建議；及
 - 以授權職責釐定個別執行董事及高級管理人員的薪酬待遇，或就個別執行董事及高級管理人員的薪酬待遇向董事會提出建議。

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During the Year, the Remuneration Committee made the following recommendations to the Board with respect to the existing remuneration policies: to evaluate the performance of each Director and approve the execution of terms of the service contracts or letter of appointments of the Directors of the second session of the Board, and to make recommendation to the Board with respect to the remuneration packages of individual Director and senior management member.

During the Year, the Remuneration Committee held two meetings to review and make recommendation on the remuneration packages of the executive Directors, chairman of the Board and senior management and the director's fee of the INEDs.

Details of attendance of the Remuneration Committee meetings are as follows:

本年度，薪酬委員會就現行的薪酬政策向董事會提出如下建議：評估各董事的表現及批准執行第二屆董事會董事的服務合約或委任函條款，及就個別董事及高級管理人員的薪酬待遇向董事會提出建議。

於本年度，薪酬委員會舉行兩次會議，以審閱並建議執行董事、董事長及高級管理人員的薪酬待遇以及獨立非執行董事的董事袍金。

薪酬委員會會議的出席詳情如下：

Directors		Attendance
董事		出席次數
Mr. FANG Yongzhong (<i>Chairman</i>)	方永忠先生 (主席)	2/2
Mr. YANG Wansheng (retired on April 19, 2013)	楊萬勝先生 (於2013年4月19日退任)	1/1
Mr. SUN Bai (appointed on April 19, 2013)	孫柏先生 (於2013年4月19日獲委任)	1/1
Mr. LIU Li	劉力先生	2/2

Corporate Governance Report

企業管治報告

Remuneration Policy of Directors

Each Director has entered into service contract or letter of appointment with the Company. Each executive Director is entitled to an annual fixed fee (tax included) pursuant to the service contract entered into with the Company. The fee includes, among others, salaries, benefits, duty subsidies and pension contribution as determined in accordance with the laws and regulations of the PRC and the policy guidance issued by the senior regulatory authorities as well as the duties, performance and working experience of the executive Director. Meanwhile, the executive Director is also entitled to management bonus as determined by the Board or the Remuneration Committee with reference to the overall operating results and performance of the Company. The decision to grant such management bonus was made by the general meeting or the Board under the authorization of the general meeting. Each non-executive Director and each INED is entitled to fixed subsidy, which is determined with reference to the prevailing market price, pursuant to the service contract or letter of appointment entered into with the Company. Reasonable fees incurred by the Directors during their services in the Company shall be borne by the Company.

Nomination Committee

The Board established the Nomination Committee with written terms of reference in compliance with the CG Code. The Nomination Committee comprises two INEDs and one Executive Director, namely Ms. LIU Hongyu, Mr. SUN Bai and Mr. FANG Yongzhong, the majority of them are INEDs. Mr. SUN Bai is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee include, among others:

- a) To review the structure, size and composition of the Board on a regular basis according to the operating activities, asset size and equity structure of the Company and make recommendations regarding any proposed changes;
- b) To make recommendations to the Board on appointment or re-appointment of and succession planning for Directors;

董事薪酬政策

各董事已與本公司訂立服務合約或委任函。各執行董事根據其與本公司訂立的服務合約於每年獲得固定的袍金（含稅）。該袍金包括本公司按不時修訂的中國法律法規和上級監管機構發佈的政策指引、根據其職務、表現及工作經驗厘定的工資、福利、崗位津貼及退休金供款等。同時，其亦可獲得董事會或薪酬委員會參考本公司的整體經營業績及其表現後厘定的管理花紅。該管理花紅的發放事宜由股東大會或有股東大會授權董事會決定。各非執行董事和各獨立非執行董事根據其與本公司訂立的服務合約或委任函於每年獲得固定的津貼，該津貼是參考現行市場價格厘定。董事在其為本公司提供服務期間發生的合理費用由本公司承擔。

提名委員會

董事會根據企業管治守則成立提名委員會，並以書面制定其職權範圍。提名委員會由兩名獨立非執行董事及一名執行董事組成，分別為劉紅宇女士、孫柏先生及方永忠先生，大部分成員為獨立非執行董事。孫柏先生為提名委員會主席。

提名委員會之主要職責包括（其中包括）：

- a) 根據本公司之業務活動、資產規模及股權架構定期檢討董事會之架構、規模及組成，並就任何建議變動提出建議；
- b) 就董事委任或重新委任及繼任計劃向董事會提出建議；

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- c) To identify candidates who are qualified/suitable to join the Board and to select or make recommendations to the Board on the selection of candidates nominated for directorships;
- d) To assess the candidates for the senior management of the Company and its wholly-owned and controlled subsidiaries, and provide appraisal opinions to the Board; and
- e) To assess the independence of the INEDs.

During the Year, the nomination and recommendation policies and procedures of the Directors of the Company implemented by the Nomination Committee rule that candidates of Directors (excluding INEDs) shall be nominated and recommended by the Controlling Shareholder, while candidates of INEDs shall be selected by the Nomination Committee. Such candidates of Directors (including INEDs) shall at least comply with the relevant requirements of Chapter 6 of the Company Law, Chapter 3 and 13 of the Listing Rules and Chapter 14 of the Articles of Association. Candidates of INEDs shall also comply with the requirement on independence of Chapter 13 of the Listing Rules. The Board is responsible for providing information on the candidates to the shareholders and the appointment of Directors shall be determined by the general meeting.

For the Year, the Nomination Committee held three meetings to assess the independence of the INEDs, discuss the working procedures of the Nomination Committee and the working plan for 2014, as well as review and amend the terms of reference for the Nomination Committee and discuss the "Plan for Re-appointment and Recruitment of Mid-level Officials" (中層幹部換屆競聘方案).

Details of attendance of the Nomination Committee meetings are as follows:

Directors

董事

Mr. YANG Wansheng (retired on April 19, 2013)
Mr. SUN Bai (Chairman) (appointed on April 19, 2013)
Ms. LIU Hongyu
Mr. FANG Yongzhong

楊萬勝先生 (於2013年4月19日退任)
孫柏先生 (主席) (於2013年4月19日獲委任)
劉紅宇女士
方永忠先生

Attendance

出席次數

1/1
2/2
3/3
3/3

- c) 物色合資格／適合加入董事會的人選，並作出選擇或就選擇獲提名擔任董事人選向董事會提出建議；
- d) 評估本公司及其全資及受控附屬公司之高級管理層人選，並向董事會提供評估意見；及
- e) 評估獨立非執行董事之獨立性。

本年度，由提名委員會執行的有關本公司董事的提名及推薦政策及程序為：董事（除了獨立非執行董事）候選人由控股股東提名推薦，獨立非執行董事由提名委員會甄選適當的候選人。該等董事候選人（包括獨立非執行董事）至少須符合公司法第六章、上市規則第三章和第十三章、章程第十四章的相關規定；如屬獨立非執行董事候選人須符合上市規則第十三章有關獨立性的要求。董事會負責將候選人情況提呈股東，董事的任免由股東大會決定。

於本年度，提名委員會舉行三次會議，以評估獨立非執行董事之獨立性，討論提名委員會工作制度及2014年工作計劃。並審閱修改提名委員會議事規則及《中層幹部換屆競聘方案》。

提名委員會會議的出席詳情如下：

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Strategy and Development Committee

The Strategy and Development Committee comprises two Executive Directors, one Non-Executive Director and one INED, namely Mr. SUN Bai, Mr. ZHANG Chun, Mr. YU Benli and Mr. LIU LI. Mr. SUN Bai is the chairman of Strategy and Development Committee.

The primary duties of the Strategy and Development Committee include, among others:

- To conduct research in respect of, and formulating the strategy and business development of our Company, including the medium to long term plans, and supervising the implementation of our Company's strategic planning;
- To present assessment reports on the implementation of our Company's strategic planning, management and business development; and
- To research and analyze major issues encountered by our Company in the course of its development.

For the Year, the Strategy and Development Committee held two meetings to discuss the working procedures of the Strategy and Development Committee, the working plan for 2013 and the report for "CMEC Strategic Development Plan for the Next Five Years" (CMEC未來五年發展戰略規劃).

Details of attendance of the Strategy and Development Committee meetings are as follows:

Directors 董事

Mr. YANG Wansheng (retired on April 19, 2013)
Mr. SUN Bai (Chairman) (appointed on April 19, 2013)
Ms. LI Taifang (appointment ceased effective on February 20, 2014)
Mr. ZHANG Chun
Mr. YU Benli (appointed on February 20, 2014)
Mr. PAN Chongyi (appointment ceased effective on February 20, 2014)
Mr. LIU Li

楊萬勝先生 (於2013年4月19日退任)
孫柏先生 (主席) (於2013年4月19日獲委任)
李太芳女士 (委任於2014年2月20日終止)
張淳先生
余本禮先生 (於2014年2月20日獲委任)
潘崇義先生 (委任於2014年2月20日終止)
劉力先生

Attendance 出席次數

1/1
1/1
2/2
2/2
-
2/2
2/2

戰略與發展委員會

戰略與發展委員會由兩名執行董事、一名非執行董事及一名獨立非執行董事，分別為孫柏先生、張淳先生、余本禮先生及劉力先生組成。孫柏先生為戰略與發展委員會主席。

戰略與發展委員會之主要職責包括 (其中包括)：

- 就本公司的戰略及業務發展 (包括中長期計劃) 進行研究及制定戰略，並監督本公司戰略規劃之實施；
- 就本公司戰略規劃、管理及業務發展之實施呈列評估報告；及
- 研究及分析本公司於發展過程中遇上的重大事項。

於本年度，戰略與發展委員會舉行兩次會議，以討論戰略與發展委員會工作制度、2013年工作計劃及「CMEC未來五年發展戰略規劃」報告。

戰略與發展委員會會議的出席詳情如下：

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Operation and Risk Management Committee

The Operation and Risk Management Committee comprises one Executive Director, two Non-Executive Directors and one INED, namely Mr. ZHANG Chun, Mr. WANG Zhian, Mr. ZHANG Fusheng and Mr. FANG Yongzhong. Mr. ZHANG Chun is the chairman of Operation and Risk Management Committee.

The primary duties of the Operation and Risk Management Committee include, among others:

- a) To review and evaluate the progress of major investments, operations, and major business;
- b) To review and evaluate the decision making standards and mechanisms as regards major operational decisions, major risks, major events, and major business processes; and
- c) To establish sound and comprehensive risk management and internal control procedures in respect of the risk management and internal control system with a view to ensuring the effective and efficient operation of such system.

For the Year, the Operation and Risk Management Committee held two meetings to discuss the working procedures of the Operation and Risk Management Committee, the working plan for 2013 and the comprehensive risk management report for 2012, as well as the risk management in respect of the Sanctions Undertakings.

Details of attendance of the Operation and Risk Management Committee meetings are as follows:

Directors

董事

Ms. LI Taifang (appointment ceased effective on February 20, 2014)
 Mr. PAN Chongyi (appointment ceased effective on February 20, 2014)
 Mr. ZHANG Chun (*Chairman*)
 Mr. WANG Zhian
 Mr. ZHANG Fusheng (appointed on February 20, 2014)
 Mr. FANG Yongzhong

李太芳女士 (委任於2014年2月20日終止)
 潘崇義先生 (委任於2014年2月20日終止)
 張淳先生 (主席)
 王治安先生
 張福生先生 (於2014年2月20日獲委任)
 方永忠先生

Attendance

出席次數

2/2
 2/2
 –
 2/2
 –
 2/2

經營與風險管理委員會

經營與風險管理委員會由一名執行董事、兩名非執行董事及一名獨立非執行董事組成，分別為張淳先生、王治安先生、張福生先生及方永忠先生。張淳先生為經營與風險管理委員會主席。

經營與風險管理委員會之主要職責包括 (其中包括)：

- a) 審閱及評估重大投資、營運及主要業務過程；
- b) 檢討及評估有關重大營運決策、主要風險、重大事項及主要業務程序之決策準則及機制；及
- c) 就風險管理及內部監控系統建立有效及全面風險管理及內部監控程序，以確保系統得以有效運作。

於本年度，經營與風險管理委員會舉行兩次會議，以討論經營與風險管理委員會工作程序、2013年工作計劃、2012年全面風險管理報告及制裁承諾風險管理。

經營與風險管理委員會會議的出席詳情如下：

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Delegation by the Board

The Board reserves for its decision all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to significant transactions entered into by the management as defined under the relevant Working Rules for the President (總經理工作規則).

Corporate Governance Functions of the Board

The Board recognizes that corporate governance should be the collective responsibility of the Directors which include:

- a. To develop, review and implement the Company's policy and practices on corporate governance;
- b. To review and monitor the training and continuous professional development of Directors and senior management;
- c. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

董事會授權

董事會保留於本公司所有主要事項之決策權，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（特別是可能涉及利益衝突之交易）、財務資料以及其他重大財務及營運事宜。董事擁有資源尋求獨立專業意見以履行其於本公司開支之職責，並鼓勵個別接觸本公司高級管理人員並與其商議。

本集團之日常管理、行政及營運已授權高級管理人員處理。授權功能及責任由董事會定期檢討。根據相關總經理工作規則所界定，管理層訂立重大交易前須取董事會之批准。

董事會之企業管治職能

董事會認為企業管治乃董事之共同責任，當中包括：

- a. 制定、檢討及實行本公司之企業管治政策及常規；
- b. 檢討及監察董事與高級管理人員的培訓及持續專業發展；
- c. 檢討及監察本公司遵守法例及監管規定之政策及常規；

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- d. To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- e. To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- f. To develop, review and monitor the implementation of the Shareholders' communication policy to ensure its effectiveness, and make recommendation to the Board where appropriate to enhance Shareholders' relationship with the Company.

Appointment and Re-election of Directors

Each of the Executive Directors and Non-Executive Directors has entered into a service contract with the Company on February 20, 2014 for a term commencing from the date of the general meeting in which the respective executive Directors or non-executive Directors were appointed, until the end of the term of the second session of the Board and may be terminated in accordance with the respective terms of the service agreements.

Each of the INEDs has signed a letter of appointment with the Company on February 20, 2014 for a term commencing from the date of the general meeting in which the respective INEDs were appointed until the end of the term of the second session of the Board.

None of the Directors has a service agreement which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

In accordance with the Articles of Association, all Directors shall be elected or replaced at the Shareholders' general meetings with a term of office of three years. Upon expiry of the term of office, a director shall be eligible to offer himself for re-election and reappointment. Any person appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the Company's next AGM and that person shall then be eligible for re-election and reappointment.

- d. 制定、檢討及監察適用於僱員及董事之行為守則及合規手冊（如有）；
- e. 檢討本公司遵守企業管治守則及企業管治報告之披露的合規情況；及
- f. 制定、檢討及監察股東通訊政策的實施以確保其成效，並於適當情況下向董事會提供建議，以加強股東與本公司的關係。

委任及重選董事

各執行董事及非執行董事均於2014年2月20日與本公司訂立服務合約，任期為自股東大會選舉其為執行董事或非執行董事之日起，至第二屆董事會任期結束之日止，並可根據服務協議各自的條款予以終止。

各獨立非執行董事均於2014年2月20日與本公司簽立委任函，任期為自股東大會選舉其為獨立非執行董事之日起，至第二屆董事會任期結束之日止。

概無董事已訂立本集團不得於一年內於毋須作出賠償（法定賠償除外）下將其終止的任何服務協議。

根據章程，全體董事須於股東大會上膺選或更換，任期為三年。於任期屆滿後，董事合資格膺選連任及重新委任。由董事會委任以填補董事會空缺或作為新增董事的任何人士，其任期至本公司下屆股東週年大會為止，而該名人士其後合資格膺選連任及重新委任。

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The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

Remuneration of Directors and Senior Management

Particulars of the Directors' remuneration for the Year are set out in note 9 to the consolidated financial statements.

There were seven employees being classified as senior management during the Year. Pursuant to code provision of B.1.5 of the CG Code, the annual remuneration of the members of the senior management (other than the Directors) for the Year by band is set out below:

委任、重選及罷免董事之程序及過程載於章程細則。提名委員會負責審閱董事會組成、監察董事之委任、重選及繼任計劃。

董事及高級管理層之薪酬

本年度的董事薪酬詳情載於合併財務報表附註9。

於本年度，共有7名僱員被分類為高級管理層。根據企業管治守則第B.1.5條守則條文，高級管理層成員（董事除外）的年度薪酬等級載列如下：

Remuneration bands (RMB) 薪酬等級 (人民幣)		Number of individuals 人數
1,000,000 to 1,200,000	1,000,000至1,200,000	-
1,200,000 to 1,400,000	1,200,000至1,400,000	7
1,400,000 to 1,600,000	1,400,000至1,600,000	-
1,600,000 to 1,800,000	1,600,000至1,800,000	-
1,800,000 to 2,000,000	1,800,000至2,000,000	-

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements for the Year, which give a true and fair view of the state of affairs of the Company and the Group's results and cash flows for the year then ended and are properly prepared on a going concern basis in accordance with the applicable statutory requirements and accounting standards.

Pursuant to code provision C.1.1 of the CG Code, the management would provide such explanation and information to the Board as will enable the Board to make an informed assessment of the financial and other information put before the Board for approval. The Company also provides all members of the Board with monthly updates on the Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties which may affect the Company's business or cast significant doubt upon the Company's ability to continue as a going concern.

KPMG has also stated its reporting responsibility in the independent auditor's report of the consolidated financial statements for the Year.

INTERNAL CONTROL

The Board executes the decision-making right on operation. It endeavors to establish and improve the internal control policies and plans and supervise the implementation of the internal control system to safeguard shareholder investments and Company assets, thus being responsible for the establishment and supervision of the internal control system of the Company. It is the responsibility of the Board to establish, improve, review and effectively implement the internal control system.

董事於財務報表的責任

董事知悉彼等的責任為編製本年度的合併財務報表。合併財務報表真實公平地反映本公司財務狀況及本集團於截至該日止年度的業績及現金流量，並根據適用法律規定及會計準則按持續經營基準妥善編製。

根據企業管治守則第C.1.1條守則條文，管理層應向董事會提供該等說明及資料，使董事會可就其批准之財務及其他資料作出非正式評估。本公司亦會每月向董事會成員提供有關本公司業績、財務狀況及前景的更新資料。

董事並不知悉可能影響本公司業務或對本公司持續經營基準的能力造成重大疑問的任何重大不確定因素。

畢馬威會計師事務所已於本年度的合併財務報表的獨立核數師報告內作出其申報責任聲明。

內部監控

董事會執行營運決策權，並致力建立及改善內部監控政策與計劃，以及監管內部監控系統的實施，以保障股東投資與公司資產，故董事會負責建立及監察本公司之內部監控系統。董事會之職責為建立、改善、檢討並有效實行內部監控系統。

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In terms of management structure, the Company has optimized the organizational structure and implemented a flat management. The relevant functional departments are sufficiently staffed, respectively taking charge of financial operations and monitoring, risk management, internal audit and anti-corruption. In addition, the Company arranges reasonable budgets to provide regular trainings for the staff of the Company and its subsidiaries performing functions such as finance, risk management and internal audit so as to ensure that they are fully qualified and experienced.

All departments are under direct leadership of the President of the Company, who is thereby enable to report instantly to the Board on the operations of each department and problems received. Accordingly, any significant matter (if subject to disclosure to the market) identified by the staff could be reported to the management in a timely, accurate and effective manner. The management of the Company assessed such significant matter in accordance with internal management requirements and procedures in a timely manner and made corresponding decisions. The decisions of the management of the Company could be implemented accurately and timely under supervision.

In 2013, the Company enhanced internal control and management, with the promulgation and amendment of 27 rules with regard to its management system, covering a number of important areas including human resources, finance, capital resources, legal and compliance and business incentives. For example, “Particulars of Implementation of Contract Filing Management of China Machinery Engineering Corporation”(中國機械設備工程股份有限公司合同備案管理實施細則), “Particulars of Implementation of Contract Approval Management of China Machinery Engineering Corporation” (中國機械設備工程股份有限公司合同審批管理實施細則), “Measures for Managing the Market Development Fund of China Machinery Engineering Co., Ltd(Trial Implementation)” (中國機械設備工程股份有限公司市場開發基金管理辦法(試行)), “Particulars of Implementation of Management of Conclusive Works of International Engineering Contracting Business (Trial Implementation)” (工程成套業務完工總結工作管理實施細則(試行)) and “Management Measures of Evaluation of Completed Projects of International Engineering Contracting

管理架構上，公司優化了組織結構設置，實行了扁平化管理。相關職能部門配備了充足的人員，負責財務運作和監控、風險管理、內部審計、反舞弊等具體工作。此外，公司安排合理預算，定期為公司及附屬公司財務、風險管理、內部審計等職能員工提供培訓，確保其擁有足夠的素質和經驗。

公司總裁與各部門直接對接，並能將各部門運作情況及反映的問題及時向董事會匯報。員工發現的重大情況(如需在市場披露)能夠被及時、準確、有效地傳遞到公司管理層。公司管理層根據相應的內部管理規定和程序及時評估這些重大情況，並做出相應決策。公司管理層的決策能夠被正確、及時地貫徹和監督執行。

2013年，公司加大內部控制的管理力度，共頒佈、修訂各類管理制度27條，內容覆蓋人力資源、財務、資金、法律與合規及業務鼓勵等重要領域。例如出台《中國機械設備工程股份有限公司合同備案管理實施細則》、《中國機械設備工程股份有限公司合同審批管理實施細則》、《中國機械設備工程股份有限公司市場開發基金管理辦法(試行)》、《工程成套業務完工總結工作管理實施細則(試行)》、《工程成套業務項目後評價管理辦法(試行)》等。這些制度的頒佈實施與經營實際緊密結合，為業務發展提供了制度保障。公司還組織公司高層、中層幹部及業務骨干人員合規培訓，確保了公司各項工作合法、合規穩步推進。同時，公司進一步強化風險管理。除

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Business (Trial Implementation)”(工程成套業務項目後評價管理辦法(試行)) were implemented by the Company. The promulgation and implementation of these policies are highly integrated with the actual operation and management, which provide strong systematic support for business development. Compliance training programs were also organized for senior and middle management as well as key personnel, in order to ensure that the Company complied with various rules and legislations when performing different tasks. Meanwhile, the Company further strengthened its risk management. In addition to promoting the construction of the internal control system and the risk prevention and control system, the Company also actively promoted the construction of the two systems for its subsidiaries, including the continuous management and control of the Trading Business as a high risk item, the establishment of management regime for social responsibility of CMEC and the close attention paid to the risks of social responsibility. The positive impacts of risk management and control of the Company were obvious: in 2013, no new litigation was instigated with respect to the Company's Trading Business.

During the Year, the Board assessed the internal control systems of the Company and its subsidiaries such as financial control, operation control, compliance control and risk management systems and was not aware of any material problems or any material mistakes. The Board believes that the current monitoring system of the Company is effective and that the qualifications and experience of the staff performing accounting and financial reporting functions and the training programs of the Company as well as the experiences and resources for setting the budget of the Company are adequate.

The Group's internal control system will be reviewed and assessed on an on-going basis by the Audit Committee which will report the same to the Board, and will be further reviewed and assessed at least once each year by the Board.

在本部繼續深化推進內部控制體系和防控風險體系建設工作外，還積極推進子公司兩體系建設，包括繼續將貿易業務作為重大風險進行管控，建立CMEC社會責任工作組織管理體系及密切關注社會責任風險等。公司風險管控的效果明顯：2013年，公司貿易業務未發生任何新增訴訟。

董事會在本年度內對本公司及附屬公司的財務監控、運作監控、合規監控及風險管理等內控系統進行審查，未發現公司內部控制存在任何重大問題，或出現任何重大失誤。董事會認為本公司目前的監控體系是有效的，並認為本公司在會計及財務匯報、員工的資歷和經驗、員工培訓及有關預算方面的經驗和資源是足夠的。

審計委員會將持續檢討及評估本集團之內部監控系統，並向董事會匯報結果，而董事會則每年最少對本集團之內部監控系統進行一次進一步檢討及評估。

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INTERNAL AUDIT

The audit department of the Company will conduct independent review and assessment on the appropriateness, rationality and effectiveness of the governance, risk management and internal control system. The audit department is under the supervision and guidance of the Audit Committee, and will provide analysis and recommendation for the Board and the senior management. It is responsible for all material control, including financial, operational, compliance and risk management. In 2013, the audit department did not discover any circumstances involving fault, non-compliance or violation against laws, regulations and rules or severe insufficient control.

INDEPENDENT AUDITOR'S REMUNERATION

For the year ended December 31, 2013, the remunerations paid or payable to the external auditors in respect of audit services and non-auditing services amounted to RMB5.9 million and RMB3.0 million, respectively. The amount for 2013 non-audit services mainly comprised the services fee on review of interim financial statements. The Audit Committee was satisfied that the non-audit services in 2013 did not affect the independence of the auditor.

COMPANY SECRETARY

Mr. CHEN Minjian (“**Mr. Chen**”) acts as secretary to the Board and one of the joint company secretaries of the Company. He is responsible for advising the Board on corporate governance matters and ensuring that the Board policies and procedures, and the applicable laws, rules and regulations are followed.

In order to uphold good corporate governance and ensure compliance with the Listing Rules and applicable Hong Kong laws, the Company also engages Ms. TSANG Fung Chu (“**Ms. Tsang**”), as its joint company secretary to assist Mr. Chen to discharge his duties as company secretary of the Company. For the purpose of Code F.1.1 of the CG Code, Ms. Tsang keeps close contact with Mr. Chen, being the person with sufficient seniority at the Company.

內部審計

公司審計部對集團治理、風險管理及內部控制系統的恰當性、合理性和有效性進行獨立審查和評價，接受審計委員會的監督和指導，並為董事會和高級管理層系統地提供分析及建議。其工作涵蓋所有重大的監控，包括財務、運營、合規及風險管理。2013年內，審計部並無發現任何涉嫌欺詐、違規、或觸犯法例、規則及規例或嚴重監控不足的情況。

獨立核數師薪酬

截至2013年12月31日止年度，付予或應付予外部核數師有關審計服務及非審計服務的薪酬分別為人民幣5.9百萬元及人民幣3.0百萬元。2013年非審計服務的費用主要包括審閱中期財務報表的服務費用。審計委員會對2013年度非審計服務並沒有影響到核數師的獨立性感到滿意。

公司秘書

陳民建先生（「**陳先生**」）獲委任為董事會秘書及本公司其中一名聯席公司秘書。彼負責就企業管治事宜向董事會提供意見，並確保已遵從董事會政策與程序，以及適用法例、規則及規例。

為維持良好企業管治並確保遵守上市規則與適用香港法例，本公司亦委聘曾鳳珠女士（「**曾女士**」）為其聯席公司秘書，以協助陳先生履行其作為本公司公司秘書之職務。就企業管治守則之守則F.1.1而言，曾女士與陳先生緊密聯繫，陳先生屬本公司之高層人士。

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For the Year under review, Mr. Chen and Ms. Tsang have undertaken 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, when the Company convenes an AGM, Shareholders holding 3% or more of the total voting shares of the Company shall be entitled to propose new resolutions to the Company in writing which should be submitted to the convener 10 days prior to the convening of the general meeting. The convener of the general meeting shall issue a supplemental notice of general meeting to other Shareholders within 2 days of the receipt of such proposal and incorporate such newly proposed matters falling within the scope of duties of the general meeting into the agenda of such meeting. The new agenda shall be tabled to the general meeting for consideration.

Shareholders can submit their written recommendations through the following facsimile, e-mail or postal address:

Facsimile: 86 10 6332 1086

E-mail: ir@mail.cmec.com

Postal address: No. 178 Guang'anmenwai Street, Beijing, PRC
(Postal Code: 100055)

Pursuant to article 57 of the Articles of Association, general meetings shall be convened where Shareholders who individually or jointly hold 10% or more of the Company's Shares make a request to convene an extraordinary general meeting in writing. The matter for consideration proposed by the party requesting the holding of the extraordinary general meeting shall be included in the agenda of such meeting.

As regards proposing a person for election as a director, the procedures are set out in the Articles of Association which is available on the respective websites of the Stock Exchange and the Company.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the respective websites of the Stock Exchange and the Company in a timely manner after each shareholder meeting.

於回顧年度，為遵守上市規則第3.29條，陳先生及曾女士已參與15個小時之相關專業培訓。

股東權利

為保障股東權益及權利，倘本公司召開股東週年大會，持有本公司具表決權股份總數3%或以上的股東有權以書面形式向本公司提出新決議案，書面建議須於召開股東大會前10天呈交召集人。股東大會召集人須於接獲有關建議2天內向其他股東發出股東大會補充通知，將符合股東大會職責範圍的相關新建議事項加入大會議程。新議程將於股東大會上提出以供考慮。

股東可通過以下傳真、電郵、郵寄的地址向公司提供其書面建議：

傳真：86 10 6332 1086

電郵：ir@mail.cmec.com

郵寄地址：中國北京廣安門外大街178號
(郵編：100055)

根據章程第57條，倘個別或共同持有本公司股份10%或以上的股東作出書面要求召開臨時股東大會，則須召開股東大會。要求舉行臨時股東大會的人士所提呈以供考慮的事項須加入有關股東大會的議程。

至於建議一名人士膺選董事方面，有關程序載於章程內，而章程則可於聯交所及本公司的網站查閱。

於股東大會提呈之所有決議案將根據上市規則以按股數投票方式表決，而表決結果將於各股東大會後適時刊載於聯交所及本公司的網站。

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Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to Room 804, 8/F, Tower 1, South Sea Centre, 75 Mody Road, Tsimshatsui East, Kowloon, Hong Kong, and provide sufficient contact information for the timely and proper handling and record keeping of the relevant enquiries.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

In 2012, the Company successfully completed its Listing in Hong Kong. Through roadshow presentations around the globe, its investor relations website, investor enquiry hotline, investor mailbox and other communication channels, the Company maintains close liaisons with investors worldwide in a timely and efficient manner. Moreover, through investment forums, corporate visits, teleconferences and various other channels, the Company maintains proactive and frank exchanges with investors and analyses. The Company has attached great importance to listening and accepting reasonable suggestions and opinions from Shareholders and investors. It strives to continuously enhance its operating results, present a true picture of the Company's financial and operational status to Shareholders and investors, actively facilitate the internal communications in respect of the feedback from the capital market, and continuously perfect and enrich the system aiming to canvass information in relation to investor relations. The management over investor relations involves an all-faceted interactive communication process.

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable shareholders and investors to make the informed investment decisions. In 2014, the Company will further step up communications and exchanges with investors, in a bid to increase their understanding of the Company, whilst canvassing the support and attention from investors, so that they may provide more valuable opinions. The

向董事會查詢

有意就本公司事宜向董事會作出查詢的股東可將查詢送交香港九龍尖沙咀東麼地道75號南洋中心第1座8樓804室，並提供足夠的聯絡資料以便有關查詢及時獲得公司恰當的處理和記錄。

與股東之溝通及投資者關係

於2012年，本公司成功完成在香港上市。本公司透過於世界各地進行的路演、其投資者關係網站、投資者查詢熱線、投資者信箱及其他溝通渠道，本公司及時並有效維持與全球各地投資者的緊密聯繫。此外，本公司透過投資論壇、公司訪問、電話會議及各類其他渠道，積極及真誠與投資者及分析師交流。本公司十分重視聆聽並接受股東及投資者的合理建議和意見，致力持續改善其營運業績、向股東及投資者呈列本公司的真實財務與營運狀況、積極促進有關來自資本市場的反饋意見，以及持續優化及加強系統，旨在宣揚有關投資者關係的資料。投資者關係管理涉及全面互動溝通程序。

本公司認為與股東之有效溝通，對改善投資者關係及了解本集團業務、表現及戰略甚為重要。本公司亦確認適時及非選擇性披露資料之重要性，將有助股東及投資者作出知情投資決定。於2014年，本公司將進一步加強與投資者的溝通及交流，藉以提高彼等對本公司的了解，同時爭取投資者的支持及關注，使彼等向本公司提供寶

Corporate Governance Report

企業管治報告

Company will also put great efforts in furthering the exploration and innovation in its investor relations management to bolster the Company's position in domestic and overseas capital markets.

The AGM of the Company provides opportunity for shareholders to communicate directly with the Directors. The chairman of the Board, the president of the Company, the chairman of each of the Board Committees and the external auditor of the Company, KPMG, will attend the AGM to answer Shareholders' questions.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and its Shareholders and maintains a website at www.cmec.com, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access. The Company also maintained frequent contacts with Shareholders and investors through various channels such as meetings, telephone and emails. For example, we will convene telephone meetings to answer enquiries from Shareholders and investors, as well as arrange one-on-one conversation with investors. In addition, we arranged on-site visits to the Group's projects and non-deal roadshows for investors and research analysts.

The Company has adopted a shareholders' communication policy with the objective of ensuring that the Shareholders, both individual and institutional (collectively, the "Shareholder(s)") of the Company and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments and governance), for the purpose of enabling the Shareholders to exercise their rights in an informed manner, and to allow them and the investment community to engage actively with the Company.

貴意見。本公司亦將致力拓展及創新其投資者關係管理，以提高本公司於國內及海外資本市場的地位。

本公司股東週年大會為股東提供直接與董事溝通的機會。董事會董事長、本公司總裁、各董事委員會主席及本公司外聘核數師畢馬威會計師事務所將出席股東週年大會，以回應股東提問。

為推動有效溝通，本公司採納股東通訊政策，旨在建立本公司與其股東的雙向關係及溝通，並設有網站www.cmec.com，以供公眾人士查閱有關本公司業務營運及發展、財務資料、企業管治常規及其他資料的最新消息。本公司亦透過會議、電話及電郵等各種渠道與股東及投資者保持緊密聯繫，例如，召開電話會議回覆股東及投資者的提問及安排一對一的投資者訪談等，並為投資者及研究分析師安排集團項目的實地考察及安排非交易路演。

本公司已採納股東溝通政策，目標是確保本公司股東，包括個人及機構（以下統稱「股東」），及在適當情況下包括一般投資人士，均可適時取得方便、相同、平衡及容易理解的本公司資料（包括其財務表現、戰略目標及計劃、重大發展及管治），一方面使股東可在知情情況下行使權力，另一方面也讓股東及投資人士與本公司加強溝通。

Corporate Governance Report

企業管治報告

Information about the Company will be communicated to the Shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), annual general meetings and other general meetings that may be convened, as well as by making available all the disclosures submitted to the Stock Exchange and its corporate communications on the respective websites of the Stock Exchange and the Company.

INFORMATION DISCLOSURE

The Company discloses information in compliance with the Listing Rules, and publishes periodic reports and announcements to the public in accordance with the relevant laws and regulations. The primary focus of the Company is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling Shareholders, investors as well as the public to make rational and informed decisions regarding the Company.

CHANGE IN CONSTITUTIONAL DOCUMENTS

At the 2012 AGM held on June 17, 2013, amendments to the Articles of Association were approved by the Shareholders, mainly to bring the articles of the Company in line with the amendments made to reflect, among other reasons, certain changes in the Company's information pursuant to the exercise of the Over-allotment Option (as defined in the Prospectus). An updated version of the Articles and Association is available on the respective websites of the Stock Exchange and the Company.

2013 ANNUAL GENERAL MEETING

All Shareholders are encouraged to attend the forthcoming AGM and exercise their right to vote. Further details of business to be conducted at the general meeting will be set out in the circular to the Shareholders to be sent and posted on the respective websites of the Stock Exchange and the Company shortly.

本公司向股東及投資人士傳達本公司資料的主要渠道為：本公司的財務報告（中期及年度報告）、股東週年大會及其他可能召開的股東大會，並將所有呈交予聯交所的披露資料及公司通訊登載在聯交所及本公司網站。

資料披露

本公司根據上市規則披露資料，並根據相關法例及規例向公眾人士公佈定期報告及公告。本公司重點確保及時、公平、準確、真誠及完整地披露資料，致使股東、投資者及公眾人士得以作出有關本公司的理性及知情決定。

章程文件變動

於2013年6月17日舉行的2012年股東週年大會，修訂章程細則已獲股東批准，主要使本公司的章程細則與反映（其中包括）本公司資料根據行使超額配售權（定義見招股章程）後所產生的若干變動之修訂一致。章程細則的更新版本可於聯交所及本公司網頁內閱覽。

2013年股東週年大會

本公司鼓勵全體股東出席應屆股東週年大會並行使其表決權。有關將於股東大會進行之事宜進一步詳情載於稍後寄發予股東之通函內，通函亦將於聯交所及本公司網站內刊發。

Report of the Supervisory Board

監事會報告

The Supervisory Board is pleased to present this report of the Supervisory Board in the annual report of the Company for the year ended December 31, 2013 (the “Year”).

In 2013, all members of the Supervisory Board have earnestly performed their supervisory functions to safeguard the rights and interests of the Group and the Shareholders in accordance with the Companies Law, the Articles of Associations, the Rules of Procedures of the Supervisory Board and the relevant provisions in the Listing Rules. Members of the Supervisory Board carried out examination of the Company’s financial accounts and supervision of the Directors, the president and other senior management officers for their compliance with the laws, administrative regulations and the Articles of Association in executing their respective duties.

I. RE-APPOINTMENTS OF THE SUPERVISORS

According to the Articles of Association, the term of office for the first session of the Supervisory Board has expired on January 12, 2014.

Pursuant to the relevant provisions of the Company Law and the Articles of Association, all Supervisors for the first session of the Supervisory Board continued to perform their duties as Supervisors in accordance with applicable laws and regulations until the re-appointments of the Supervisors for the second session of the Supervisory Board becoming effective.

In accordance with the relevant requirements of the Articles of Association and the Company Law, the second session of the Supervisory Board shall consist of three Supervisors, including two Shareholder representative Supervisors and one staff representative Supervisor. And according to the Articles of Association, the appointments of the two Shareholder representative Supervisors are subject to the approval by the Shareholders at a general meeting, and the staff representative Supervisor shall be appointed by the employees of the Company in the employees’ general meetings. The term of office of Supervisors shall be three years.

監事會欣然呈列載於本公司於截至2013年12月31日止年度（「該年度」）的年報的監事會報告。

2013年，全體成員依照公司法、公司章程、監事會議事規則及上市規則的有關規定，認真履行監督職責，維護本集團及股東的權益。監事會成員對本公司財務賬目進行檢查並對董事、總裁及其他高級管理人員行使其各自職責時對法律、行政法規及公司章程的遵守情況進行監督。

I. 重選監事

根據公司章程規定，第一屆監事會的任期已於2014年1月12日屆滿。

根據公司法及公司章程的相關條款，第一屆監事會全體監事根據適用法律及法規繼續履行彼等作為監事的職責，直至第二屆監事會監事的任命開始生效。

根據公司章程及公司法的相關規定，第二屆監事會應包括三名監事，包括兩名股東代表監事及一名職工代表監事。根據公司章程規定，委任兩名股東代表監事須獲股東於股東大會上批准，而職工代表監事將由本公司職工於職工代表大會委任。監事的任期將為三年。

Report of the Supervisory Board

監事會報告

As announced by the Company on January 24, 2014, Mr. BAI Ming has been re-appointed as the staff representative Supervisor for the second session of the Supervisory Board at the employees' general meeting. And at the extraordinary general meeting held on February 20, 2014, Mr. QUAN Huaqiang and Mr. QIAN Xiangdong have been re-appointed as the Shareholder representative Supervisors for the second session of the Supervisory Board.

Mr. QUAN Huaqiang, Mr. QIAN Xiangdong and Mr. BAI Ming have formed the second session of the Supervisory Board. Their term of service commenced on February 20, 2014 until the expiration of the term of second session of the Supervisory Board.

II. MEETINGS OF THE SUPERVISORY BOARD

During the Year and up to the date of this annual report, four meetings of the Supervisory Board were held.

On March 27, 2013, the Company held the fourth meeting of the first session of the Supervisory Board to consider the 2012 audited financial report of the Company and the report of the Supervisory Board for 2012 and to receive the report on the 2012 results announcement of the Company.

On January 6, 2014, the Company held the fifth meeting of the first session of the Supervisory Board to consider the resolution in relation to the recommendation of candidates for shareholder representative Supervisors for the second session of the Supervisory Board at the general meeting.

On February 20, 2014, the Company held the first meeting of the second session of the Supervisory Board to re-elect Mr. QUAN Huaqiang as the chairman for the second session of the Supervisory Board for the same term of the second session of the Supervisory Board.

On March 24, 2014, the Company held the second meeting of the second session of the Supervisory Board to consider the 2013 audited financial report of the Company and the report of the Supervisory Board for 2013 and to receive the report on the 2013 results announcement of the Company.

如本公司於2014年1月24日宣佈，白明先生已於職工代表大會上獲重選為第二屆監事會的職工代表監事。於2014年2月20日舉行的臨時股東大會上，全華強先生及錢向東先生已獲續聘為第二屆監事會股東代表監事。

全華強先生、錢向東先生及白明先生已組成第二屆監事會。彼等的任期自2014年2月20日起直至第二屆監事會屆滿為止。

II. 監事會會議情況

於該年度內至本報告日期，監事會舉行了四次會議。

於2013年3月27日，本公司舉行第一屆監事會第四次會議，以審議本公司2012年經審計財務報告及2012年監事會報告，並聽取關於本公司2012年業績公告的匯報。

於2014年1月6日，本公司舉行第一屆監事會第五次會議，以審議關於向股東大會推薦本公司第二屆監事會股東監事候選人的議案。

於2014年2月20日，本公司舉行第二屆監事會第一次會議，以重選全華強先生為第二屆監事會主席，任期與第二屆監事會相同。

於2014年3月24日，本公司舉行第二屆監事會第二次會議，以審議本公司2013年經審計財務報告及2013年監事會報告、聽取關於本公司2013年業績公告的匯報。

Report of the Supervisory Board

監事會報告

III. INDEPENDENT OPINION ISSUED BY THE SUPERVISORY BOARD ON RELEVANT MATTERS

1. Operation and management of the Company

During the Year, the Company managed to achieve satisfying results in areas of operation, cost control, project origination, implementation and management, internal management, work safety and market expansion. The management of the Company further strengthened the systems of internal controls, and enhanced, in particular, the system of business processes of all functional departments of the Company, making further progress in corporate governance. The management of the Company faithfully fulfilled their duties and responsibilities as stipulated in the Articles of Association and earnestly implemented the resolutions approved by the Board. Till now, the Supervisory Board did not discover that the Board and senior management had abused their rights and functions or any of their actions that were prejudicial to the interests of the Company, Shareholders and staff of the Company, or in any way violated the laws, regulations and the Articles of Association.

2. Financial matters of the Company

Members of the Supervisory Board monitored and examined the financial management system and the financial condition and reviewed relevant financial information of the Company. Upon examination, the Supervisory Board concluded that the Company had strictly complied with the relevant financial laws, regulations and financial policies, and that the financial management system was sound and implemented effectively; the accounting treatment was in line with the consistency principles; and the Company's financial reports gave an objective and fair view of the financial position and operating results of the Company.

III. 監事會就有關事項發表的獨立意見

1. 本公司營運管理情況

於該年度內，本公司營運、成本控制、項目建設、實施及管理、內部管理、工作安全及市場開拓等方面均取得了令人滿意的成績。本公司管理層進一步加強了內部控制的各項制度，特別是完善了本公司各職能部門的業務流程體系，企業管治水平進一步提高。本公司管理層忠實履行了公司章程規定的職責，認真執行了董事會通過的各項決議。至今監事會未發現董事會及高級管理人員濫用職權，或損害本公司利益及侵犯股東及本公司員工權益的任何行為，亦未違反法律、法規及公司章程。

2. 本公司財務事項

監事會成員對本公司的財務管理制度和財務狀況進行了監督檢查，審閱了本公司相關財務資料。通過審查，監事會認為本公司嚴格遵守了相關金融法律、法規及財務政策，財務管理制度健全且獲有效執行；會計處理方法遵循了一貫性原則；本公司財務報告客觀、公允地反映了本公司的財務狀況及營運業績。

Report of the Supervisory Board

監事會報告

The Supervisory Board reviewed the unqualified audit opinions issued by KPMG and Da Hua Certified Public Accountant (Special General Partnership) in respect of the audited consolidated financial statements of the Company for the year ended December 31, 2013 prepared in accordance with IFRS and Accounting Standards for Business Enterprises of the PRC respectively, and raised no objection to such reports.

3. Connected transactions

The Supervisory Board reviewed the connected transactions between the Group and SINOMACH and its subsidiaries and its respective connected persons during the reporting period, and was of the opinion that all the connected transactions complied with the relevant requirements of the Stock Exchange, and that the pricing of the connected transactions was reasonable, open and fair and there was not any matter prejudicial to the interests of the Company or Shareholders.

4. Implementation of the resolutions of General Meetings

During the Year and up to the date of this annual report, the member of the Supervisory Board attended five General Meetings and sit in on eleven meetings of the Board, exercising supervision in respect of the lawfulness and compliance of the procedures of the matters considered by the Board meetings.

The Supervisory Board made no objection to the reports and motions tabled at the general meetings and considered that the Board earnestly implemented the resolutions approved by the general meetings.

監事會審閱了畢馬威會計師事務所及大華會計師事務所（特殊普通合夥）分別就根據國際財務報告準則及中國企業會計準則編製的截至2013年12月31日止年度的經審計合併財務報表出具的無保留意見的審計報告，對該報告無異議。

3. 關連交易

監事會對報告期間內本集團及國機及其附屬公司不時與其關連人士進行的關連交易進行了審查，認為全部關連交易均符合聯交所的有關規定，關連交易的定價亦屬合理、公開及公允，並無發現任何損害本公司或股東利益的事項。

4. 股東大會決議案執行情況

於該年度內至本報告日期，監事會成員出席了五次股東大會，列席參加了十一次董事會會議，對董事會會議審議之事項的程序合法性和合規性實施監督。

監事會對於股東大會上提呈的各項報告和議案並無異議，並認為董事會認真執行了經股東大會批准的各項決議案。

Report of the Supervisory Board

監事會報告

In 2014, the Supervisory Board will continue to carry out its fiduciary duties to implement effective supervision on the Company, its Directors and senior management in accordance with the relevant provisions of the Companies Law, the Articles of Association, the Terms of Reference for the Supervisory Board and the Listing Rules; and pay close attention to the operation and management status of the Company as well as any significant development of the Company, so as to facilitate the profit growth of the Company and to dutifully protect the interests of all Shareholders and the Company.

By Order of the Supervisory Board
QUAN Huaqiang
Chairman of the Supervisory Board

Beijing, the PRC, March 24, 2014

2014年，監事會將依據公司法、公司章程、監事會議事規則及上市規則的有關規定，繼續謹遵誠信原則，對本公司、其董事及高級管理層實施有效監督，且密切關注本公司的營運及管理情況，並關注本公司的任何重大發展，藉以促進本公司的盈利增長，並忠實維護全體股東及本公司的利益。

承監事會命
全華強
監事會主席

中國北京，2014年3月24日

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

I. EXECUTIVE DIRECTORS

Mr. SUN Bai (孫柏)

Mr. SUN, aged 56, was appointed as the chairman and an executive Director of the Company on April 19, 2013, and the party secretary of the Communist Party of China committee ("CPC Committee") (黨委書記) on February 18, 2013. He has more than 30 years of management experience. From November 1980 to January 1994, he worked in Changchun Testing Machine Institution (長春試驗機研究所). Mr. SUN joined Zhonggong Electrical and Mechanical Development Corporation (中工機電發展總公司) in January 1994 and then served as its general manager from May 1994 to June 1999. He worked as the general manager of China North Industrial Equipment Corporation (中國北方工業裝備總公司), which changed its name to China North Industrial Equipment Co. Ltd. (中國北方工業裝備有限公司), from June 1999 to August 2005. He joined China National Complete Engineering Corporation (中國成套工程有限公司) ("CNCEC"), which is an enterprise established in the PRC and wholly-owned by China National Machinery Industry Corporation (中國機械工業集團有限公司) ("SINOMACH"), as its general manager in August 2005 and also served as its chairman of the board from December 2011. On March 14, 2013, Mr. SUN has resigned as the general manager of CNCEC. Mr. SUN obtained a master degree of economics from Jilin University (吉林大學) in 1993. He is a senior economist.

Mr. ZHANG Chun (張淳)

Mr. ZHANG, aged 45, is currently an executive Director and the president of the Company, and was appointed on March 16, 2012. In July 1991, he joined China National Electric Equipment Corporation (中國電工設備總公司), the predecessor of China National Electric Engineering Co., Ltd. (中國電力工程有限公司) ("CNEEC"), as a sales representative and worked in that company until August 1993. Mr. ZHANG then joined our Company, and held various positions from August 1993 to May 2002, including sales representative, project manager, representative and chief representative of the Representative Office of our Company in Bangladesh. After returning to China, Mr. ZHANG joined China National

I. 執行董事

孫柏先生

孫先生，現年56歲，於2013年4月19日獲委任為本公司董事長兼執行董事，並於2013年2月18日獲委任為本公司中國共產黨委員會書記（「黨委書記」）。彼擁有超過30年管理經驗。1980年11月至1994年1月，孫先生於長春試驗機研究所任職。孫先生於1994年1月加入中工機電發展總公司，其後於1994年5月至1999年6月擔任該公司的總經理。1999年6月至2005年8月，彼擔任中國北方工業裝備總公司總經理，該公司其後更名為中國北方工業裝備有限公司。彼於2005年8月加入中國成套工程有限公司（「中成套」，一家於中國成立的企業，由中國機械工業集團有限公司（「國機」）全資擁有）擔任總經理，並自2011年12月起擔任其董事會董事長。於2013年3月14日，孫先生辭任中成套總經理。孫先生於1993年取得吉林大學經濟學碩士學位。彼為高級經濟師。

張淳先生

張先生，現年45歲，現任本公司執行董事兼總裁，於2012年3月16日獲委任。於1991年7月，彼加入中國電工設備總公司（中國電力工程有限公司的前身）（「中電工」）擔任業務員，並一直於該公司任職至1993年8月。張先生隨後加入本公司，並於1993年8月至2002年5月間，在本公司先後擔任多個職務，包括業務員、項目經理以及駐孟加拉代表處的代表和首席代表。張先生返回中國後，於2002年5

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Machinery & Equipment Corporation Group (中國機械裝備(集團)公司), the predecessor of SINOMACH, in May 2002 as the director of the department of operational management. Mr. ZHANG later became the director of the department of engineering and served at that position until August 2011. Mr. ZHANG was the vice president of our Company from August 2011 until March 2012. Currently, Mr. ZHANG is also the chairman of 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 subsidiary of the Company and the chairman of China Machinery & Equipment (HK) Co., Ltd. (中國機械設備香港有限公司), a subsidiary of the Company. In 1991, Mr. ZHANG graduated from Tsinghua University (清華大學) with a bachelor's degree in thermal engineering. Mr. ZHANG is a senior engineer.

II. NON-EXECUTIVE DIRECTORS

Mr. WANG Zhian (王治安)

Mr. WANG, aged 63, is currently a non-executive Director of the Company, and was appointed on January 13, 2011. He has over 30 years of experience in the electricity and mechanical engineering industries. From January 1977 to June 1999, Mr. WANG served at China Machinery Industry Third Installation Engineering Corporation (中國機械工業第三安裝工程公司), which was a subsidiary of China Machinery Industry Installation Corporation (中國機械工業安裝總公司) and held various positions at the same company, including technician, engineer, manager of the engineering department, vice manager and manager.

From June 1999 to June 2001, Mr. WANG was promoted to vice general manager and then general manager of China Machinery Industry Installation Corporation. Subsequently, in June 2001, China Machinery Industry Installation Corporation changed its name to China CMIIIC Engineering & Construction Corporation (中國機械工業建設總公司), a subsidiary of SINOMACH, and Mr. WANG served as the general manager of that company until September 2010. Mr. WANG has been a director of China Perfect Machinery Industry Corp., Ltd. (中

月加入中國機械裝備(集團)公司(國機的前身)擔任經營管理部部長,其後擔任工程事業部部長,並擔任該職位直至2011年8月。2011年8月,張先生獲委任為本公司副總裁並擔任該職位直至2012年3月。目前,張先生亦為中機國際工程設計研究院有限責任公司(本公司的附屬公司)的董事長及中國機械設備香港有限公司(本公司的附屬公司)的董事長。1991年,張先生畢業於清華大學熱能工程專業,並取得學士學位。張先生為高級工程師。

II. 非執行董事

王治安先生

王先生,現年63歲,現任本公司非執行董事,於2011年1月13日獲委任。彼擁有超過30年的電力及機械工程經驗。自1977年1月到1999年6月,王先生任職於中國機械工業第三安裝工程公司(中國機械工業安裝總公司的附屬公司),並曾先後於該公司擔任過技術員、工程師、工程處主任、副經理及經理等職務。

於1999年6月至2001年6月間,王先生晉升為中國機械工業安裝總公司副總經理和總經理。其後,於2001年6月,中國機械工業安裝總公司更名為中國機械工業建設總公司(國機的附屬公司),王先生擔任該公司總經理直至2010年9月。王先生自2010年9月起一直擔任中國浦發機械工業股份有

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國浦發機械工業股份有限公司), a subsidiary of SINOMACH, since September 2010 and was a director of China Power Engineering Co., Ltd. (中電力工程股份有限公司), a subsidiary of SINOMACH, from December 2010 to November 2011. In 1976, Mr. WANG completed his studies in electric machinery and apparatus and graduated from Xi'an Jiaotong University (西安交通大學). Mr. WANG is a professorial engineer.

Mr. YU Benli (余本禮)

Mr. YU, aged 60, is currently a non-executive Director of the Company, and was appointed on February 20, 2014. He has more than 30 years of experience in machinery industry. From June 1977 to December 1979, Mr. YU served at The People's Bank of China, Nanjing Branch. From December 1979 to October 1983, he served at Jiangsu Machinery Equipment Import & Export Corporation (江蘇機械設備進出口公司), a subsidiary of the Company. From October 1983 to January 1988, Mr. YU served at Sino American Machinery Corporation (美國華美機械有限公司), a subsidiary of the Company and was stationed in the United States. From January 1988 to April 2013, he served at SUMEC Group Corporation (江蘇蘇美達集團公司), a subsidiary of SINOMACH and the predecessors of which are Jiangsu Machinery Equipment Import & Export Corporation (江蘇機械設備進出口公司) and China Jiangsu Machinery Equipment Import & Export Corporation (中設江蘇機械設備進出口集團公司). He held a number of positions including assistant to general manager, deputy general manager, general manager and chairman. Currently, Mr. YU is also the chairman of China Perfect Machinery Industry Corp., Ltd. (中國浦發機械工業股份有限公司), a subsidiary of SINOMACH, chairman of China Machine Tool Sales and Technology Services Co., Ltd. (中國機床銷售與技術服務有限公司), a subsidiary of SINOMACH and director of China National Automotive Industry International Corporation (中國汽車工業國際合作有限公司) ("CNAICO"), a subsidiary of SINOMACH. Mr. YU graduated from Nanjing Jinling Vocational University (南京市金陵職業大學) with a degree in business operation. He is a senior international business specialist.

限公司(國機的附屬公司)董事,並於2010年12月至2011年11月期間擔任中國電力工程股份有限公司(國機的附屬公司)董事。1976年,王先生畢業於西安交通大學電機電器專業。王先生為教授級高級工程師。

余本禮先生

余先生,現年60歲,現任本公司非執行董事,於2014年2月20日獲委任。彼於機械行業擁有超過30年經驗。自1977年6月至1979年12月,余先生任職於中國人民銀行南京分行。自1979年12月至1983年10月,彼任職於江蘇機械設備進出口公司(本公司的附屬公司)。於1983年10月至1988年1月,余先生任職於美國華美機械有限公司(本公司的附屬公司),並留駐於美國。於1988年1月至2013年4月,彼任職於江蘇蘇美達集團公司(國機的附屬公司),其前身為江蘇機械設備進出口公司及中設江蘇機械設備進出口集團公司。彼曾先後擔任多個職位,包括總經理助理、副總經理、總經理及董事長。目前,余先生為中國浦發機械工業股份有限公司(國機的附屬公司)的董事長、中國機床銷售與技術服務有限公司(國機的附屬公司)的董事長及中國汽車工業國際合作有限公司(「中汽國際」,國機的附屬公司)董事。余先生畢業於南京市金陵職業大學商務經營專業,為高級國際商務師。

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Mr. ZHANG Fusheng (張福生)

Mr. ZHANG, aged 61, is currently a non-executive Director of the Company, and was appointed on February 20, 2014. He has more than 30 years of experience in equipment manufacturing industry. He began his career with Zhejiang Automotive Industrial Corporation (浙江省汽車工業公司) in July 1980 and was promoted to assistant manager in August 1986. In April 1988, Mr. ZHANG was appointed as county magistrate of Zhejiang Province Yongjia County People's Government (浙江省永嘉縣人民政府). From May 1990 to August 1998, he held the positions of deputy general manager and general manager of China Automotive Industrial Import & Export Zhejiang Branch (中國汽車工業進出口浙江公司), a subsidiary of SINOMACH. From August 1998 to February 2012, he was the general manager of China Automotive Import & Export Corporation (中國汽車進出口總公司), a subsidiary of SINOMACH. Since February 2012, Mr. ZHANG has been the chairman of CNAICO, a subsidiary of SINOMACH. Mr. ZHANG has been a director of CNEEC, a subsidiary of SINOMACH since November 2, 2011 and a director of China National Complete Engineering Corporation, a subsidiary of SINOMACH since December 29, 2011. In 2000, Mr. ZHANG graduated from Wuhan University of Technology (武漢理工大學) with a degree in business administration. Mr. ZHANG is a professional senior engineer.

III. INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LIU Li (劉力)

Mr. LIU, aged 58, is currently an independent non-executive Director of the Company, and was appointed on January 13, 2011. He was a teacher at the department of physics, the Beijing Institute of Iron and Steel (北京鋼鐵學院) from September 1984 to January 1986. From January 1986 to date, Mr. LIU has been holding various teaching positions at the Guanghua School of Management (光華管理學院), and its predecessor, the department of economics of the school of economics and management (經濟學院經濟管理系), Peking University, including lecturer, associate professor,

張福生先生

張先生，現年61歲，現任本公司非執行董事，並於2014年2月20日獲委任。張先生擁有超過30年的裝備製造行業經驗。張先生於1980年7月就職於浙江省汽車工業公司，並於1986年8月晉升為副經理。1988年4月，張先生被任命為浙江省永嘉縣人民政府縣長。1990年5月至1998年8月，張先生曾就職於中國汽車工業進出口浙江公司（國機的附屬公司），歷任副總經理及總經理。1998年8月至2012年2月，張先生曾擔任中國汽車進出口總公司（國機的附屬公司）總經理。2012年2月至今張先生擔任中汽國際（國機的附屬公司）董事長。張先生自2011年11月2日起一直擔任中電工（國機的附屬公司）董事，並於2011年12月29日起擔任中國成套工程有限公司（國機的附屬公司）董事。2000年，張先生畢業於武漢理工大學工商管理專業。張先生為專業高級工程師。

III. 獨立非執行董事

劉力先生

劉先生，現年58歲，現任本公司獨立非執行董事，於2011年1月13日獲委任。1984年9月至1986年1月，劉先生曾任北京鋼鐵學院物理系教師。自1986年1月至今，劉先生在北京大學光華管理學院以及其前身經濟學院經濟管理系任教，歷任講師、副教授、教授、博士生導師以及北京大學光華

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professor, supervisor for doctoral students, the director of the finance department and a director of the MBA program at the Guanghua School of Management, Peking University. Mr. LIU is also a deputy director of the Research Center of Finance & Securities at Peking University.

Currently, Mr. LIU is an independent non-executive director of Metallurgical Corporation of China Ltd. (中國冶金科工股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1618), and the Shanghai Stock Exchange (stock code: 601618); and an independent director of Bohai Ferry Co. Ltd. (渤海輪渡股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603167) and an independent director of Langfang Development Co., Ltd. (廊坊發展股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600149), and Beijing Oil HBP Group (華油惠博普科技股份有限公司), a company listed on Shenzhen Stock Exchange (stock code: 002554).

In 1982, Mr. LIU graduated from Peking University with a bachelor's degree in physics, and in 1984 with a master's degree in physics respectively. Mr. LIU is also a member of the Chinese Institute of Certified Public Accountants (non-practising).

Ms. LIU Hongyu (劉紅宇)

Ms. LIU, aged 50, is currently an independent non-executive Director of the Company and was appointed on January 13, 2011. From July 1985 to May 1988, she served as an officer at the financial management office of the People's Bank of China Sichuan branch (四川省人民銀行). From May 1988 to April 1993, Ms. LIU served as a legal consultant for the Agricultural Bank of China (Beijing Branch) and from April 1993 to April 2004, she was the managing partner at Beijing Tongda Law Offices (北京同達律師事務所). In 2004, as a result of the merger between Beijing Tongda Law Offices and Jincheng Law Firm (金誠律師事務所), Ms. LIU became a senior partner, attorney at law of the merged firm, Beijing Jincheng & Tongda Law Firm (北京金誠同達律師事務所). From April 2005 to June 2011, Ms. LIU served as an independent director for

管理學院金融系主任及MBA項目主任。劉先生亦為北京大學金融與證券研究中心副主任。

目前，劉先生亦擔任在聯交所主板及上海證券交易所上市的中國冶金科工股份有限公司（股份代號：1618；上海證券交易所股票代碼：601618）的獨立非執行董事、在上海證券交易所上市的渤海輪渡股份有限公司（股票代碼：603167）、在上海證券交易所上市的廊坊發展股份有限公司（股票代碼：600149）及在深圳證券交易所上市的華油惠博普科技股份有限公司（股票代碼：002554）的獨立董事。

於1982年及1984年，劉先生畢業自北京大學，分別獲得物理學學士及碩士學位。劉先生亦為中國註冊會計師協會會員（非執業）。

劉紅宇女士

劉女士，現年50歲，現任本公司獨立非執行董事，於2011年1月13日獲委任。在1985年7月至1988年5月間，彼曾擔任四川省人民銀行金融管理處幹部。在1988年5月至1993年4月間，劉女士曾擔任中國農業銀行（北京分行）法律顧問，並在1993年4月至2004年4月間任北京同達律師事務所執行合夥人。2004年，在北京同達律師事務所與金誠律師事務所合併以後，劉女士在合併後的律師事務所北京金誠同達律師事務所擔任高級合夥人兼律師。在2005年4月至2011年6月間，劉女士曾擔任在上海證券交易

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Founder Technology Group Corporation (方正科技集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600601). From June 2009 to June 2012, Ms. LIU served as an independent director for Chongqing Three Gorges Water Conservancy and Electric Power Co., Ltd. (重慶三峽水利電力(集團)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600116). Currently, Ms. LIU is an independent director of Chongqing International Enterprise Investment Co., Ltd. (重慶國際實業投資股份有限公司), now renamed as CRED-Chongshi Real Estate Corporation Limited (中房重實地產股份有限公司) and a company listed on Shenzhen Stock Exchange (stock code: 000736) and an external supervisor of the Bank of Beijing Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 601169). On June 10, 2013, Ms. LIU has been appointed as independent non-executive director of Gome Electrical Appliances Holding Limited (國美電器控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00493).

In 1985, Ms. LIU graduated from Southwest University of Politics and Law (西南政法大學) with a bachelor's degree in law, as well as from the Graduate School of the Chinese Academy of Social Sciences (中國社會科學院研究生院) in economic law in 1998. Ms. LIU also obtained an EMBA degree from the Guanghua School of Management, Peking University in 2003.

Mr. FANG Yongzhong (方永忠)

Mr. FANG, aged 62, is currently an independent non-executive Director of our Company, and was appointed on July 29, 2011. In September 1971, he joined the construction machinery factory of the Shenyang Railway Bureau (瀋陽鐵路局施工機械廠). Mr. FANG then joined the engineering department of the Shenyang Railway Bureau (瀋陽鐵路局瀋陽工程處) and held a number of positions within the bureau including technician, assistant engineer, engineer, vice section chief, section chief, vice departmental director and departmental director between February 1977 and August 1994.

所上市的方正科技集團股份有限公司(股票代碼: 600601)的獨立董事。在2009年6月至2012年6月間, 劉女士曾擔任在上海證券交易所上市的重慶三峽水利電力(集團)股份有限公司(股票代碼: 600116)的獨立董事。現時, 劉女士亦擔任在深圳證券交易所上市的重慶國際實業投資股份有限公司(現更名為中房重實地產股份有限公司)(股票代碼: 000736)的獨立董事以及在上海證券交易所上市的北京銀行股份有限公司(股票代碼: 601169)的外部監事。於2013年6月10日, 劉女士獲委任為聯交所主板上市的公司國美電器控股有限公司(股份代號: 00493)的獨立非執行董事。

1985年, 劉女士畢業於西南政法大學的法律專業, 獲學士學位。1998年, 劉女士從中國社會科學院研究生院的經濟法專業畢業。2003年, 劉女士獲得北京大學光華管理學院的高級管理人員工商管理碩士學位。

方永忠先生

方先生, 現年62歲, 現任本公司獨立非執行董事, 於2011年7月29日獲委任。彼於1971年9月加入瀋陽鐵路局施工機械廠。方先生其後於1977年2月至1994年8月間先後在瀋陽鐵路局瀋陽工程處擔任技術員、助理工程師、工程師、副段長、段長、副處長和處長等不同職務。

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Mr. FANG was appointed as a vice director of the Shenyang sub-bureau of the Shenyang Railway Bureau in August 1994 and between August 1994 and December 1999, he was also general manager of Shenyang Engineering Corporation of the Shenyang Railway Bureau. From December 1999 to December 2003, Mr. FANG served at Shenyang Railway Engineering Construction Group Co., Ltd. (瀋陽鐵路工程建設集團有限公司) as the chairman of the board and general manager. From December 2003 to March 2008, Mr. FANG held various positions at China Railway No.9 Group Co., Ltd. (中鐵九局集團有限公司) including director, vice general manager and vice chairman of the board of directors. From March 2008 to December 2012, Mr. FANG was also an external director of China Railway Science & Industry Group (中鐵科工集團有限公司) (“CRSIG”), China Railway No. 5 Engineering Group Co., Ltd. (中鐵五局(集團)有限公司) (“China Railway No.5 Bureau”), China Overseas Engineering Group Co., Ltd. (中國海外工程有限責任公司) (“COVEC”) and China Railway & Airport Construction Group Corporation (中國中鐵航空港建設集團有限公司) (“CACCC”) and is a supervisor and the chairman of the supervisory board of China Railway Construction and Engineering Group (中鐵建工集團有限公司) (“CRCEG”). These five companies are subsidiaries of China Railway Group Limited (中國中鐵股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00390) and the Shanghai Stock Exchange (stock code: 601390).

As an external director, Mr. FANG participates in board meetings of CRSIG, China Railway No.5 Bureau, COVEC and CACCC, representing the interests of the respective shareholder, China Railway Group Limited. However, Mr. FANG is not involved in the day to day management of CRSIG, China Railway No.5 Bureau, COVEC and CACCC. As a supervisor and the chairman of the supervisory board of CRCEG, Mr. Fang participates in meetings of the supervisory board and the board of directors of CRCEG, representing the interests of the shareholder, China Railway Group Limited. However, Mr. FANG is not involved in the day to day management of CRCEG.

方先生於1994年8月獲任為瀋陽鐵路局瀋陽分局副局長，並於1994年8月至1999年12月間於瀋陽鐵路局瀋陽工程總公司擔任總經理。在1999年12月至2003年12月間，方先生加入瀋陽鐵路工程建設集團有限公司擔任董事長兼總經理。在2003年12月至2008年3月間，方先生於中鐵九局集團有限公司擔任不同職務，包括董事、副總經理及副董事長等。在2008年3月至2012年12月，方先生亦是中鐵科工集團有限公司（「中鐵科工集團」）、中鐵五局（集團）有限公司（「中鐵五局」）、中國海外工程有限責任公司（「中國海外工程公司」）及中國中鐵航空港建設集團有限公司（「中國中鐵航空港建設公司」）的外部董事，及中鐵建工集團有限公司（「中鐵建工集團」）的監事及監事會主席。這五家公司為在聯交所主板及上海證券交易所上市的中國中鐵股份有限公司（聯交所股份代號：00390；上海證券交易所股票代碼：601390）的附屬公司。

作為外部董事，方先生分別代表股東中國中鐵股份有限公司的權益，參與中鐵科工集團、中鐵五局、中國海外工程公司及中國中鐵航空港建設公司的董事會會議。然而，方先生不參與中鐵科工集團、中鐵五局、中國海外工程公司及中國中鐵航空港建設公司的日常管理。作為中鐵建工集團的監事及監事會主席，方先生代表股東中國中鐵股份有限公司的權益，參與中鐵建工集團的監事會及董事會會議。然而，方先生不參與中鐵建工集團的日常管理。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

Mr. FANG completed his studies in railway engineering (工程系鐵道工程專業) and graduated from the Shanghai Railway Institute (上海鐵道學院) in 1977, and also obtained an EMBA in decision-making management from International East-West University (美國國際東西方大學決策管理學) in December 1995. Mr FANG is a senior engineer and a registered national first class architect.

Mr. WU Tak Lung (吳德龍)

Mr. WU, aged 48, is currently an independent non-executive Director of the Company, and was appointed on February 20, 2014. He is a member of Hong Kong Institute of Certified Public Accountants, a fellow member of Hong Kong Securities Institute and the Association of Chartered Certified Accountants, a fellow member of the Taxation Institute of Hong Kong and the Hong Kong Institute of Chartered Secretaries. Mr. WU was awarded the bachelor degree of Accounting by the Hong Kong Baptist University and the master degree of Finance jointly by the University of Manchester and the University of Wales.

Mr. WU had worked in an international accounting firm, Deloitte Touche Tohmatsu, for five years, and was then employed by several listed and private companies in Hong Kong as head of corporate finance and executive director. Mr. WU currently served as an independent non-executive director of Apu Group Holding Company, a company listed on the Main Board of the Stock Exchange (stock code: 0477), Beijing Media Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1000), Valuetronics Holdings Limited, a company listed on the Singapore Stock Exchange and First Tractor Company Limited, a company listed on both the Main Board of the Stock Exchange (stock code: 00038), and the Shanghai Stock Exchange (stock code: 601038). Moreover, he was an independent non-executive director of China Water Industry Group Limited (stock code: 1129), Neo-Neon Holdings Limited (stock code: 1868) and iMerchants Limited (stock code: 8009), all of which are companies listed on the Stock Exchange.

Mr. Wu is currently a member of Jiangsu People's Political Consultative Committee, member of the Council and the Court of Hong Kong Baptist University, the honorary chairman of the North Kwai Chung Scout and the standing director of Zhaoqing and Shaoguan Youth Association.

1977年，方先生畢業於上海鐵道學院工程系鐵道工程專業，並於1995年12月從美國國際東西方大學決策管理學系畢業，取得高級管理人員工商管理碩士學位。方先生為高級工程師和國家一級註冊建造師。

吳德龍先生

吳先生，48歲，現任本公司獨立非執行董事，於2014年2月20日獲委任。彼為香港會計師公會會員、香港證券專業學會及英國特許公認會計師公會資深會員、香港稅務學會及香港特許秘書公會資深會員。吳先生獲香港浸會大學頒授會計學學士學位，並獲曼徹斯特大學及威爾斯大學聯合頒發財務學碩士學位。

吳先生曾於一家國際核數師行德勤•關黃陳方會計師行工作五年，其後於香港多間上市及私人公司服務，擔任企業融資主管及執行董事。吳先生現為奧普集團控股有限公司（聯交所主板上市的公司，股份代號：0477）、北青傳媒股份有限公司（聯交所主板上市的公司，股份代號：1000）、鴻通電子控股有限公司（新加坡交易所上市的公司）及第一拖拉機股份有限公司（同時為聯交所主板（股份代號：00038）及上海證券交易所（股票代碼：601038）上市的公司）的獨立非執行董事。此外，彼曾於聯交所上市公司、中國水業集團有限公司（股份代號：1129）、真明麗控股有限公司（股份代號：1868）及菱控有限公司（股份代號：8009）擔任獨立非執行董事。

吳先生現為江蘇省政協委員、香港浸會大學校董暨諮議會委員、北葵涌童軍名譽會長以及肇慶市及韶關市青年聯合會常務理事。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

IV. SUPERVISORS

Mr. QUAN Huaqiang (全華強)

Mr. QUAN, aged 43, is currently a Supervisor of the Company, and was appointed on January 13, 2011. He worked in the finance department of Beijing Yanshan Petrochemical Corporation (北京燕山石油化工公司) from August 1991 to July 1994. From July 1994 to October 1997, Mr. QUAN was initially employed as an accountant and then in May 1995, he became manager of the finance department of Universal Import and Export Company (中機通用進出口公司財務部) until October 1997. Mr. QUAN was appointed by China National Machinery Import & Export Corporation ("CMC") (中國機械進出口集團) as finance manager for the CMC Ukraine Office in October 1997 and worked there until January 1999, and then was appointed as manager of the finance department of CMC General Electrical Parts Import and Export Company (中機機電配件進出口公司) by CMC until May 2001. In May 2001, Mr. QUAN was appointed by China General Technology Group (中國通用技術集團) as general manager of the finance department of China International Advertising Corporation (中國國際廣告公司財務部) and subsequently was appointed as manager of the funds management department of the general finance department of China General Technology Group in May 2004.

From March 2005 to December 2006, Mr. QUAN served at Sinomach Finance Co., Ltd. (國機財務有限責任公司) as a vice general manager. From September 2010 to August 2011, Mr. QUAN was the chairman of the Supervisory Board of China Automobile Trading Co., Ltd. (中國進口汽車貿易有限公司). Mr. QUAN has been serving as the head of the internal audit inspection department of SINOMACH from December 2006 to present. Mr. QUAN has also been serving as the chairman of the Supervisory Board of the Company since November 2008. Currently, Mr. QUAN is a member of the Supervisory Board of Sinomach Automobile Co., Ltd. (國機汽車股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600335).

In 1991, Mr. QUAN graduated from the Jiangxi Institute of Finance and Economics (江西財經學院) with a bachelor's degree in accounting. Mr. QUAN is a senior accountant.

IV. 監事

全華強先生

全先生，現年43歲，現為本公司監事，於2011年1月13日獲委任。彼曾在1991年8月至1994年7月間在北京燕山石油化工公司財務處工作。在1994年7月至1997年10月間，全先生最初被聘為中機通用進出口公司財務部會計，其後於1995年5月晉升為經理直至1997年10月。在1997年10月，全先生受中國機械進出口集團（「中國機械進出口集團」）委派到中國機械進出口集團烏克蘭辦事處擔任財務經理直至1999年1月，並於其後獲中國機械進出口集團委派到中機機電配件進出口公司擔任財務部經理直至2001年5月。2001年5月，全先生獲中國通用技術集團委派擔任中國國際廣告公司財務部總經理，其後於2004年5月擔任中國通用技術集團財務總部資金管理部經理。

在2005年3月至2006年12月間，全先生在國機財務有限責任公司擔任副總經理。在2010年9月至2011年8月間，全先生在中國進口汽車貿易有限公司擔任監事會主席。全先生自2006年12月至今擔任國機審計稽查部部長。全先生從2008年11月以來擔任本公司監事會主席。目前，全先生亦擔任在上海證券交易所上市的國機汽車股份有限公司（股票代碼：600335）的監事。

全先生在1991年畢業於江西財經學院，並取得會計學學士學位。全先生為高級會計師。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

Mr. QIAN Xiangdong (錢向東)

Mr. QIAN, aged 45, a senior accountant, is a supervisor of the Company, and was appointed on January 13, 2011. He joined the Education Department of the Ministry of Machinery Industry in June 1997. From September 1998 to August 2006, Mr. QIAN held various positions, including officer, vice manager, vice chief accountant and vice general manager at China National Harvester Machinery Corporation (中國收穫機械總公司), a subsidiary of SINOMACH. From September 2006 to September 2008, Mr. QIAN served as a financial controller of the Tianjin Design & Research Institute of Electric Drive (天津電氣傳動設計研究所), a subsidiary of SINOMACH. Since 2008, Mr. QIAN has been serving as a vice general manager and chief financial officer of China United.

Mr. BAI Ming (白明)

Mr. BAI, aged 46, is currently a supervisor of the Company and was appointed on January 7, 2011. In March 1992, Mr. BAI joined the Company and was employed as an accountant at the finance department of the Company until December 1999. From December 1999 to September 2005, he was employed as an accountant at CMEC International Engineering Co., Ltd., a subsidiary of the Company. Mr. BAI was a vice general manager of the project auditing division of the Company from September 2005 to May 2007. He was the director of the project auditing division of the audit department of the Company from May 2007 to September 2009 and has been a vice general manager of the audit department of the Company since September 2009. Mr. BAI graduated from the Beijing Institute of Machinery Industry (北京機械工業學院) in 1991, majoring in industrial accounting and is a tax accountant, an international accountant and a certified enterprise risk manager.

錢向東先生

錢先生，現年45歲，高級會計師，為本公司監事，於2011年1月13日獲委任。彼於1997年6月加入機械工業部教育司。1998年9月至2006年8月間，錢先生曾先後擔任中國收穫機械總公司（國機的附屬公司）財務審計部的幹部、副經理、副總會計師及副總經理等職務。自2006年9月至2008年9月期間，錢先生擔任天津電氣傳動設計研究所（國機的附屬公司）財務總監。2008年至今，錢先生一直擔任中國聯合副總經理兼財務總監。

白明先生

白先生，現年46歲，現為本公司監事，於2011年1月7日獲委任。在1992年3月，白先生加入本公司，直至1999年12月前受聘為本公司財務部會計。自1999年12月至2005年9月間，白先生受聘為中設國際工程有限公司（本公司的附屬公司）會計。自2005年9月至2007年5月間，白先生曾擔任本公司的項目審計部副總經理。自2007年5月至2009年9月間，彼為本公司審計部項目審計處處長，並自2009年9月至今一直擔任本公司審計部副總經理。於1991年，白先生畢業於北京機械工業學院工業會計專業。白先生為稅務會計師、國際會計師及認可企業風險管理師。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

V. SENIOR MANAGEMENT

Mr. JIN Chunsheng (靳春生)

Mr. JIN, aged 57, is a vice president of our Company and is in charge of our Company's International Engineering Contracting Business. Mr. JIN has over 30 years of experience in the machinery and equipment industry and has held various positions within our Company. Mr. JIN joined our Company in February 1982, and he worked as a sales representative from February 1982 to August 1986. During such period, Mr. JIN also studied English for almost one year at the Tianjin Institute of Foreign Languages (天津外國語學院). From August 1986 to August 1989, Mr. JIN was assigned by our Company to work as a project manager of American Machinery. After returning to China in August 1989, Mr. JIN was appointed as director of the department responsible for the export of complete sets of equipment until June 1999, and was subsequently promoted to a vice general manager of CMEC International Engineering until November 2001. Mr. JIN was a vice general manager of China Machinery-building International Corporation (中國機械對外經濟技術合作總公司) from November 2001 to December 2004 and was appointed as a vice president of our Company in December 2004. In 1982, Mr. JIN obtained his bachelor's degree in hydraulic machinery from Gansu University of Technology (甘肅工業大學). Mr. JIN is a professorial engineer.

Mr. ZHANG Jianguo (張建國)

Mr. ZHANG, aged 53, is a vice president of our Company and is in charge of our Company's trade and other business. Prior to joining our Company, Mr. ZHANG was a lecturer at Peking University (北京大學) from July 1987 to May 1991. In May 1991, Mr. ZHANG joined our Company and he was appointed as a vice general manager of the department of human resources and education of our Company in June 1993. Mr. ZHANG was subsequently promoted as a vice director of the general office of our Company and held that position from December 1993 to January 1998. In 1998, Mr. ZHANG was appointed as a vice general manager of CMEC Tendering, and was promoted to the general manager thereof in July 2001 and held that position until June 2007. In March 2005, Mr. ZHANG was also appointed as an assistant president of our Company. Mr. ZHANG has been a vice president of our Company since May 2006. Mr. ZHANG is a senior economist and graduated from Peking University with a master's degree in history in 1987.

V. 高級管理層

靳春生先生

靳先生，現年57歲，現任本公司副總裁，主管本公司國際工程承包業務。靳先生擁有超過30年的機械設備行業經驗，並曾在本公司內擔任多個職務。靳先生於1982年2月加入本公司。靳先生於1982年2月至1986年8月間擔任業務員的工作，並在此期間曾在天津外國語學院進修英語約一年。1986年8月至1989年8月間，靳先生獲本公司委任擔任美國華美機械項目經理。1989年8月回國後，靳先生獲委任為本公司成套設備出口處處長直至1999年6月，並於其後晉升為中設國際工程的副總經理直至2001年11月。2001年11月至2004年12月間，靳先生曾擔任中國機械對外經濟技術合作總公司副總經理，並於2004年12月獲委任為本公司副總裁。1982年，靳先生畢業於甘肅工業大學水力機械專業，並獲得學士學位。靳先生為教授級工程師。

張建國先生

張先生，現年53歲，現任本公司副總裁，主管本公司貿易及其他業務。在加入本公司之前，在1987年7月至1991年5月間，張先生曾任北京大學講師，張先生於1991年5月加入本公司，並於1993年6月獲委任為本公司人教部副總經理。其後張先生於1993年12月至1998年1月期間擔任本公司辦公室副主任。張先生於1998年被任命為中設招標副總經理，於2001年7月晉升為該公司的總經理，並擔任這一職務直至2007年6月。2005年3月，張先生亦被任命為本公司助理總裁。張先生自2006年5月起出任本公司副總裁。張先生為高級經濟師。張先生在1987年畢業於北京大學，取得歷史學碩士學位。

Directors, Supervisors, Senior Management and Employees

董事、監事、高級管理人員及僱員

Mr. ZHOU Yamin (周亞民)

Mr. ZHOU, aged 50, is the chief financial officer of our Company. Mr. ZHOU took various positions in China Machinery Industry Installation Company (中國機械工業安裝總公司) from October 1983 to June 2001, including bookkeeper of the finance department, accountant, vice departmental director of the finance department and manager of the finance department. From June 2001 to February 2002, Mr. ZHOU served as deputy chief accountant and manager of the department of financial assets for China CMIIC Engineering & Construction Corporation. From February 2002 to December 2004, Mr. ZHOU was appointed as the chief accountant of China CMIIC Engineering & Construction Corporation and from December 2004 to July 2011, he served as vice general manager and chief financial officer for China CMIIC Engineering & Construction Corporation. In July 2011, Mr. ZHOU joined our Company and was appointed as the chief financial officer on July 29, 2011. Mr. ZHOU graduated from Beijing Technology and Business University and the Open University of China (北京工商大學和中央廣播電視大學) with a bachelor's degree in management in July 2004, majoring in accounting. Mr. ZHOU is a senior accountant, a member of the Chinese Institute of Certified Public Accountants (non-practising), an international certified practicing accountant and a senior international finance manager.

Mr. WANG Tianyi (王天翼)

Mr. WANG, aged 53, is currently vice president of our Company (appointed in January 2014). He is responsible for the general management of the Company. Mr. WANG has over 30 years of experience in financial management. Mr. WANG joined our Company in January 2014. Before joining our Company, during the period from October 1980 to February 1982, Mr. WANG served as an officer at the business division of the finance department under the Ministry of First Machinery Industry. During the period from February 1982 to December 1986, Mr. WANG served as an officer at the business division of the finance department in MMI. During the period from December 1986 to August 1988, Mr. WANG served as an officer at the auditing division directly under the auditing bureau of the National Machinery Industry Committee. From August 1988 to August 1991, Mr. WANG served as the deputy director of the office of the auditing bureau of National Audit Office in

周亞民先生

周先生，現年50歲，現任本公司財務總監。周先生曾於1983年10月至2001年6月期間在中國機械工業安裝總公司先後擔任財務處會計、會計師、財務處副處長和財務處經理，其後於2001年6月至2002年2月於中國機械工業建設總公司擔任副總會計師兼資產財務部經理。周先生於2002年2月至2004年12月獲委任為中國機械工業建設總公司的總會計師。周先生在2004年12月至2011年7月間擔任中國機械工業建設總公司副總經理兼財務總監。2011年7月，周先生加入本公司，並於2011年7月29日擔任本公司財務總監。於2004年7月，周先生從北京工商大學和中央廣播電視大學會計學專業畢業，取得管理學學士學位。周先生為高級會計師、中國註冊會計師協會會員（非執業）、國際註冊執業會計師和國際高級財務管理師。

王天翼先生

王先生，現年53歲，現任本公司副總裁（於2014年1月獲委任）。彼負責本公司的一般管理。王先生於財務管理方面擁有超過30年經驗。王先生於2014年1月加入本公司。在加入本公司前，王先生於1980年10月至1982年2月期間，擔任第一機械工業部財務部企業處的主管。於1982年2月至1986年12月期間，王先生擔任機械工業部財務部企業處的主管。於1986年12月至1988年8月，王先生擔任國家機械工業委員會直屬審計局的審計部主管。王先生於1988年8月至1991年8月擔任機械電子工業部審計局審計處辦事處副主管，彼於其後晉升至該審計局綜合處處長。於1993年4月

Directors, Supervisors, Senior Management and Employees 董事、監事、高級管理人員及僱員

the Ministry of Mechanical and Electronic Industry, he was subsequently promoted as the chief of the general division of such auditing bureau. From April 1993 to May 1998, Mr. WANG served as director of the auditing division directly under the auditing bureau of National Audit Office in MMI. Thereafter, Mr. WANG served as the deputy general manager of the auditing department in China National Machinery and Equipment (Group) Company during the period from May 1998 to August 1998, he was appointed as the deputy general manager and the director of the financial department of that company in August 1998. During the period from August 1999 to May 2002, Mr. WANG served as the general manager of the financial department of that company, and he was appointed as the director of asset financial department during the period from May 2002 to October 2003. During the period from October 2003 to December 2010, Mr. WANG served as deputy general manager, financial controller and secretary of the discipline inspection committee of China National Electric Equipment Corporation. During the period from December 2010 to January 2014, Mr. WANG served as deputy general manager, financial controller and secretary of the discipline inspection committee of China National Electric Engineering Co., Ltd.. Mr. WANG graduated from the Correspondence Teaching College of Renmin University of China majoring in industrial accounting in 1987. Mr. WANG is a senior accountant.

Ms. WANG Hong (王紅)

Ms. WANG, aged 51, is currently vice president of our Company (appointed in January 2014). She is responsible for international engineering contracting business. Ms. WANG has over 30 years of experience in power transmission and transformation engineering and transformation of urban power grid. Ms. WANG joined our Company in June 2006. Before joining our Company, during the period from January 1984 to January 1987, Ms. WANG served as project manager of machinery research institute of machinery department. From January 1987 to January 1991, Ms. WANG served as project manager of China Automatic Control System Corporation (中國自動控制系統總公司). From January 1991 to January 1996, Ms. WANG was appointed as project manager of China Machinery-Building International Corporation. From January 1996 to January 2006, she served as an assistant to general manager and deputy general manager of the second engineering department, general manager of the fourth engineering department

至1998年5月，王先生擔任機械工業部審計局直屬審計處的審計部主管。其後，王先生於1998年5月至1998年8月擔任中國機械裝備(集團)公司的審計部副總經理，彼於1998年8月獲委任為該公司財務部門的副總經理及主管。於1999年8月至2002年5月期間，王先生擔任該公司財務部門的總經理，彼於2002年5月至2003年10月期間獲委任為資產財務部門的主管。於2003年10月至2010年12月期間，王先生先後擔任中國電工設備總公司的副總經理、財務總監及紀委書記。於2010年12月至2014年1月期間，王先生擔任中國電力工程有限公司的副總經理、財務總監及紀委書記。王先生於1987年從中國人民大學專科函授畢業，主修工業會計。王先生為高級會計師。

王紅女士

王女士，現年51歲，現任本公司副總裁(於2014年1月獲委任)。彼負責國際工程承包業務。王女士於輸變電工程及城市電網變換擁有超過30年經驗。王女士於2006年6月加入本公司。在加入本公司前，王女士於1984年1月至1987年1月間，擔任機械部門的機械研究所項目經理。自1987年1月至1991年1月間，擔任中國自動控制系統總公司的項目經理。王女士於1991年1月至1996年1月獲委任為中國機械對外經濟技術合作總公司的項目經理。於1996年1月至2006年1月，彼擔任該公司的第二工程部門的總經理助理及副總經理、第四工程部門的總經理及該公司的副總經理。王

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and deputy general manager of that company. From June 2006 to May 2010, Ms. WANG served as deputy general manager and general manager of the third business department of China National Machinery & Equipment Export Corporation. From May 2010 to January 2012, Ms. WANG served as an assistant to general manager of our Company and general manager of the third engineering business department, and she has also served as general manager of CMEC International Engineering Co., Ltd. since January 2012. Ms. WANG graduated from the Jilin University of Technology majoring in computer science in 1984. Ms. WANG is a professorial engineer.

Mr. LI Jingkai (李京凱)

Mr. LI, aged 44, is currently vice president of our Company (appointed in January 2014). He is responsible for international engineering contracting business. Mr. LI joined our Company in August 1991. Mr. LI has over 20 years of experience in engineering contracting of automatic control and electric projects. During the period from August 1991 to April 2001, Mr. LI had his internship in storage and transportation department of China National Machinery & Equipment Export Corporation, and worked as salesman and business representative of engineering department of that company. During the period from April 2000 to April 2001, Mr. LI was appointed as general site representative of generator no.4 of power station in Pakistan. From April 2001 to January 2005, Mr. LI served as deputy general manager of the first engineering department in China National Machinery & Equipment Export Corporation.

During the period from January 2005 to February 2007, Mr. LI served as deputy general manager and general manager of the second international engineering department under the first engineering department of our Company. Thereafter, Mr. LI served as deputy general manager of the first engineering business department of China National Machinery & Equipment Export Corporation during the period from February 2007 to May 2010. He was promoted and worked as general manager of that company from August 2007 to May 2010. Mr. LI has served as an assistant to general manager and general manager of the first engineering business department of our Company since May 2010. Mr. LI graduated from Beijing Institute of Technology majoring in automatic control in 1991. Mr. LI is a senior engineer.

女士於2006年6月至2010年5月擔任中國機械設備出口總公司第三業務部門的副總經理及總經理。自2010年5月至2012年1月，王女士擔任本公司的總經理助理及第三工程業務部門的總經理，彼亦自2012年1月起擔任中設國際工程有限責任公司的總經理。王女士於1984年從吉林工業大學畢業，主修電腦科學。王女士為教授級工程師。

李京凱先生

李先生，現年44歲，現任本公司副總裁（於2014年1月獲委任）。彼負責國際工程承包業務。李先生於1991年8月加入本公司。李先生於自動化控制及電力項目的工程承包擁有超過20年經驗。於1991年8月至2001年4月，彼於中國機械設備出口總公司的儲存及運輸部門擔任實習生，並於該公司的工程部門任職業務員及業務代表。於2000年4月至2001年4月，李先生獲委任為巴基斯坦發電站第4號發電機的一般工地代表。李先生自2001年4月至2005年1月期間擔任中國機械設備出口總公司第一工程部門的副總經理。

於2005年1月至2007年2月期間，李先生擔任隸屬本公司第一工程部門的第二國際承包部門的副總經理及總經理。其後，於2007年2月至2010年5月期間，李先生擔任中國機械設備出口總公司第一工程業務部門的副總經理。彼於2007年8月至2010年5月獲晉升並擔任該公司的總經理。李先生自2010年5月起擔任第一工程業務部門的總經理助理及總經理。李先生於1991年從北京技術學院畢業，主修自動化控制。李先生為高級工程師。

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Mr. CHEN Minjian (陳民建)

Mr. CHEN, aged 58, serves as secretary to our Board and joint company secretary of our Company. In 1978, Mr. CHEN joined our Company as a sales representative. Mr. CHEN served as a vice president of American Industry Inc. (美國工業公司) from August 1985 to December 1989 in the US and subsequently, Mr. CHEN was appointed as a vice president for Oversea Resources Corporation Limited (泰國華隆公司) in Thailand from January 1990 to August 1992. Upon his return to the PRC, Mr. CHEN served as a vice general manager of the department of the exhibition and information of our Company from September 1992 to December 1995. Mr. CHEN then served respectively as a vice general manager and executive vice general manager of CMEC Expo from January 1996 to June 2009. From September 2009 to January 2013, Mr. Chen was a vice director of the office of company reorganization of our Company as well as serving as a vice director of the general office of our Company from January 2011 to June 2011. From June 2011 to November 2011, Mr. CHEN was the director of the general office and became the secretary to the Board of our Company since July 2011. In 1978, Mr. CHEN completed his studies in international trade and English and graduated from the University of International Business and Economics (對外經濟貿易大學). Mr. CHEN is a senior economist.

陳民建先生

陳先生，現年58歲，現擔任本公司董事會秘書及聯席公司秘書。陳先生於1978年加入本公司，擔任業務員。於1985年8月至1989年12月間，陳先生在美國擔任美國工業公司的副總裁，其後陳先生在1990年1月至1992年8月間於泰國的泰國華隆公司擔任副總裁。回國後，陳先生在1992年9月至1995年12月間擔任本公司展覽宣傳部副總經理，並在1996年1月至2009年6月間擔任西麥克展覽的副總經理及常務副總經理。2009年9月至2013年1月，陳先生任本公司股份制改革辦公室副主任，並在2011年1月至2011年6月兼任本公司辦公室副主任。陳先生於2011年6月至2011年11月，任本公司辦公室主任，並於2011年7月獲委任為本公司董事會秘書。1978年，陳先生畢業於對外經濟貿易大學外貿英語系外貿英語專業。陳先生為高級經濟師。

VI. EMPLOYEES

As at December 31, 2013, the Group had 2,633 employees in total. The following table sets forth the number of employees according to different job functions:

VI. 僱員

於2013年12月31日，本集團共有2,633名僱員。下表載列按不同職能劃分的僱員數目：

		Number of employees 僱員數目
Business Staff	業務人員	2,633
International Engineering Contracting Business	國際工程承包業務	1,655
Trading Business	貿易業務	504
Other Businesses	其他業務	174
Management, finance and administration	管理、財務和行政	261
Others	其他	39
Total	總計	2,633

The following tables set forth the Group's staff structure by geographical location, academic qualification, designation and age, respectively:

下表分別載列按地理位置、學歷、職稱及年齡劃分的本集團員工架構：

Directors, Supervisors, Senior Management and Employees

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Analysis of the Group's staff by geographical location

按地理位置劃分的本集團員工分析

No. 編號	Geographical location 地理位置		Number of staff 員工數目	Percentage 百分比
1	China	中國	2,327	88.4%
2	Asia (excluding China and Turkey)	亞洲 (不包括中國及土耳其)	92	3.5%
3	Africa	非洲	134	5.1%
4	Europe (including Turkey)	歐洲 (包括土耳其)	39	1.5%
5	North America	北美洲	3	0.1%
6	South America	南美洲	38	1.4%
Total		合計	2,633	100%

Analysis of the Group's staff by academic qualification

按學歷劃分的本集團員工分析

No. 編號	Academic qualification 學歷		Number of staff 員工數目	Percentage 百分比
1	Postgraduate or above	研究生或以上	596	22.6%
2	Undergraduate	學士學位	1,546	58.7%
3	College diploma or below	專科或以下	491	18.7%
Total		合計	2,633	100%

Analysis of the Group's staff by designation

按職稱劃分的本集團員工分析

No. 編號	Designation 職稱		Number of staff 員工數目	Percentage 百分比
1	Senior Grade	高級	453	17.2%
2	Intermediate Grade	中級	695	26.4%
3	Junior Grade and below	初級及以下	1,485	56.4%
Total		合計	2,633	100%

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Analysis of the Group's staff by age

按年齡劃分的本集團員工分析

No. 編號	Age 年齡		Number of staff 員工數目	Percentage 百分比
1	56 years old and above	56歲或以上	134	5.1%
2	46-55 years old	46至55歲	510	19.4%
3	36-45 years old	36至45歲	562	21.3%
4	35 years old and below	35歲或以下	1,427	54.2%
Total		合計	2,633	100%

1. Staff Incentives

To cope with its development, the Company has established a comprehensive accountability system, a performance appraisal system for all employees and a multi-level incentive mechanism. The Company has optimized responsibilities and job positions of its functional departments. It prepared the "Functional Department Job Position Description (職能部門崗位說明書)" and the "Model of Competency and Quality for the Functional Management Members (職能管理人員能力素質模型)". It also completed the preliminary stage of the "Structure Planning for Job Positions in Functional Departments (職能部門崗位編製規劃方案)". Meanwhile, scientific evaluation tools were used to make a preliminary assessment and classification of the value of the job positions in the functional departments for. Through clearly locating position-oriented performance targets and formulating performance standards, the Company has managed to assess employees' performance in an objective manner. By materializing reward and penalty in the performance-related portion of the employees' remuneration, the Company is able to boost the potential and morale of employees, thus achieving the coexistence of incentives and restraints.

2. Staff Remuneration

Staff's remuneration comprises of basic salary and performance salary. The performance salary is determined according to the assessment of performance of the whole staff.

1. 僱員激勵

為配合本公司的發展，本公司建立全面的問責制度、全體僱員績效考核制度及多層次激勵機制。本公司已優化其職能部門的職責，編製了職能部門崗位說明書及職能管理人員能力素質模型，並已完成了職能部門崗位編製規劃方案的初步階段。與此同時，在職能部門使用科學評估工具對職位價值進行初步評估及分類。透過以職位為導向作出清晰的表現定位並制定績效標準，本公司已成功對員工表現作出客觀評價。通過對僱員薪酬中績效相關部分作出實質性獎罰，本公司成功激發僱員潛力及士氣，從而實現激勵與約束共存。

2. 僱員薪酬

僱員薪酬由基本工資和績效工資兩部分組成。績效工資依據本集團全員業績考核結果確定。

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3. Staff Training

We provide systematic and effective training for our employees. We provide sustainable and specific education training for our senior management, middle management as well as technical and operational staff with a view to improving the quality and ability of our staff at different levels.

To regulate the management of staff training, the Company has formulated comprehensive measures for administering employees' education and training, which effectively promote the establishment of the Company's education training system. The Company focuses on the training needs of the senior management, middle management, technical and operational staff as well as the development needs of the Company when formulating and implementing education training programmes. The Company aims to implement a diversified training system for the staff so as to encourage the staff to participate in training.

The training provided by the Company in 2013 was divided into six categories: training for middle and senior management, training for core operational staff, training for core technical staff, relevant professional knowledge talks, selective training and orientation training for new staff.

4. Guarantee of Staff Rights

The Group strictly complies with the relevant PRC laws and regulations and makes contributions to various pension contribution plans, medical insurance plans, unemployment insurance plans, maternity insurance plans and personal injury insurance plans.

3. 僱員培訓

我們為僱員提供系統性及實效性培訓，分別對高管人員、中層管理人員以及各專業技術及業務人員進行高持續性及強針對性的教育培訓，以不斷提高各層次僱員的素質及能力。

為對僱員培訓實行規範化管理，本公司已制定完善的員工教育和培訓管理辦法，卓有成效地推進公司教育培訓體系建設。在教育培訓計劃和實施過程中，尤其關注高層管理人員、中層管理人員、各專業技術及業務人員的培訓需求，並根據本公司不斷發展的要求，實現配套的員工多樣化培訓體系，以鼓勵更多僱員參與培訓。

本公司於2013年提供的培訓可分為六個類別：中高層管理人員培訓、骨幹業務人員培訓、骨幹專業技術人員培訓、相關專業知識講座、選拔性質培訓及新員工入職培訓。

4. 員工權利保障

本集團嚴格遵守相關中國法律法規，對各種養老保險計劃、醫療保險計劃、失業保險計劃、生育保險計劃及人身傷害保險計劃作出供款。

Independent Auditor's Report

獨立核數師報告



**Independent auditor's report to the shareholders of
China Machinery Engineering Corporation**
(Incorporated in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of China Machinery Engineering Corporation (the "Company") and its subsidiaries (together the "Group") set out on pages 166 to 312, which comprise the consolidated and company balance sheets as at December 31, 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

獨立核數師報告
致中國機械設備工程股份有限公司股東
(於中華人民共和國註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核載列於第166頁至第312頁中國機械設備工程股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的合併財務報表,包括於2013年12月31日的合併及公司資產負債表、截至該日止年度的合併綜合收益表、合併權益變動表和合併現金流量表,以及主要會計政策概要及其他附註解釋資料。

董事就合併財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定編製合併財務報表,以令合併財務報表作出真實而公平的反映,及落實其認為編製合併財務報表所必要的內部控制,以使合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等合併財務報表發表意見。本報告僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

我們已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求我們遵守道德規範,並規劃及執行審核,以合理確定合併財務報表是否不存在任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at December 31, 2013 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

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

March 24, 2014

審核涉及執行情序以獲取有關合併財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製合併財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審核程序，但目的並非對該公司內部控制的有效性發表意見。審核亦包括評估董事所採用會計政策的合適性及作出會計估計的合理性，以及評價合併財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證能充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等合併財務報表已根據國際財務報告準則真實而公平地反映 貴公司及 貴集團於2013年12月31日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港公司條例的披露規定妥為編製。

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

2014年3月24日

Consolidated Statement of Comprehensive Income

合併綜合收益表

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		Note	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
		附註		
Revenue	收入	4	21,426,272	21,296,063
Cost of sales	銷售成本		(17,683,814)	(17,564,553)
Gross profit	毛利		3,742,458	3,731,510
Other revenue	其他收入	5	12,350	11,985
Other income, net	其他收入淨額	6	353,476	10,130
Selling and marketing expenses	銷售及市場營銷開支		(1,157,660)	(1,086,621)
Administrative expenses	行政開支		(556,996)	(478,253)
Other operating expenses	其他經營開支		(65,476)	(125,509)
Profit from operations	經營溢利		2,328,152	2,063,242
Finance income	財務收入		737,865	582,992
Finance expenses	財務開支		(401,713)	(30,270)
Net finance income	財務收入淨額	7(a)	336,152	552,722
Share of profits less losses of associates	應佔聯營公司溢利減虧損		(199)	(86)
Profit before taxation	除稅前溢利	7	2,664,105	2,615,878
Income tax	所得稅	8	(703,864)	(687,716)
Profit for the year	年內溢利		1,960,241	1,928,162
Other comprehensive income for the year:	年內其他綜合收益：			
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	重新計量設定收益義務		21,710	—
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		(6,965)	(3,720)
Total comprehensive income for the year	年內綜合收益總額		1,974,986	1,924,442

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Statement of Comprehensive Income

合併綜合收益表

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		2013 2013年	2012 2012年
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Profit attributable to:	溢利歸屬於：		
Shareholders of the Company	本公司股東	1,959,257	1,927,689
Non-controlling interests	非控股權益	984	473
Profit for the year	年內溢利	1,960,241	1,928,162
Total comprehensive income attributable to:	綜合收益總額歸屬於：		
Shareholders of the Company	本公司股東	1,974,823	1,925,325
Non-controlling interests	非控股權益	163	(883)
Total comprehensive income for the year	年內綜合收益總額	1,974,986	1,924,442
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利 (人民幣元)	12	
		0.47	0.58

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Balance Sheet

合併資產負債表

At December 31, 2013 • 於2013年12月31日

(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	485,012	444,205
Investment properties	投資物業	15	14,163	15,711
Lease prepayments	預付租賃款項	16	1,788,109	1,827,148
Intangible assets	無形資產	17	7,919	7,659
Interest in associates	聯營公司權益		215	413
Other non-current assets	其他非流動資產	19	343,944	253,952
Trade and other receivables	貿易及其他應收款項	21	53,382	39,050
Construction contracts	建造合同應收款項	22	3,201,943	4,114,329
Deferred tax assets	遞延稅項資產	29(b)	154,577	131,311
Total non-current assets	非流動資產總額		6,049,264	6,833,778
Current assets	流動資產			
Inventories	存貨	20	212,735	225,731
Trade and other receivables	貿易及其他應收款項	21	4,894,653	5,510,059
Construction contracts	建造合同應收款項	22	2,372,575	3,191,436
Restricted deposits	受限制存款	23	251,435	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		3,622,336	6,472,079
Cash and cash equivalents	現金及現金等價物	24	14,550,166	12,089,395
Total current assets	流動資產總額		25,903,900	27,936,051
Current liabilities	流動負債			
Borrowings	借貸	25	234,307	133,920
Receipts in advance	預收款項	26	7,021,664	12,710,410
Trade and other payables	貿易及其他應付款項	27	12,227,087	10,943,270
Retirement and other supplemental benefit obligation	退休及其他補充福利義務	28(a)	30,870	31,660
Income tax payable	應付所得稅	29(a)	276,013	451,258
Total current liabilities	流動負債總額		19,789,941	24,270,518
Net current assets	流動資產淨額		6,113,959	3,665,533
Total assets less current liabilities	資產總額減流動負債		12,163,223	10,499,311

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Balance Sheet

合併資產負債表

At December 31, 2013 • 於2013年12月31日
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			2013	2012
			2013年	2012年
		Note	RMB'000	<i>RMB'000</i>
		附註	人民幣千元	人民幣千元
Non-current liabilities	非流動負債			
Borrowings	借貸	25	79,637	154,618
Trade and other payables	貿易及其他應付款項	27	1,705	60,956
Retirement and other supplemental benefit obligation	退休及其他補充福利義務	28(a)	325,820	365,540
Deferred tax liabilities	遞延稅項負債	29(b)	-	774
Total non-current liabilities	非流動負債總額		407,162	581,888
NET ASSETS	淨資產		11,756,061	9,917,423
CAPITAL AND RESERVES	資本及儲備	30		
Share Capital	股本		4,125,700	4,018,000
Reserves	儲備		7,613,925	5,902,341
Total equity attributable to the shareholders of the Company	本公司股東應佔權益總額		11,739,625	9,920,341
Non-controlling interests	非控股權益		16,436	(2,918)
TOTAL EQUITY	權益總額		11,756,061	9,917,423

Approved and authorized for issue by the board of directors on March 24, 2014.

已於2014年3月24日經董事會批准並授權刊發。

Name: Sun Bai

姓名：孫柏

Position: Chairman

職位：董事長

Name: Zhang Chun

姓名：張淳

Position: Director

職位：董事

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Balance Sheet

資產負債表

At December 31, 2013 • 於2013年12月31日

(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	286,751	294,680
Investment properties	投資物業	15	15,224	16,203
Lease prepayments	租賃預付款項	16	1,453,115	1,487,307
Intangible assets	無形資產	17	4,863	4,440
Investments in subsidiaries	對附屬公司的投資	18	1,959,665	1,780,915
Interest in associates	聯營公司權益		215	413
Other non-current assets	其他非流動資產	19	342,407	252,340
Trade and other receivables	貿易及其他應收款項	21	50,186	4,383
Construction contracts	建造合同應收款項	22	3,136,275	3,973,699
Deferred tax assets	遞延稅項資產	29(b)	97,847	67,863
Total non-current assets	非流動資產總額		7,346,548	7,882,243
Current assets	流動資產			
Inventories	存貨	20	5,361	27,611
Trade and other receivables	貿易及其他應收款項	21	3,766,502	4,282,918
Construction contracts	建造合同應收款項	22	2,059,414	2,905,004
Restricted deposits	受限制存款	23	244,153	382,479
Time deposits with original maturity over three months	原始到期日超過三個月 的定期存款		3,491,951	6,315,902
Cash and cash equivalents	現金及現金等價物	24	12,907,621	10,707,249
Total current assets	流動資產總額		22,475,002	24,621,163
Current liabilities	流動負債			
Borrowings	借貸	25	69,810	69,769
Receipts in advance	預收款項	26	6,435,093	12,083,943
Trade and other payables	貿易及其他應付款項	27	10,780,400	9,329,793
Retirement and other supplemental benefit obligation	退休及其他補充福利義務	28(a)	23,950	24,570
Income tax payable	應付所得稅	29(a)	226,735	384,792
Total current liabilities	流動負債總額		17,535,988	21,892,867
Net current assets	流動資產淨額		4,939,014	2,728,296
Total assets less current liabilities	資產總額減流動負債		12,285,562	10,610,539

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Balance Sheet

資產負債表

At December 31, 2013 • 於2013年12月31日
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			2013	2012
			2013年	2012年
		<i>Note</i>	RMB'000	<i>RMB'000</i>
		<i>附註</i>	人民幣千元	<i>人民幣千元</i>
Non-current liabilities	非流動負債			
Borrowings	借貸	25	72,858	147,081
Trade and other payables	貿易及其他應付款項	27	1,705	23,501
Retirement and other supplemental benefit obligation	退休及其他補充福利義務	28(a)	243,200	276,990
Total non-current liabilities	非流動負債總額		317,763	447,572
NET ASSETS	淨資產		11,967,799	10,162,967
CAPITAL AND RESERVES	資本及儲備	30		
Share Capital	股本		4,125,700	4,018,000
Reserves	儲備		7,842,099	6,144,967
TOTAL EQUITY	權益總額		11,967,799	10,162,967

Approved and authorized for issue by the board of directors on March 24, 2014.

已於2014年3月24日經董事會批准並授權刊發。

Name: Sun Bai

姓名：孫柏

Position: Chairman

職位：董事長

Name: Zhang Chun

姓名：張淳

Position: Director

職位：董事

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Statement of Changes in Equity

合併權益變動表

For the year ended December 31, 2013 • 截至2013年12月31日止年度

(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		Attributable to the shareholders of the Company 本公司股東應佔					Non-controlling interests		Total equity
		Share capital	Capital reserve	Reserve fund	Exchange reserve	Retained earnings	Sub-total	非控股權益	權益總額
		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
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:	權益變動：								
Profit for the year	年內溢利	-	-	-	-	1,927,689	1,927,689	473	1,928,162
Other comprehensive income	其他綜合收益	-	-	-	(2,364)	-	(2,364)	(1,356)	(3,720)
Total comprehensive income	綜合收益總額	-	-	-	(2,364)	1,927,689	1,925,325	(883)	1,924,442
Issuance of shares upon public offering, net of issuing expenses (note 30(c))	公開發售股份，扣除發行費用(附註30(c))	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	公開發售前向本公司控股股東分派	-	-	-	-	(42,782)	(42,782)	-	(42,782)
Appropriation to reserves	撥入儲備	-	-	181,038	-	(181,038)	-	-	-
Dividends paid to shareholders of the Company (note 30(b))	付予本公司股東的股息(附註30(b))	-	-	-	-	(354,238)	(354,238)	-	(354,238)
Dividends paid to non-controlling interests of subsidiaries	付予附屬公司非控股權益的股息	-	-	-	-	-	-	(277)	(277)
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
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:	權益變動：								
Profit for the year	年內溢利	-	-	-	-	1,959,257	1,959,257	984	1,960,241
Other comprehensive income	其他綜合收益	-	-	-	(6,144)	21,710	15,566	(821)	14,745
Total comprehensive income	綜合收益總額	-	-	-	(6,144)	1,980,967	1,974,823	163	1,974,986
Issuance of shares upon public offering, net of issuing expenses (note 30(c))	公開發售股份，扣除發行費用(附註30(c))	107,700	411,726	-	-	-	519,426	-	519,426
Appropriation to reserves	撥入儲備	-	-	194,078	-	(194,078)	-	-	-
Dividends paid to shareholders of the Company (note 30(b))	付予本公司股東的股息(附註30(b))	-	-	-	-	(674,965)	(674,965)	-	(674,965)
Disposal of interests in a subsidiary with loss in control (note 18(iii))	處置一家附屬公司的權益，並失去控制權(附註18(iii))	-	-	-	-	-	-	19,375	19,375
Dividends paid to non-controlling interests of subsidiaries	付予附屬公司非控股權益的股息	-	-	-	-	-	-	(184)	(184)
At December 31, 2013	於2013年12月31日	4,125,700	3,307,149	510,168	11,273	3,785,335	11,739,625	16,436	11,756,061

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Cash Flow Statement

合併現金流量表

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

			2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Cash flows from operating activities	來自經營活動的現金流量			
Profit before taxation	除稅前溢利		2,664,105	2,615,878
Adjustments for:	調整項目：			
Depreciation	折舊	7(c)	38,865	60,400
Amortization	攤銷	7(c)	42,169	38,402
Impairment of trade and other receivables	貿易及其他應收款項減值	7(c)	59,398	123,004
Impairment of construction contracts	建造合同應收款項減值	7(c)	5,476	2,164
Provision for foreseeable losses on construction contracts	建造合同預計虧損撥備	7(c)	53,971	2,788
Net losses/(gains) on disposal of property, plant and equipment	處置物業、廠房及設備虧損／(收益)淨額	6	2,016	(17)
Net gains on disposal of an unquoted equity security	處置非流通股本證券的收益淨額	6	(2,165)	-
Net gains on disposal of interests in a subsidiary	處置一家附屬公司的權益的收益淨額	6	(175,649)	-
Finance income	財務收入	7(a)	(471,731)	(306,581)
Finance expenses	財務開支	7(a)	7,279	10,758
Net foreign exchange losses	外匯虧損淨額		130,542	6,339
Dividend income	股息收入	5	(9,907)	(9,745)
Net gains on foreign currency forward exchange contracts and interest rate swaps	遠期外匯合同及利率掉期收益淨額	6	(178,056)	(5,009)
Share of profits less losses of associates	應佔聯營公司溢利減虧損		199	86
Operating profit before changes in working capital	營運資金變動前的經營溢利		2,166,512	2,538,467
Decrease/(increase) in inventories	存貨減少／(增加)		12,996	(13,446)
Decrease in construction contracts	建造合同應收款項減少		1,671,800	639,877
Decrease in trade and other receivables	貿易及其他應收款項減少		855,877	865,193
(Decrease)/increase in receipts in advance	預收款項(減少)／增加		(5,688,746)	2,394,388
Increase in trade and other payables	貿易及其他應付款項增加		1,403,586	1,165,225
Decrease in retirement and other supplemental benefit obligation	退休及其他補充福利義務減少		(18,800)	(14,200)
Cash generated from operations	經營產生的現金		403,225	7,575,504
Income tax paid	已付所得稅	29(a)	(903,149)	(603,440)

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Cash Flow Statement

合併現金流量表

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		2013	2012
		2013年	2012年
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
Net cash generated from operating activities	經營活動產生的現金淨額	(499,924)	6,972,064
Cash flows from investing activities	來自投資活動的現金流量		
Payments for acquisition of property, plant and equipment	收購物業、廠房及設備的款項	(91,480)	(97,539)
Payments for acquisition of land use rights	收購土地使用權的款項	(152,763)	(206,623)
Payments for acquisition of intangible assets	收購無形資產的款項	(2,586)	(4,398)
Proceeds from/(payments for) settlement of foreign currency forward exchange contracts and interest rate swaps	結算遠期外匯合同及利率掉期的所得款項/(付款)	23,912	(1,717)
Prepaid consideration of an unquoted equity security	非流通股本證券的預付代價	(105,400)	-
Proceeds from disposal of property, plant and equipment and investment properties	處置物業、廠房及設備及投資物業的所得款項	1,723	992
Proceeds from disposal of an unquoted equity security	處置非流通股本證券的所得款項	17,479	-
Net cash received from acquisition of investment in a subsidiary	收購於一家附屬公司的投資取得的現金淨額	-	4,291
Dividends received	已收股息	9,907	9,745
Interest income received	已收利息收入	482,514	272,310
Decrease/(increase) in time deposits	定期存款減少/(增加)	2,849,743	(2,516,862)
Decrease/(increase) in restricted deposits	受限制存款減少/(增加)	195,916	(57,631)
Net cash used in investing activities	投資活動所用的現金淨額	3,228,965	(2,597,432)

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Consolidated Cash Flow Statement

合併現金流量表

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

		2013 2013年	2012 2012年
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Cash flows from financing activities	來自融資活動的現金流量		
Net proceeds from issuance of shares under the public offering	公開發售股份的所得款項淨額	519,426	3,012,300
Capital contributions	資本投入	-	261
Proceeds from borrowings	借貸的所得款項	211,471	138,623
Repayment of borrowings	償還借貸	(180,248)	(236,632)
Dividends paid to shareholders of the Company	付予本公司股東的股息	(674,965)	(354,238)
Dividends paid to non-controlling interests of subsidiaries	付予附屬公司非控股權益的股息	(158)	(28)
Interest paid	已繳利息	(7,437)	(10,851)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生的現金淨額	(131,911)	2,549,435
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	2,597,130	6,924,067
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	(136,359)	(5,429)
Cash and cash equivalents at December 31	於12月31日的現金及現金等價物	14,550,166	12,089,395
	24		

The notes on pages 176 to 312 form part of these financial statements.

第176頁至第312頁的附註乃該等財務報表的一部分。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(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 (the “Reorganization”) of China National Machinery & Equipment Import & Export Corporation (the “Predecessor”), a state-owned enterprise. The Company and its subsidiaries (the “Group”) are mainly engaged in international construction contracting business and trading business.

Prior to the Reorganization and establishment of the Company, the Predecessor was the holding company of the subsidiaries now comprising the Group prior to the Reorganization, and was wholly owned by China National Machinery Industry Corporation (“SINOMACH”, 中國機械工業集團有限公司). Pursuant to the Reorganization, the Company retained all of the assets and liabilities of the Predecessor. Upon establishment, the Company had a total of 3,300 million issued ordinary shares, with a par value of RMB1.00 each. The Company issued to SINOMACH 3,267 million shares, or 99% of the total issued shares, in exchange for all the assets and liabilities of the Predecessor. The Company also issued 33 million shares, or 1% of the total issued shares, to China United Engineering Corporation (“China United”, 中國聯合工程公司), a wholly owned subsidiary of SINOMACH, in exchange for cash of RMB46,930,900.

On December 21, 2012, the Company became listed on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”). 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 were converted into H shares on a one-for-one basis and transferred to the National Council for Social Security Fund of the PRC (“NSSF”). As at December 31, 2013, a total of 908,270,000 H shares were listed on HKSE.

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(「前身」)重組(「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。

在重組及成立本公司以前，前身為現時組成本集團的重組前的附屬公司的控股公司，並由中國機械工業集團有限公司(「國機」)全資擁有。根據重組，本公司保留了前身的全部資產及負債。成立後，本公司擁有合共3,300百萬股每股面值人民幣1.00元的已發行普通股。本公司向國機發行3,267百萬股股份，或已發行股份總數的99%，以交換前身的全部資產及負債。本公司亦向國機的全資附屬公司中國聯合工程公司(「中國聯合」)發行33百萬股股份，或已發行股份總數的1%，現金對價為人民幣46,930,900元。

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。於2013年1月2日，本公司授出的超額配股權已獲悉數行使。本公司已按每股5.40港元發行及配發合共107,700,000股H股。因此，國機及中國聯合擁有的合共10,770,000股每股面值人民幣1.00元的國有內資股已按一換一的基礎轉為H股，並轉讓予中國全國社會保障基金理事會(「社保基金理事會」)。於2013年12月31日，合共908,270,000股H股在香港聯交所上市。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations promulgated by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on HKSE. A summary of the significant accounting policies adopted by the Group is set out below.

The Group has adopted all those new and revised IFRSs that are first effective for the accounting period beginning January 1, 2013 in preparing the financial statements for the year ended December 31, 2013. The Group has not early adopted any new and revised IFRSs that are not yet effective for the accounting period beginning January 1, 2013 in the current or previous accounting period (see note 36).

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended December 31, 2013 comprise the Group and the Group’s interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that derivative financial instruments (see note 2(h)) are stated at their fair value.

2. 主要會計政策概要

(a) 合規聲明

該等財務報表乃根據國際會計準則理事會（「國際會計準則理事會」）所頒佈的所有適用的國際財務報告準則（「國際財務報告準則」）（此統稱包括所有適用的單項國際財務報告準則、國際會計準則及詮釋）以及香港公司條例的披露要求而編製。該等財務報表亦符合香港聯交所證券上市規則中適用的披露規定。本集團所採納的主要會計政策概述如下。

本集團於編製截至2013年12月31日止年度的財務報表時已採納所有在自2013年1月1日開始的會計期間首次生效的有關新訂及經修訂國際財務報告準則。本集團概無在當前或過往會計期間提早採納自2013年1月1日開始的會計期間尚未生效的任何新訂及經修訂國際財務報告準則（見附註36）。

(b) 財務報表的編製基準

截至2013年12月31日止年度的合併財務報表包括本集團及本集團於聯營公司的權益。

編製財務報表所採用的計量基準為歷史成本基準，惟衍生金融工具（見附註2(h)）按其公允值列賬者除外。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements (Continued)

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Functional and presentation currency

The financial statements are presented in Renminbi ("RMB"), rounded to the nearest thousand, which is the Group's presentation currency and the functional currency of the Company and its subsidiaries in the PRC carrying on the principle activities of the Group.

2. 主要會計政策概要 (續)

(b) 財務報表的編製基準 (續)

持作出售的非流動資產及出售組別以賬面值及公允值減出售成本的較低者列賬。

管理層在編製符合國際財務報告準則的財務報表時，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、負債、收入及開支的呈報金額。該等估計及相關假設乃基於過往經驗及因應當時情況認為合理的各種其他因素，並因此形成判斷目前無法輕易從其他來源而得出資產及負債的賬面值時的依據。實際結果可能有別於該等估計。

管理層會持續審閱各項估計及相關假設。如果會計估計的修訂僅影響作出有關修訂的期間，則有關修訂只會在當期確認；但如對當期及未來期間均有影響，則會在作出有關修訂的期間和未來期間確認。

管理層在應用國際財務報告準則時所作出對財務報表有重大影響的判斷，以及產生估計不確定性的主要來源，於附註3論述。

(c) 功能及呈列貨幣

財務報表以人民幣（「人民幣」）列示，並湊整至最接近的千位數。人民幣為本集團的呈列貨幣，亦為本公司及其在中國經營本集團主要業務的附屬公司的功能貨幣。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) 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.

2. 主要會計政策概要 (續)

(d) 會計政策變更

國際會計準則理事會已頒佈多項新訂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，以下發展與本集團財務報表有關：

- 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訂準則或詮釋。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Changes in accounting policies (Continued)

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

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

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.

2. 主要會計政策概要 (續)

(d) 會計政策變更 (續)

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」

該等修訂規定，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。於該等財務報表內的合併綜合收益表對呈列其他綜合收益項目的方式已作出相應修訂。

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理事會解釋公告第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，本集團已修訂其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。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Changes in accounting policies (Continued)

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. The adoption of IFRS 12 does not have any material impact to the Group's financial statements.

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. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in note 31(e)(i). The adoption of IFRS 13 does not have any material impact on the fair value measurements of the Group's assets and liabilities.

2. 主要會計政策概要 (續)

(d) 會計政策變更 (續)

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。採納國際財務報告準則第12號並不會對本集團的財務報表構成任何重大影響。

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的指引，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。本集團已按適用於本集團的規定於附註31(e)(i)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。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Changes in accounting policies (Continued)

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.

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 year ended December 31, 2013.

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

2. 主要會計政策概要 (續)

(d) 會計政策變更 (續)

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。

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，毋須進行追溯應用。因此，本公司於截至2013年12月31日止年度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。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Changes in accounting policies (Continued)

Annual Improvements to IFRSs 2009-2011 Cycle

This cycle of annual improvements contains amendments to IFRS 1 and IASs 1, 16, 32 and 34, with consequential amendments to other standards and interpretations. The Group considers that the amendments of those five standards do not have any material impact on the Group's financial statements.

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 financial statements 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 during the periods presented.

(e) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the group has power, only substantive rights (held by the group and other parties) are considered.

2. 主要會計政策概要 (續)

(d) 會計政策變更 (續)

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國際財務報告準則第1號及國際會計準則第1號、16號、32號及34號的修訂，以及對其他準則及詮釋作出的後續修訂。本集團認為，對該五項準則的條訂不會對本集團的財務報表造成任何重大影響。

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，以及受涵蓋同類金融工具及交易的可強制執行的集體除淨安排或類似協議約束的金融工具，而不論該等金融工具根據國際會計準則第32號的規定會否被抵銷。

由於本集團於呈列期間並無抵銷金融工具，亦無訂立須遵守國際財務報告準則第7號的披露要求的集體除淨安排或類似協議，故採納該等修訂不會對本集團的財務報表造成影響。

(e) 附屬公司及非控股權益

附屬公司是指受本集團控制的實體。倘本集團因參與一家實體的業務而可或有權獲得可變回報，且有能透過對實體行使權力而影響其回報，則對該實體擁有控制權。於評估集團是否有權力時，僅考慮實質權利(由集團及其他各方持有)。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Subsidiaries and non-controlling interests (Continued)

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet in accordance with notes 2(q) or 2(r) depending on the nature of the liability.

2. 主要會計政策概要 (續)

(e) 附屬公司及非控股權益 (續)

於附屬公司的投資自控制開始當日起至控制終止當日止並入合併財務報表。集團內部往來的結餘、交易及現金流量以及集團內部交易所產生的任何未實現溢利會在編製合併財務報表時全額抵銷。集團內部交易所引致未實現虧損的抵銷方法與未實現收入相同，但僅以無證據顯示已出現減值的部分為限。

非控股權益是指非由本公司直接或間接應佔的附屬公司權益，且本集團並無與相關權益持有人另行訂立條款而導致本集團整體須就該等權益承擔符合金融負債定義的合同責任。就各項業務合併而言，本集團可選擇按公允值或按非控股權益佔附屬公司的可識別淨資產的份額計量任何非控股權益。

非控股權益納入合併資產負債表的權益項目，與本公司權益股東應佔的權益分開呈列。非控股權益所佔本集團的業績，會按照該年度損益總額及綜合收益總額在非控股權益與本公司權益股東之間進行分配，並在合併綜合收益表呈列。來自非控股權益持有人的借貸及對該等持有人的其他合同責任，會視乎負債的性質，並按照附註2(q)或2(r)於合併資產負債表中呈列為金融負債。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Subsidiaries and non-controlling interests (Continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognized.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)) or, when appropriate, the cost on initial recognition of an investment in an associate (see note 2(f)).

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 2(m)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(f) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

2. 主要會計政策概要 (續)

(e) 附屬公司及非控股權益 (續)

本集團於附屬公司的權益如發生變動但不會造成失去控制權，則該變動乃按權益交易的方式入賬，即僅調整在合併權益內的控股及非控股權益金額，以反映其相關權益的變動，但不會調整商譽也不會確認收益或虧損。

當本集團失去一家附屬公司的控制權，則作為處置該附屬公司的所有權益入賬，而所產生的收益或虧損將於損益確認。於失去控制權當日仍保留於前附屬公司的任何權益乃按公允值確認，而該金額將被視為一項金融資產初始確認的公允值（見附註2(g)），或（如適用）一項對聯營公司的投資的初始確認的成本（見附註2(f)）。

於本公司的資產負債表中，其於一家附屬公司的一項投資乃按成本減去減值虧損（見附註2(m)）列賬，除非該投資被分類為持作出售（或納入被分類為持作出售的出售組別）。

(f) 聯營公司

聯營公司為本集團或本公司對其管理有重大影響力（包括參與其財務及經營政策的決定），但並非控制或共同控制的實體。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Associates (Continued)

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 2(m)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognized in profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognized in the other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealized profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealized losses provide evidence of an impairment of the asset transferred, in which case they are recognized immediately in profit or loss.

2. 主要會計政策概要 (續)

(f) 聯營公司 (續)

於聯營公司的投資按權益法計入合併財務報表，除非該投資被分類為持作出售（或納入被分類為持作出售的出售組別）。根據權益法，該投資初始以成本入賬，就本集團應佔被投資公司的可識別淨資產於收購日期的公允值超過投資成本的部分（如有）作出調整。其後，該投資就本集團應佔該被投資公司淨資產在收購後的變動及有關該投資的任何減值虧損（見附註2(m)）作出調整。於收購日期超過成本的任何數額、本集團本年度應佔被投資公司收購後的除稅後業績以及任何減值虧損於損益內確認，而本集團應佔被投資公司收購後的除稅後的其他綜合收益項目則於其他綜合收益確認。

倘本集團應佔的虧損超過其於該聯營公司的權益，則本集團的權益會撇減至零，而除非本集團已產生法定或推定責任或代該被投資公司作出付款，否則不會繼續確認進一步虧損。就此而言，本集團的權益為按照權益法計算的投資的賬面值及實質上構成本集團於聯營公司投資淨額一部分的本集團長期權益。

本集團與其聯營公司之間交易所產生的未實現損益，以本集團於被投資公司應佔的權益為限予以抵銷；但假如未實現虧損顯示已轉讓資產出現減值，則該等未實現虧損會即時在損益確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Associates (Continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)).

In the Company's balance sheet, interest in associates are stated at cost less impairment losses (see note 2(m)), unless classified as held for sale (or included in a disposal group that is classified as held for sale).

(g) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries and associates, are as follows:

2. 主要會計政策概要 (續)

(f) 聯營公司 (續)

倘於聯營公司之投資成為於合營企業之投資或出現相反情況，則不會重新計量留存權益。反之，該投資繼續根據權益法入賬。

於所有其他情況下，倘本集團失去對聯營公司的重大影響力，則被視為處置該被投資公司的全部權益，而所造成的收益或虧損會於損益確認。於失去對被投資公司的重大影響力當日，倘仍然持有該前被投資公司的任何權益，該部分權益將會以公允值確認，而該金額將被視為一項金融資產初始確認的公允值（見附註2(g)）。

於本公司的資產負債表中，其於聯營公司的權益乃按成本減去減值虧損（見附註2(m)）列賬，除非該權益被分類為持作出售（或納入被分類為持作出售的出售組別）。

(g) 其他股本證券投資

本集團及本公司的股本證券投資政策（對附屬公司及聯營公司的投資除外）如下：

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Other investments in equity securities (Continued)

Investments in equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise. These investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognized in the balance sheet at cost less impairment losses (see note 2(m)).

When the investments are derecognised or impaired (see note 2(m)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognized/derecognized on the date the Group commits to purchase/sell the investments or they expire.

(h) Derivative financial instruments

Derivative financial instruments are recognized initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognized immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

2. 主要會計政策概要 (續)

(g) 其他股本證券投資 (續)

股本證券投資初始按公允值(亦即其交易價格，除非初始確認之公允值與交易價格有所不同，而公允值為相同資產或負債在活躍市場上的報價，或僅通過使用從可觀察的市場數據的估值方法計量)列賬。成本包括應佔交易成本，但如另有指明者則除外。該等於活躍市場並無市場報價且其公允值無法可靠地計量的股本證券投資會按成本減去減值虧損(見附註2(m))在資產負債表內確認。

倘投資終止確認或減值(見附註2(m))，於權益內確認之累計收益或虧損乃重分類至損益。該等投資於本集團承諾購買/出售該等投資之日或該等投資到期之日確認/終止確認。

(h) 衍生金融工具

衍生金融工具初始按公允值確認，並於各報告期末重新計算公允值。重算公允值的收益或虧損即時在損益確認，除非該衍生工具可使用現金流量對沖會計法或對沖國外業務的淨投資，在此種情況下，由此產生的任何收益或虧損的確認取決於被對沖項目的性質。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(l)) to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 2(m)). Depreciation is calculated to write off the cost of investment properties, less their estimated residual value, if any, using the straight-line method over the estimated useful lives ranging from 20 to 35 years. Any gain or loss arising from the retirement or disposal of an investment property is recognized in profit or loss. Rental income from investment properties is accounted for as described in note 2(w)(iv).

(j) Other property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(m)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(y)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

2. 主要會計政策概要 (續)

(i) 投資物業

投資物業為擁有或根據租賃權益 (見附註2(l)) 持有以賺取租金收入及／或資本增值的土地及／或樓宇。

投資物業乃按成本減累計折舊及減值虧損 (見附註2(m)) 於資產負債表內列賬。投資物業的折舊 (扣除其估計剩餘價值 (如有)) 乃在其估計可使用年期 (介乎20至35年) 內以直線法計提，以撇銷其成本。報廢或處置投資物業所產生的任何收益或虧損於損益確認。投資物業產生的租金收入按附註2(w)(iv)所述方式入賬。

(j) 其他物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損 (見附註2(m)) 列賬。

自行興建物業、廠房及設備項目成本包括材料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地的原貌的成本的初始估計金額 (如有關)，以及適當比例的生產費用及借貸成本 (見附註2(y))。

報廢或處置物業、廠房及設備項目所產生的收益或虧損乃按處置所得款項淨額與該項目的賬面值之間的差額釐定，並於報廢或處置當日於損益確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Other property, plant and equipment (Continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

– Buildings	20-35 years
– Motor vehicles	3-10 years
– Office and other equipment	2-15 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(k) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortization (where the estimated useful life is finite) and impairment losses (see note 2(m)).

Amortization of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortized from the date they are available for use and their estimated useful lives are as follows:

– software and others	2-5 years
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Both the period and method of amortization are reviewed annually.

2. 主要會計政策概要 (續)

(j) 其他物業、廠房及設備 (續)

物業、廠房及設備項目的折舊 (扣除其估計剩餘價值 (如有)) 乃在其以下估計可使用年內以直線法計提，以撇銷其成本：

– 樓宇	20-35年
– 汽車	3-10年
– 辦公及其他設備	2-15年

倘某物業、廠房及設備項目各部分有不同可使用年期，則該項目的成本乃按合理基準在各部分之間分配，而各部分則分開計提折舊。資產的可使用年期和剩餘價值 (如有) 乃每年進行審閱。

(k) 無形資產

本集團收購的無形資產按成本減累計攤銷 (若具有有限的估計可使用年期) 及減值虧損 (見附註 2(m)) 列賬。

可使用年期有限的無形資產的攤銷於該資產的估計可使用年內以直線法計入損益。以下具有有限可使用年期的無形資產自其可供使用之日開始攤銷，其估計可使用年期如下：

– 軟件及其他	2-5年
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攤銷期間及攤銷方法乃每年進行審閱。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognized in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortized on a straight-line basis over the period of the lease term.

2. 主要會計政策概要 (續)

(I) 租賃資產

倘本集團釐定有關安排賦予權利於協定期限內使用特定資產或一組資產以換取一筆或多筆款項，則包括一項交易或多項交易的該項安排屬於或包括一項租賃。該項決定乃基於對安排內容之評估而作出，而不論該項安排是否採取租賃的法定形式。

(i) 本集團租賃資產的分類

對於本集團以租賃方式持有的資產，如租賃使所有權的絕大部分風險及報酬轉移至本集團，有關資產便會獲分類為以融資租賃持有。如租賃不會使所有權的絕大部分風險及報酬轉移至本集團，則分類為經營租賃。

(ii) 經營租賃費用

如本集團擁有以經營租賃持有資產的使用權，則根據租賃支付的款項會於租賃期所涵蓋的會計期間內，以等額分期計入損益，但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。已收取的租賃優惠金額於損益確認為租賃淨付款總額的組成部分。或有租金於產生的會計期間計入損益。

根據經營租賃持有的土地的收購成本於租賃期內以直線法攤銷。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets

(i) Impairment of investments in equity securities and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortized cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2. 主要會計政策概要 (續)

(m) 資產減值

(i) 股本證券投資及其他應收款項的減值

以成本或攤銷成本列賬或分類為可供出售證券的股本證券投資及其他流動及非流動應收款項，在各報告期末作審閱以決定是否有減值的客觀證據。減值的客觀證據包括本集團注意到有關以下一項或多項虧損事件的可觀察數據：

- 債務人出現重大財務困難；
- 違反合同，如拖欠或延遲支付利息或本金；
- 債務人可能破產或進行其他財務重組；
- 技術、市場、經濟或法律環境的重大變動對債務人造成不利影響；及
- 股本工具投資的公允值出現大幅或長期下跌，以至低於其成本。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of investments in equity securities and other receivables (Continued)

If any such evidence exists, any impairment loss is determined and recognized as follows:

- For investments in subsidiaries and interest in associates accounted for under the equity method in the consolidated financial statement (see note 2(f)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2(m)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(m)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2. 主要會計政策概要 (續)

(m) 資產減值 (續)

(i) 股本證券投資及其他應收款項的減值 (續)

若存在任何有關證據，則任何減值虧損按以下方式釐定及確認：

- 就按權益法於合併財務報表入賬的對附屬公司的投資及於聯營公司的權益（見附註2(f)）而言，乃根據附註2(m)(ii)將該投資的可收回金額與其賬面值進行比較而計量減值虧損。若用於根據附註2(m)(ii)確定可收回金額的估計發生有利變更，則撥回減值虧損。
- 就按成本列賬的非流通股本證券而言，減值虧損乃根據金融資產的賬面值及估計未來現金流量（如折現的影響重大，則按類似金融資產的現行市場回報率折現）兩者之差異計算。按成本列賬的股本證券的減值虧損不可撥回。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of investments in equity securities and other receivables (Continued)

If any such evidence exists, any impairment loss is determined and recognized as follows: (Continued)

- For trade and other current receivables and other financial assets carried at amortized cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2. 主要會計政策概要 (續)

(m) 資產減值 (續)

(i) 股本證券投資及其他應收款項的減值 (續)

若存在任何有關證據，則任何減值虧損按以下方式釐定及確認：(續)

- 就以攤銷成本列賬的貿易及其他流動應收款項及其他金融資產而言，減值虧損乃根據資產的賬面值及估計未來現金流量按該金融資產原先的實際利率（即該等資產於初始確認時計算的實際利率）折現的現值之間的差異計算（倘折現的影響為重大）。當該等金融資產具有類似的風險特徵，例如類似的逾期未付情況及並無獨立評估為減值，則會整體作出評估。整體評估減值的金融資產的未來現金流量乃根據與被整體評估組別具有類似信用風險特徵的資產的過往虧損情況計算。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(i) Impairment of investments in equity securities and other receivables (Continued)

If any such evidence exists, any impairment loss is determined and recognized as follows: (Continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognized, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognized in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognized in respect of receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade and other receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognized in profit or loss.

2. 主要會計政策概要 (續)

(m) 資產減值 (續)

(i) 股本證券投資及其他應收款項的減值 (續)

若存在任何有關證據，則任何減值虧損按以下方式釐定及確認：(續)

如減值虧損的金額於其後的期間減少，且客觀上與減值虧損確認後發生的事件有關，則應通過損益撥回減值虧損。撥回減值虧損不得導致資產的賬面值超過若以往年度並無確認減值虧損而應已釐定的金額。

減值虧損直接從相關資產撇銷，但貿易及其他應收款項內被視為呆賬（但可收回性並非極低）的應收款項所確認的減值虧損除外。在此情況下，呆賬減值虧損以撥備賬列賬。當本集團認為有關款項的可收回性極低時，視為不可收回的款項從貿易及其他應收款項中直接撇銷，而在撥備賬內有關該債項的任何金額亦會撥回。如先前在撥備賬內扣除的金額於其後收回，則在撥備賬中轉回沖銷。撥備賬的其他變動及其後收回先前直接撇銷的金額在損益確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognized no longer exists or may have decreased:

- property, plant and equipment;
- investment properties;
- lease prepayments;
- intangible assets; and
- investments in subsidiaries and associates in the company's balance sheet.

If any such indication exists, the asset's recoverable amount is estimated.

2. 主要會計政策概要 (續)

(m) 資產減值 (續)

(ii) 其他資產減值

本集團於各報告期末審閱內部及外部的資料來源，以確定下列資產是否出現減值跡象，或以往確認的減值虧損是否不復存在或已經減少：

- 物業、廠房及設備；
- 投資物業；
- 預付租賃款項；
- 無形資產；及
- 公司資產負債表內之對附屬公司及聯營公司的投資。

如存在任何有關跡象，則須估計資產的可收回金額。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognized in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

2. 主要會計政策概要 (續)

(m) 資產減值 (續)

(ii) 其他資產減值 (續)

– 計算可收回金額

資產的可收回金額為其公允值減出售成本與使用價值的較高者。於評估使用價值時，估計未來現金流量乃採用能反映現行市場對貨幣時間價值的評估及資產的特定風險的稅前折現率折現至其現值。倘資產未能大致獨立於其他資產賺取現金流入量，則按可獨立賺取現金流入的最小資產組別（即現金產生單位）釐定可收回金額。

– 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益確認減值虧損。就現金產生單位確認的減值虧損按比例劃分至該單位（或一組單位）資產的賬面值，但有關資產的賬面值不會減少至低於其個別公允值扣除出售成本（倘能計量）或使用價值（倘能釐定）。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

– Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognized.

(n) Inventories

Inventories are carried at the lower of cost and net realizable value.

Cost is calculated using the first-in, first-out (FIFO), specific identification of costs or weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2. 主要會計政策概要 (續)

(m) 資產減值 (續)

(ii) 其他資產減值 (續)

– 撥回減值虧損

倘用以釐定可收回金額的估計出現有利變動，則撥回減值虧損。

撥回的減值虧損以資產在以往年度內並無確認減值虧損的情況下原應釐定的賬面值為限。撥回的減值虧損於確認撥回的年度內計入損益。

(n) 存貨

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據先進先出法(FIFO)、特定識別成本或加權平均成本公式計算，並包括全部採購成本、轉換成本及將存貨運至其目前位置及使其達到目前狀況所產生的成本。

可變現淨值為日常業務過程中估計售價減估計完成成本及估計進行出售所需的其他成本。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

(o) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 2(w)(ii). When the outcome of a construction contract can be estimated reliably, contract costs are recognized as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognized as an expense in the period in which they are incurred.

Construction contracts in progress at the end of the reporting period are recorded at the net amount of costs incurred plus recognized profit less recognized losses and progress billing, and are presented in the balance sheet as the “construction contracts” (as an asset or a liability, as applicable). Progress billings not yet paid by the customer are included in the balance sheet under “Trade and other receivables”. Amounts received before the related work is performed are included in the balance sheet under “Receipts in advance”.

2. 主要會計政策概要 (續)

(n) 存貨 (續)

當出售存貨時，該等存貨的賬面值在確認相關收入期間內確認為開支。任何由存貨撇減為可變現淨值的金額和所有存貨虧損於撇減或虧損出現期間確認為開支。存貨的任何撇減的任何撥回金額，均在出現撥回的期間內確認為存貨開支金額的減少。

(o) 建造合同

建造合同指為建造一項或一組資產與客戶特別洽商達成的合同，客戶可以指定設計的主要結構要素。合同收入的會計政策載於附註2(w)(ii)。倘能夠可靠估計一份建造合同的結果，合同成本會於報告期末按合同的完成程度確認為開支。如合同成本總額可能超過合同收入總額，可預見的虧損會即時確認為開支。倘不能可靠估計建造合同的結果，則合同成本在其產生的期間確認為開支。

於報告期末尚在施工的建造合同按所產生的成本淨額加已確認溢利，再減去已確認虧損及進度款項記賬，並於資產負債表內列為「建造合同應收款項」（作為一項資產或一項負債，如適用）。客戶尚未支付的進度款項則記入資產負債表的「貿易及其他應收款項」。於相關工程履行前已收取的金額會計入資產負債表的「預收款項」項下。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Trade and other receivables

Trade and other receivables are initially recognized at fair value and thereafter stated at amortized cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(m)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(q) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between the amount initially recognized and redemption value being recognized in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(r) Trade and other payables

Trade and other payables are initially recognized at fair value. Except for financial guarantee liabilities measured in accordance with note 2(v)(i), trade and other payables are subsequently stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. 主要會計政策概要 (續)

(p) 貿易及其他應收款項

貿易及其他應收款項初始按公允價值確認，其後採用實際利率法以攤銷成本減呆賬減值撥備（見附註2(m)）列賬，但如有關應收款項為給予關聯方免息且無任何固定還款期或折現影響並不重大則除外。在此等情況下，應收款項按成本減呆賬減值撥備列賬。

(q) 計息借貸

計息借貸初始按公允價值減應佔交易成本確認。於初始確認後，計息借貸按攤銷成本列賬，初始確認金額與贖回價值間的任何差額連同任何應付利息及費用會在整段借貸期間內以實際利率法於損益確認。

(r) 貿易及其他應付款項

貿易及其他應付款項初始按公允價值確認。除根據附註2(v)(i)計量的財務擔保負債之外，貿易及其他應付款項其後按攤銷成本列賬，但折現的影響並不重大者除外，在此情況下則按成本列賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(t) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Defined benefit retirement plan obligations

The Group provides supplementary pension subsidies to employees in the PRC, who retired before January 1, 2010. In addition, the Group also provides subsidies to early retirees. Such supplementary pension subsidies and subsidies to early retirees are considered as defined benefit plans.

2. 主要會計政策概要 (續)

(s) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放於銀行及其他金融機構的活期存款，以及短期且流動性極高的投資，該等投資可隨時兌換為已知數額的現金且價值轉變風險並不重大，並於購入後三個月內到期。

(t) 僱員福利

(i) 短期僱員福利及設定供款退休計劃的供款

薪酬、年度分紅、設定供款退休計劃供款以及非貨幣福利成本於僱員提供相關服務的年度計提。倘延期付款或償付且產生的影響重大，該等金額將按其現值列賬。

(ii) 設定收益退休計劃義務

本集團向2010年1月1日前退休的國內員工提供補充退休金津貼。此外，本集團亦向提前退休者提供津貼。該等補充退休金津貼及提供予提前退休者的津貼視為設定收益計劃。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Employee benefits (Continued)

(ii) Defined benefit retirement plan obligations (Continued)

The Group's net obligation in respect of defined benefit retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Service cost and net interest expense (income) on the net defined benefit liability (asset) are recognised in profit or loss and allocated by function as part of "cost of sales", "selling and marketing expenses" or "administrative expenses". Current service cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised as an expense in profit or loss at the earlier of when the plan amendment or curtailment occurs and when related restructuring costs or termination benefits are recognised. Net interest expense (income) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the net defined benefit liability (asset). The discount rate is the yield at the end of the reporting period on high quality corporate bonds that have maturity dates approximating the terms of the group's obligations.

2. 主要會計政策概要 (續)

(t) 僱員福利 (續)

(ii) 設定收益退休計劃義務 (續)

本集團有關設定收益退休計劃的義務淨額乃按員工於現時及過往期間所提供的服務估計其賺取的未來收益就各項計劃單獨計算；該福利以折現計算其現值並減去任何計劃資產的公允值。有關計算由合格的精算師以預計單位貸記法進行。倘計算結果對集團帶來利益，已確認資產乃以計劃的任何未來退款或未來計劃供款的扣減款項形式所得的經濟利益的現值為限。

設定收益負債(資產)淨額的服務成本和利息支出(收入)淨額在損益中確認，並按其作用劃撥為「銷售成本」、「銷售及市場營銷開支」或「行政開支」的一部分。本期服務成本是按照本期僱員的服務所產生的設定收益義務的現值增加額計量。當計劃福利出現變動或計劃有所縮減時，與僱員過往提供服務有關的福利變動部分或就縮減錄得的損益，會在計劃改變或縮減發生時或確認相關重組成本或終止福利時(以較早者為準)，於損益內確認為支出。期內利息支出(收入)淨額以在報告期初計量設定收益義務所採用的折現率應用於設定收益負債(資產)淨額而釐定。所用的折現率是根據到期日與集團所承擔負債期限相若的優質企業債券於報告期末的收益率釐定。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Employee benefits (Continued)

(ii) Defined benefit retirement plan obligations (Continued)

Remeasurements arising from defined benefit retirement plans are recognised in other comprehensive income and reflected immediately in retained earnings. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

(iii) Termination benefits

Termination benefits are recognized when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognized in other comprehensive income or directly in equity, respectively.

2. 主要會計政策概要 (續)

(t) 僱員福利 (續)

(ii) 設定收益退休計劃義務 (續)

重新計量設定收益退休計劃所得數額在其他綜合收益中確認，並即時在保留盈利中反映。重新計量所得數額包括精算損益、計劃資產回報（不包括已計入設定收益負債（資產）淨額的淨利息數額）和資產上限的任何變動（不包括已計入設定收益負債（資產）淨額的淨利息數額）。

(iii) 終止福利

終止福利僅於本集團明確承諾終止聘用，或根據詳細正式（並無實際撤銷的可能）的自願離職計劃而終止提供福利時予以確認。

(u) 所得稅

年度所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動於損益確認，但與在其他綜合收益或直接在權益確認的項目相關者除外，在此情況下，相關的稅款分別在其他綜合收益或直接在權益內確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Income tax (Continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilized.

2. 主要會計政策概要 (續)

(u) 所得稅 (續)

本期稅項為年內就應課稅收入根據在報告期末已頒佈或實質上已頒佈的稅率計算的預期應付稅項，以及對過往年度的任何應付稅項作出的調整。

遞延稅項資產及負債分別由可抵扣及應課稅暫時差額產生，即資產及負債在財務報告中的賬面值與其稅基之間的差額。遞延稅項資產亦由未動用稅項虧損及未動用稅項抵免產生。

除若干有限的例外情況外，所有遞延稅項負債及所有遞延稅項資產（只限於可能有未來應課稅溢利用作抵扣的相關資產）均予以確認。可能支持確認由可抵扣暫時差額所產生遞延稅項資產的未來應課稅溢利包括因撥回現存應課稅暫時差額而產生的金額；但此等差額必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差額預計撥回的同一期間或遞延稅項資產所產生稅項虧損可向前期或向後期結轉的期間內撥回。在釐定現有應課稅暫時性差額是否支持確認因未動用稅項虧損及抵免所產生的遞延稅項資產時，亦會採用相同準則，即若有關差額與同一稅務機關及同一應課稅實體有關，且預計在可動用稅項虧損或抵免的期間內撥回，則會被考慮。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purpose, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

2. 主要會計政策概要 (續)

(u) 所得稅 (續)

確認遞延稅項資產及負債的有限例外情況來自以下暫時差額：不可抵扣稅商譽，既不影響會計溢利也不影響應課稅溢利的資產或負債的初始確認（如屬業務合併一部分則除外），以及與附屬公司投資有關的暫時性差額（如屬應課稅差額，只限於本集團可以控制撥回的時間，且在可預見的將來不大可能回撥的暫時性差額；或如屬可抵扣差額，則只限於很可能在將來回撥的差額）。

已確認的遞延稅項金額乃按照資產及負債賬面值的預期變現或清償方式，根據於報告期末已頒佈或實質上已頒佈的稅率計算。遞延稅項資產及負債均不折現計算。

遞延稅項資產的賬面值於各報告期末予以審閱。倘預計不可能再獲得足夠的應課稅溢利用以抵扣相關稅務利益，則調低上述賬面值。倘可能獲得足夠的應課稅溢利，有關減額便會撥回。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realize the current tax assets and settle the current tax liabilities on a net basis or realize and settle simultaneously.

2. 主要會計政策概要 (續)

(u) 所得稅 (續)

本期稅項結餘和遞延稅項結餘及當中的變動乃各自分開呈列，並且不予抵銷。本期稅項資產和遞延稅項資產只會在本公司或本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件的情況下，才可以分別抵銷本期稅項負債和遞延稅項負債：

- 若為本期稅項資產及負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 若為遞延稅項資產及負債，如該資產及負債與同一稅務機關就以下其中一項徵得的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體，但計劃於每一個預期有大額遞延稅項負債或資產需要清償或收回的未來期間內，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現該資產及清償該負債。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognized as deferred income within “Trade and other payables”. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm’s length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognized in accordance with the Group’s policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognized in profit or loss on initial recognition of any deferred income.

2. 主要會計政策概要 (續)

(v) 所發出財務擔保、撥備及或有負債

(i) 所發出財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債務工具條款於到期時付款而蒙受的損失，向該名持有人償付特定款項的合同。

倘本集團發出財務擔保，該擔保的公允值初始確認為「貿易及其他應付款項」內的遞延收入。於發出時所發出的財務擔保的公允值乃參考就類似服務所收取的公平交易費用(如可獲得有關資料)釐定，或經比較貸方於有擔保的情況下實際收取的利率與貸方於無擔保的情況下應收取的估計利率(如能可靠估計該等資料)，依照利率差額另行估計。倘在發出該擔保時收取或可收取對價，該對價則根據適用於該類別資產的本集團政策予以確認。倘並無已收或應收對價，則於初始確認任何遞延收入時，於損益內確認即時開支。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

The amount of the guarantee initially recognized as deferred income is amortized in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognized in accordance with note 2(v)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in "Trade and other payables" in respect of that guarantee i.e. the amount initially recognized, less accumulated amortization.

(ii) Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 主要會計政策概要 (續)

(v) 所發出財務擔保、撥備及或有負債 (續)

(i) 所發出財務擔保 (續)

初始確認為遞延收入的擔保金額於損益內按擔保的年期作為已發出財務擔保的收入攤銷。此外，倘(i)擔保持有人有可能根據擔保要求本集團付款；及(ii)向本集團提出的申索金額預期超過現時就該擔保於「貿易及其他應付款項」(即初始確認金額)列賬的金額減累計攤銷時，撥備將根據附註2(v)(ii)確認。

(ii) 撥備及或有負債

倘若本集團或本公司須就過往事件承擔法律或推定義務，而履行該義務預期會導致經濟利益外流，並可作出可靠的估計，便會就未確定時間或金額的負債確認撥備。如果金錢的時間價值重大，則按預計履行義務所需開支的現值計提撥備。

當可能不會導致經濟利益流出，或是無法可靠地估計有關金額，便會將該義務披露為或有負債；但假如經濟利益外流的可能極低則除外。須視乎某項或多項未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或有負債；但假如經濟利益外流的可能極低則除外。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in profit or loss as follows:

(i) Sale of goods

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

- the significant risks and rewards of ownership of the goods have been transferred to buyers; and
- the Group does not retain continuing managerial involvement to the degree usually associated with ownership of the goods sold, and has no effective control over the goods sold.

Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

2. 主要會計政策概要 (續)

(w) 收入確認

收入按已收或應收對價的公允價值計量。倘經濟利益可能流入本集團以及收入及成本(如適用)又能可靠地計算時，收入會根據以下方式於損益確認：

(i) 銷售貨品

收入於上文所列的全部一般條件及下列條件達成時確認：

- 貨品所有權的重大風險及報酬已轉移至買方；及
- 本集團並無保留一般與出售貨品的所有權有關的持續管理參與權，亦無出售貨品的有效控制權。

收入不包括增值稅或其他銷售稅，並於扣除任何貿易折扣後計算。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Revenue recognition (Continued)

(ii) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- revenue from a fixed price contract is recognized using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimated total contract costs, surveys of work performed or completion of a physical proportion of the contract work for the contract. A fixed price contract is a contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses; and
- revenue from a cost plus contract is recognized by reference to the recoverable costs incurred during the period plus an appropriate proportion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs, surveys of work performed or completion of a physical proportion of the contract work for the contract. A cost plus contract is a contract in which the contractor is reimbursed for allowable or otherwise defined costs, plus a percentage of these costs or a fixed fee.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that it is probable will be recoverable.

2. 主要會計政策概要 (續)

(w) 收入確認 (續)

(ii) 合同收入

倘建造合同的結果能可靠地估計時：

- 來自固定價格合同的收入採用完成百分比法確認，乃參考迄今為止已產生的合同成本相當於該合同的合同成本總額的百分比、已完成的測量工作或合同工程的實際完成情況計量。固定價格合同為一份承包商同意當中的固定合同價格或每單位產量的固定比率的合同，在某些情況下受限於成本上漲條款；及
- 來自成本加成合同的收入，乃參考於該期間產生的可收回成本加費用總額的適當比例確認，乃參考迄今為止所產生的成本相當於該合同成本總額的比例、已執行的測量工作或合同工程的實際完成情況計算。成本加成合同乃承包商可獲償還開支範圍內或額外界定的成本，加上該等成本的特定百分比或固定費用的合同。

倘建造合同的結果不能被可靠地估計，收入僅以所產生合同成本可能收回的部分確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Revenue recognition (Continued)

(iii) Revenue from services

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

- at the balance sheet date, where the outcome of a transaction involving the rendering of services can be estimated reliably, revenue from the rendering of services is recognized in the income statement by reference to the stage of completion of the transaction based on the progress of work performed, the proportion of services performed to date to the total services to be performed, or the proportion of costs incurred to date to the estimated total costs; or
- where the outcome of rendering of services cannot be estimated reliably, if the costs incurred are expected to be recoverable, revenues are recognized to the extent of the costs incurred that are expected to be recoverable, and an equivalent amount is charged to profit or loss as service cost; if the costs incurred are not expected to be recoverable, the costs incurred are recognized in profit or loss and no service revenue is recognized.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognized in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognized in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognized as income in the accounting period in which they are earned.

2. 主要會計政策概要 (續)

(w) 收入確認 (續)

(iii) 服務收入

提供服務產生的收入根據如下合同或協議按已收或應收對價的公允值計量：

- 資產負債表結算日的合同或協議，當中涉及所提供服務交易的結果能可靠估計的，提供服務產生的收入根據已進行工作進度，迄今為止已提供服務與須提供的服務總量的比例，或迄今為止已產生成本與估計成本總額的比例，參考交易的完成階段於損益表中確認；或
- 當中涉及所提供服務的結果不能可靠估計的，如已產生的成本預期可收回，收入按預期可回的已產生成本確認，與服務成本相當的金額乃於損益中扣除；如已產生成本預期無法收回，已產生成本於損益中確認，而並不確認任何服務收入。

(iv) 經營租賃的租金收入

根據經營租賃應收的租金收入乃於租賃期所涵蓋的期間以等額分期於損益確認，除非其他基準更能代表租賃資產所產生的收益模式，則作別論。已授出租賃優惠乃作為應收租賃淨付款總額的一部分於損益中確認。或有租金於賺取的會計期間內確認為收入。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Revenue recognition (Continued)

(v) Interest income

Interest income is recognized as it accrues using the effective interest method.

(vi) Dividends

Dividend income from unlisted investments is recognized when the shareholder's right to receive payment is established.

(vii) Government grants

Government grants are recognized in the balance sheet initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognized initially as deferred income and consequently are effectively recognized in profit or loss on a systematic basis over the useful life of the asset.

2. 主要會計政策概要 (續)

(w) 收入確認 (續)

(v) 利息收入

利息收入乃採用實際利率法於產生利息時確認。

(vi) 股息

非上市投資的股息收入於股東收取付款的權利確定時確認。

(vii) 政府補貼

政府補貼在合理確保本集團可收取且能符合政府補貼所附條件的情況下於資產負債表內初始確認。用以補償本集團已產生開支的補貼，應在開支產生的同期以系統的基準於損益確認為收入。用以補償本集團一項資產成本的補貼則初步確認為遞延收入，其後在該資產的可使用年期內按系統基準於損益實際確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognized.

2. 主要會計政策概要 (續)

(x) 外幣換算

於年內進行的外幣交易以交易日的外匯匯率換算。於報告期末以外幣為單位計量的貨幣資產及負債按該日的外匯匯率換算。匯兌損益則計入損益。

按歷史成本以外幣為單位計量之非貨幣資產及負債，按交易日的匯率換算。以公允值列賬的以外幣計值的非貨幣資產及負債按計量其公允值當日的匯率換算。

境外業務的業績乃按與交易日的外匯匯率相若的匯率換算為人民幣。資產負債表項目乃按報告期末的收市外匯匯率換算為人民幣。產生的匯兌差額在其他綜合收益內確認並於匯兌儲備中作為單獨的權益項目累積。

於處置境外業務時，有關境外業務的匯兌差額的累計金額於處置的損益確認時從權益重新撥入損益。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalization of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(z) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.

2. 主要會計政策概要 (續)

(y) 借貸成本

凡直接與購置、施工或生產某項資產(該資產必須經過頗長時間籌備以作預定用途或出售)有關的借貸成本，均資本化為該資產成本的一部分。其他借貸成本均於產生期間內列為開支。

為合資格資產成本一部分的借貸成本在於資產產生開支時、產生借貸成本時及使資產投入預定用途或出售所必須的準備工作進行期間開始資本化。在準備合資格資產投入其預定用途或出售所必須的絕大部分準備工作中止或完成時，借貸成本資本化便會暫停或停止。

(z) 關聯方

- (a) 倘屬以下人士，則該人士或該人士的近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in 2(z)(a).
 - (vii) A person identified in 2(z)(a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 主要會計政策概要 (續)

(z) 關聯方 (續)

- (b) 倘符合下列任何條件，則實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關聯）。
 - (ii) 實體為另一實體的聯營公司或合營公司（或另一實體所隸屬集團旗下成員公司的聯營公司或合營公司）。
 - (iii) 兩間實體均為同一第三方的合營公司。
 - (iv) 實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃。
 - (vi) 實體受2(z)(a)所識別人士控制或受共同控制。
 - (vii) 於2(z)(a)(i)所識別人士對實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員。

一名人士的近親為預計彼等在與該實體進行交易時可影響該名人士或受該名人士影響的近親。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in these financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES IN APPLYING THE GROUP'S ACCOUNTING POLICIES

The Group's financial condition and results of operations are sensitive to accounting methods, assumptions and estimates that underlie the preparation of the financial statements. The Group bases the assumptions and estimates on historical experience and on various other assumptions that the Group believes to be reasonable and which form the basis for making judgments about matters that are not readily apparent from other sources. On an on-going basis, management evaluates its estimates. Actual results may differ from those estimates as facts, circumstances and conditions change.

2. 主要會計政策概要 (續)

(aa) 分部報告

經營分部及各分部項目於該等財務報表所呈報的金額與定期提供給本集團最高級執行管理層以向本集團的各營業分部及地理分佈分配資源以及評估其表現的財務資料一致。

個別重大經營分部不會因財務報告目的而進行合併，但各分部具有類似的經濟性質，以及產品與提供的服務性質、生產過程的性質、客戶類型或級別、分銷產品或提供服務所用的方法及監管環境的性質類似的情況除外。不屬重大個別經營分部倘符合上述絕大部分標準則可能進行合併。

3. 應用本集團會計政策的主要會計判斷及假設

本集團的財務狀況及經營業績會受編製財務報表有關的會計方法、假設及估計所影響。本集團根據過往經驗及本集團認為合理的其他不同假定作出假設及估計，且以該等經驗及假設為基準，對未能從其他來源確定的事宜作出判斷。管理層會持續對其估計作出評估。由於實際情況、環境及狀況的改變，故實際結果可能有別於該等估計。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES IN APPLYING THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

The selection of critical accounting policies, the judgments and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered when reviewing the financial statements. The principal accounting policies are set forth in note 2. The Group believes the following critical accounting policies involve the most significant judgments and estimates used in the preparation of the financial statements.

(a) Construction contracts

As explained in the accounting policy notes 2(n) and 2(v) (ii), revenue and profit recognition on an uncompleted project is dependent on estimating the total outcome of the construction contract, as well as the work done to date. Based on the Group's recent experience and the nature of the construction activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached the amounts due from customers for contract work as disclosed in note 22 will not include profit which the Group may eventually realize from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognized in future years as an adjustment to the amounts recorded to date.

3. 應用本集團會計政策的主要會計判斷及假設 (續)

在審閱財務報表時，須考慮重要會計政策的選擇、對應用該等政策產生影響的判斷及其他不確定因素，以及已呈報業績對狀況及假設變動的敏感度。主要會計政策載列於附註2。本集團相信，以下主要會計政策涉及編製財務報表時所使用的最重要的判斷及估計。

(a) 建造合同

誠如附註2(n)及2(v)(ii)的會計政策所述，就未完工項目確認的收入及溢利取決於對建造合同總成果及迄今完工進度的估計。根據本集團的近期經驗及本集團承攬的施工活動的性質，本集團在其認為工程的進度足以可靠估計完工成本及收入時作出估計。因此，在達到該階段前，附註22所披露的應收客戶合同工程款項將不包括本集團於迄今工程完工時最終可實現的溢利。此外，以成本總額或收入計算的實際金額或會高於或低於報告期末所作的估計，因此，須就迄今記錄的數額作出調整，繼而對於未來年度確認的收入及溢利造成影響。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES IN APPLYING THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

(b) Impairment of non-current assets

If circumstances indicate that the carrying amount of a non-current asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognized in accordance with accounting policy for impairment of non-current assets as described in note 2(m)(ii). The carrying amounts of non-current assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever the events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of its fair value less costs to sell and the value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgment relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or reversal of impairment in future periods, where applicable.

3. 應用本集團會計政策的主要會計判斷及假設 (續)

(b) 非流動資產的減值

倘有情況顯示非流動資產的賬面值或未能收回，則有關資產或被視為「已減值」，並可能根據附註2(m)(ii)所述的非流動資產減值的會計政策確認減值虧損。非流動資產的賬面值會定期審閱，以評估可收回金額是否降至低於賬面值。只要有任何事件或情況變動顯示資產所記錄的賬面值或未能收回，即就該等資產進行減值測試。倘出現減值，賬面值將撇減至其可收回金額。可收回金額以公允值減出售成本與使用價值之較大者為準。於釐定使用價值時，預期資產所產生的未來現金流量將折現至其現值，而此需要就有關收入水平及經營成本金額作出重大判斷。本集團乃採用一切可用資料以釐定可收回金額的合理約數，包括根據合理及具支持基礎的假設及預測收入水平及經營成本金額進行估計。該等估計的變動可對資產的賬面值產生重大影響，並可導致額外減值開支或於日後期間撥回減值(如適用)。

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財務報表附註

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(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES IN APPLYING THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

(c) Impairment losses for bad and doubtful debts

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers and other debtors to make the required payments. The Group bases the estimates on the aging of the receivable balance, debtors' credit-worthiness, and historical write-off experience. If the financial condition of the customers and debtors were to deteriorate, actual write-offs would be higher than estimated.

(d) Retirement benefits

The Group establishes liabilities in connection with benefits paid to certain retired and early retired employees. The amounts of employee benefits expense and liabilities are determined using actuarial valuations, which are calculated by independent valuation professionals who conduct annual assessment of the actuarial position of the Group's retirement plans. These actuarial valuations involve making assumptions on discount rates, pension benefit increase rates, medical benefit increase rates, and other factors. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

Actual results that differ from the assumptions are recognized immediately and therefore, affect other comprehensive income in the period in which such differences arise. While management believes that its assumptions are appropriate, differences in actual experiences or changes in assumptions may affect other comprehensive income related to the employee retirement benefit obligations.

3. 應用本集團會計政策的主要會計判斷及假設 (續)

(c) 呆壞賬減值虧損

本集團就客戶及其他債務人無力支付要求款項導致的呆壞賬估計減值虧損。本集團根據應收賬款結餘的賬齡、債務人的信譽及過往撇銷情況進行估計。倘客戶及債務人的財務狀況惡化，實際撇銷的款額將高於估計。

(d) 退休福利

本集團就向若干退休及提前退休的僱員支付的福利確立負債。該等僱員福利支出及負債的金額乃採用獨立專業估值人士所作的精算估值釐定。獨立專業估值人士每年均對本集團退休計劃的精算狀況進行評估。該等精算估值涉及對折現率、養老金福利通脹比率、醫療福利增長率及其他因素作出的假設。鑑於該等計劃的長期性，上述估計具有重大不確定性。

實際結果與假設的差異於確認時立即確認，因而會對於發生有關差異期間內的其他綜合收益造成影響。儘管管理層認為其假設屬適當，實際經驗的差異或假設的變動或會影響與僱員退休福利責任有關的其他綜合收益。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
(Expressed in Renminbi unless otherwise stated) (除另有註明外，以人民幣列示)

3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES IN APPLYING THE GROUP'S ACCOUNTING POLICIES (CONTINUED)

(e) Recognition of deferred tax assets

Deferred tax assets in respect of unused tax losses and tax credit carried forward and deductible temporary differences are recognized and measured based on the expected manner of realization or settlement of the carrying amount of the assets, using tax rates enacted or substantively enacted at the end of the reporting period. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgment exercised by the management. Any change in such assumptions and judgment would affect the carrying amounts of deferred tax assets to be recognized and hence the net profit in future years.

(f) Income tax

The Group files income taxes with a number of tax authorities. Judgment is required in determining the provision for taxation. There are many transactions and calculations for which the ultimate tax determinations are uncertain during the ordinary course of business. Where the final tax outcomes of these matters are different from the amounts originally recorded, the differences may impact the current income tax and deferred income tax provisions in the periods in which the final tax outcomes became available.

3. 應用本集團會計政策的主要會計判斷及假設 (續)

(e) 確認遞延稅項資產

有關已結轉未動用稅務虧損及稅務抵免以及可抵扣暫時差額的遞延稅項資產，會運用於報告期末已頒佈或實質上已頒佈的稅率，按照資產賬面值的預期變現或結算方式確認及計量。在釐定遞延稅項資產的賬面值時，會對預期應課稅溢利作出估計，當中涉及多項有關本集團經營環境的假設，並要求管理層作出重大判斷。倘有關假設及判斷出現任何變動，均會影響將予確認的遞延稅項資產的賬面值，從而影響未來年度的淨溢利。

(f) 所得稅

本集團須向多個稅務機關繳付所得稅。在釐定稅項撥備時須作出判斷。在正常業務過程中，若干交易及計算的最終稅項並不確定。當有關事項的最終稅務結果有別於初始記錄金額時，有關差異或會影響最終稅務結果確定期間的當期所得稅及遞延所得稅撥備。

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財務報表附註

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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.

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

		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	15,385,648	13,244,660
Sales of goods in trading business	貿易業務中的商品銷售	4,907,806	7,163,140
Others (note (i))	其他 (附註(i))	1,132,818	888,263
		21,426,272	21,296,063

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.

For the years ended December 31, 2012 and 2013, there was no revenue from an external customer accounted for more than 10% of total revenue of the Group.

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。

本集團的收入分析如下：

	2013	2012
	2013年	2012年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Revenue from construction contracts	15,385,648	13,244,660
Sales of goods in trading business	4,907,806	7,163,140
Others (note (i))	1,132,818	888,263
	21,426,272	21,296,063

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。

截至2012年及2013年12月31日止年度，概無一名外部客戶的收入佔本集團收入總額逾10%。

Notes to the Financial Statements

財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
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5. OTHER REVENUE

5. 其他收入

		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	9,907	9,745
Government grants	政府補貼	2,443	2,240
		12,350	11,985

6. OTHER INCOME, NET

6. 其他收入淨額

		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	處置物業、廠房及設備 (虧損)/收益淨額	(2,016)	17
Net gains on disposal of an unquoted equity security	處置非流通股本證券的 收益淨額	2,165	-
Net gains on disposal of interests in a subsidiary with loss in control (note 18(ii))	處置一家附屬公司的 權益的收益淨額， 並失去控制權(附註18(ii))	175,649	-
Net gains on foreign currency forward exchange contracts and interest rate swaps	遠期外匯合同及利率掉期的 收益淨額	178,056	5,009
Others	其他	(378)	5,104
		353,476	10,130

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財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
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7. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/crediting:

(a) Finance income and finance expenses

		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Finance income on receivables from customers	應收客戶款項的財務收入	266,134	276,411
Interest income	利息收入	471,731	306,581
		<hr/>	<hr/>
Finance income	財務收入	737,865	582,992
		<hr/>	<hr/>
Interest cost recognized in respect of defined benefit retirement plans (note 28(a)(iii))	就設定收益退休計劃確認的利息成本 (附註28(a)(iii))	13,540	14,140
Interest expenses on borrowings wholly repayable within five years	須於五年內悉數償還的借貸的利息開支	7,073	10,643
Interest expenses on other borrowings	其他借貸的利息開支	206	115
Foreign exchange losses/(gains), net	外匯虧損/(收益)淨額	368,383	(2,341)
Bank charges and others	銀行費用及其他	12,511	7,713
		<hr/>	<hr/>
Finance expenses	財務開支	401,713	30,270
		<hr/>	<hr/>
Net finance income recognized in profit or loss	於損益確認的財務收入淨額	336,152	552,722

* There was no borrowing cost capitalized for the year ended December 31, 2012 and 2013.

* 截至2012年及2013年12月31日止年度，概無借貸成本資本化。

(b) Staff costs

		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Contributions to defined contribution retirement plans	設定供款退休計劃的供款	92,443	77,656
Expenses recognized in respect of defined benefit retirement plans (note 28(a)(iii))	就設定收益退休計劃確認的開支 (附註28(a)(iii))	430	2,800
Salaries, wages and other benefits	薪金、工資及其他福利	1,087,404	956,672
		<hr/>	<hr/>
		1,180,277	1,037,128

7. 除稅前溢利

除稅前溢利已扣除/計入：

(a) 財務收入及財務開支

		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Finance income on receivables from customers	應收客戶款項的財務收入	266,134	276,411
Interest income	利息收入	471,731	306,581
		<hr/>	<hr/>
Finance income	財務收入	737,865	582,992
		<hr/>	<hr/>
Interest cost recognized in respect of defined benefit retirement plans (note 28(a)(iii))	就設定收益退休計劃確認的利息成本 (附註28(a)(iii))	13,540	14,140
Interest expenses on borrowings wholly repayable within five years	須於五年內悉數償還的借貸的利息開支	7,073	10,643
Interest expenses on other borrowings	其他借貸的利息開支	206	115
Foreign exchange losses/(gains), net	外匯虧損/(收益)淨額	368,383	(2,341)
Bank charges and others	銀行費用及其他	12,511	7,713
		<hr/>	<hr/>
Finance expenses	財務開支	401,713	30,270
		<hr/>	<hr/>
Net finance income recognized in profit or loss	於損益確認的財務收入淨額	336,152	552,722

* 截至2012年及2013年12月31日止年度，概無借貸成本資本化。

(b) 員工成本

		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Contributions to defined contribution retirement plans	設定供款退休計劃的供款	92,443	77,656
Expenses recognized in respect of defined benefit retirement plans (note 28(a)(iii))	就設定收益退休計劃確認的開支 (附註28(a)(iii))	430	2,800
Salaries, wages and other benefits	薪金、工資及其他福利	1,087,404	956,672
		<hr/>	<hr/>
		1,180,277	1,037,128

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財務報表附註

For the year ended December 31, 2013 • 截至2013年12月31日止年度
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7. PROFIT BEFORE TAXATION (CONTINUED)

7. 除稅前溢利 (續)

(c) Other items

(c) 其他項目

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amortization	攤銷		
– lease prepayments	– 預付租賃款項	39,843	36,458
– intangible assets	– 無形資產	2,326	1,944
		42,169	38,402
Depreciation	折舊		
– property, plant and equipment	– 物業、廠房及設備	37,983	58,113
– investment properties	– 投資物業	882	2,287
		38,865	60,400
Impairment losses on	減值虧損		
– trade and other receivables	– 貿易及其他應收款項	59,398	123,004
– construction contracts (note (i))	– 建造合同應收款項 (附註(i))	5,476	2,164
		64,874	125,168
Operating lease charges	經營租賃費用		
– hire of properties	– 租用物業	25,067	19,787
– hire of other assets	– 租用其他資產	1,635	59
		26,702	19,846

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7. PROFIT BEFORE TAXATION (CONTINUED)

7. 除稅前溢利 (續)

(c) Other items (Continued)

(c) 其他項目 (續)

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Auditors' remuneration	核數師薪酬		
– audit services	– 審計服務	5,902	5,996
– tax services	– 稅務服務	16	496
– other services	– 其他服務	3,000	11,300
		8,918	17,792
Provision for foreseeable losses on construction contracts	建造合同預計虧損撥備	53,971	2,788
Rental income from investment properties	來自投資物業的租賃收入		
– Gross rental	– 毛租金	20,284	22,842
– Direct outgoings	– 直接支出	(3,519)	(4,081)
– Net rental	– 淨租金	16,765	18,761
Cost of inventories (note (ii))	存貨成本 (附註(ii))	4,451,323	6,469,206

Notes:

- (i) The impairment loss made on the construction contracts in years of 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 years of 2012 and 2013.
- (ii) Cost of inventories includes RMB6,811,000 (2012: RMB5,410,000) relating to staff costs, depreciation and amortization expenses and operating lease charges, which amount is also included in the respective total amounts disclosed separately above or in note 7(b) for each of these types of expenses.

附註:

- (i) 於2012年及2013年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2012年及2013年度注意到特定債務人的重大財務困難的證據的結果。
- (ii) 存貨成本包括與員工成本、折舊及攤銷開支及經營租賃費用有關的成本人民幣6,811,000元(2012年：人民幣5,410,000元)，有關金額亦已計入上文或附註7(b)就該等開支逐類個別披露的相關總金額內。

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8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Current tax	本期稅項		
– PRC Corporate Income Tax	– 中國企業所得稅	702,121	718,347
– Hong Kong Profits Tax	– 香港利得稅	232	48
– Others	– 其他	25,551	18,287
		727,904	736,682
Deferred tax (note 29(b))	遞延稅項 (附註29(b))	(24,040)	(48,966)
		703,864	687,716

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 years ended December 31, 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 years ended December 31, 2012 and 2013, except for two subsidiaries of the Group, being a small-scale enterprise, is entitled to a preferential income tax rate of 20% for the years ended December 31, 2012 and 2013.

8. 合併綜合收益表內的所得稅

(a) 合併綜合收益表內的所得稅包含：

本集團須就本集團成員公司於所處或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12月31日止年度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12月31日止年度須按法定稅率25%繳付中國企業所得稅開支，惟本集團兩家附屬公司（為小規模企業）可於截至2012年及2013年12月31日止年度享有20%的優惠所得稅稅率。

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8. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

8. 合併綜合收益表內的所得稅 (續)

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

(b) 採用適用稅率計算之稅項開支與會計溢利對賬：

		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	2,664,105	2,615,878
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	665,929	654,667
Tax concessions	稅務寬減	(23)	(3)
Effect of non-deductible expenses	不可抵扣開支之影響	24,979	26,606
Effect of non-taxable income	非應課稅收入之影響	(2,351)	(2,415)
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	14,375	8,685
Others	其他	955	176
Actual tax expense	實際稅項開支	703,864	687,716

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9. DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of directors' and supervisors' emoluments are as follows:

9. 董事及監事薪酬

董事及監事薪酬的詳情如下：

	Directors' and Supervisors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total	
	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	
Year ended December 31, 2013 截至2013年12月31日止年度						
Executive Directors:	執行董事：					
Mr. Sun Bai	孫柏先生	-	209	426	16	651
Mr. Yang Wansheng	楊萬勝先生	-	209	426	14	649
Ms. Li Taifang	李太芳女士	-	501	1,023	36	1,560
Mr. Zhang Chun	張淳先生	-	501	1,023	36	1,560
Non-executive Directors:	非執行董事：					
Mr. Pan Chongyi	潘崇義先生	50	32	-	-	82
Mr. Wang Zhian	王治安先生	50	32	-	-	82
Independent non-executive Directors:	獨立非執行董事：					
Mr. Liu Li	劉力先生	238	-	-	-	238
Ms. Liu Hongyu	劉紅宇女士	238	-	-	-	238
Mr. Fang Yongzhong	方永忠先生	238	-	-	-	238
Mr. Chan Kin Ho	陳建豪先生	238	-	-	-	238
Supervisors:	監事：					
Mr. Quan Huaqiang	全華強先生	-	-	-	-	-
Mr. Qian Xiangdong	錢向東先生	-	-	-	-	-
Mr. Bai Ming	白明先生	-	520	-	36	556
		1,052	2,004	2,898	138	6,092

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9. DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

9. 董事及監事薪酬 (續)

	Directors' and Supervisors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
	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
Year ended December 31, 2012	截至2013年12月31日止年度				
Executive Directors:	執行董事：				
Mr. Yang Wansheng	–	501	769	33	1,303
Ms. Li Taifang	–	541	1,369	33	1,943
Mr. Jia Zhiqiang	–	160	99	7	266
Mr. Zhang Chun	–	494	1,340	33	1,867
Non-executive Directors:	非執行董事：				
Mr. Pan Chongyi	50	20	–	–	70
Mr. Wang Zhian	50	20	–	–	70
Independent non-executive Directors:	獨立非執行董事：				
Mr. Liu Li	50	21	–	–	71
Ms. Liu Hongyu	50	20	–	–	70
Mr. Fang Yongzhong	50	21	–	–	71
Mr. Chan Kin Ho	–	6	–	–	6
Supervisors:	監事：				
Mr. Quan Huaqiang	–	–	–	–	–
Mr. Qian Xiangdong	–	–	–	–	–
Mr. Bai Ming	–	351	13	33	397
	250	2,155	3,590	139	6,134

Note: Mr. Yang Wansheng was retired his position as the Chairman and Executive Director of the Company on April 19, 2013. Mr. Sun Bai was appointed as Chairman and Executive Director of the Company on April 19, 2013.

附註：楊萬勝先生於2013年4月19日辭任本公司董事長兼執行董事。孫柏先生於2013年4月19日獲委任為本公司董事長兼執行董事。

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10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2012: two) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of other three (2012: three) individuals are as follows:

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	薪金及其他薪酬	1,278	1,456
Discretionary bonuses	酌情花紅	2,608	3,162
Retirement scheme contributions	退休計劃供款	108	98
		3,994	4,716

The emoluments of the three (2012: three) individuals with the highest emoluments are within the following bands:

		2013	2012
		2013年	2012年
		Number of	Number of
		individuals	individuals
		人數	人數
HKD1,500,001 to HKD2,000,000	1,500,001港元至 2,000,000港元	3	3

10. 最高薪酬人士

五名最高薪酬人士中，兩名（2012年：兩名）為董事，彼等的薪酬於附註9披露。另外三名（2012年：三名）人士的薪酬總額如下：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	薪金及其他薪酬	1,278	1,456
Discretionary bonuses	酌情花紅	2,608	3,162
Retirement scheme contributions	退休計劃供款	108	98
		3,994	4,716

三名（2012年：三名）最高薪酬人士的薪酬在以下範圍內：

		2013	2012
		2013年	2012年
		Number of	Number of
		individuals	individuals
		人數	人數
HKD1,500,001 to HKD2,000,000	1,500,001港元至 2,000,000港元	3	3

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11. PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to shareholders of the Company includes a profit of RMB1,849,218,000 (2012: RMB1,745,569,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

11. 歸屬於本公司股東的溢利

歸屬於本公司股東的合併溢利包括已於本公司財務報表入賬的溢利人民幣1,849,218,000元(2012年：人民幣1,745,569,000元)。

上述金額與本公司年內溢利對賬如下：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount of consolidated profit attributable to shareholders dealt with in the Company's financial statements	於本公司財務報表入賬的歸屬於股東的合併溢利金額	1,849,218	1,745,569
Final dividends from subsidiaries attributable to the profits of the previous financial year, approved during the year	歸屬於上一財年溢利並於本年批准的來自附屬公司的末期股息	96,803	65,798
Impairment losses of subsidiaries and associates	附屬公司及聯營公司的減值虧損	(5,240)	(984)
Company's profit for the year (note 30(a))	本公司年內溢利(附註30(a))	1,940,781	1,810,383

Details of dividends paid and payable to shareholders of the Company are set out in note 30(b).

已付及應付本公司股東的股息詳情載於附註30(b)。

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12. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company for the year ended December 31, 2013 of RMB1,959,257,000 (2012: RMB1,927,689,000) and the weighted average number of shares in issue of 4,125,405,000 (2012: 3,321,638,000). The weighted average number of shares in issue is set out below:

		2013	2012
		2013年	2012年
		Thousands	Thousands
		shares	shares
		千股	千股
Issued shares at January 1	於1月1日的已發行股份	4,018,000	3,300,000
Effect of shares issued in 2013	2013年發行股份的影響	107,405	21,638
Weighted average number of shares at December 31	於12月31日的加權平均股數	4,125,405	3,321,638

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

13. 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.

12. 每股盈利

每股基本盈利乃按截至2013年12月31日止年度歸屬於本公司股東的溢利人民幣1,959,257,000元（2012年：人民幣1,927,689,000元）及已發行的加權平均股數4,125,405,000股（2012年：3,321,638,000股）計算。已發行的加權平均股數載列如下：

	2013	2012
	2013年	2012年
	Thousands	Thousands
	shares	shares
	千股	千股
Issued shares at January 1	4,018,000	3,300,000
Effect of shares issued in 2013	107,405	21,638
Weighted average number of shares at December 31	4,125,405	3,321,638

在呈列年度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。

13. 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。

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13. SEGMENT REPORTING (CONTINUED)

- 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.

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.

13. 分部報告 (續)

- 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（不包括應付薪金、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。

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。

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13. SEGMENT REPORTING (CONTINUED)

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

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 years ended December 31, 2012 and 2013 is set out below:

13. 分部報告 (續)

(a) 分部業績、資產及負債 (續)

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12月31日止年度，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：

		Year ended December 31, 2013 截至2013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
Revenue from external customers	來自外部客戶的收入	15,385,648	4,907,806	1,132,818	21,426,272
Inter-segment revenue	分部間收入	-	265,705	426,583	692,288
Reportable segment revenue	可報告分部收入	15,385,648	5,173,511	1,559,401	22,118,560
Reportable segment profit	可報告分部溢利	2,116,699	2,791	121,112	2,240,602
Interest income on receivables from customers	應收客戶款項的利息收入	266,134	-	-	266,134
Interest expenses	利息開支	4,109	3,170	-	7,279
Depreciation and amortization	折舊及攤銷	-	-	1,158	1,158
Provision of impairment losses	減值虧損撥備				
- trade and other receivables	- 貿易及其他應收款項	43,640	4,591	11,167	59,398
- construction contracts	- 建造合同應收款項	5,476	-	-	5,476
- foreseeable losses on construction contracts	- 建造合同預計虧損	53,971	-	-	53,971
Reportable segment assets	可報告分部資產	8,309,516	1,997,682	799,250	11,106,448
- capital expenditure	- 資本開支	-	-	-	-
Reportable segment liabilities	可報告分部負債	15,924,759	2,312,069	749,367	18,986,195

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13. SEGMENT REPORTING (CONTINUED)

13. 分部報告 (續)

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

(a) 分部業績、資產及負債 (續)

		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
Revenue from external customers	來自外部客戶的收入	13,244,660	7,163,140	888,263	21,296,063
Inter-segment revenue	分部間收入	-	-	462,318	462,318
Reportable segment revenue	可報告分部收入	13,244,660	7,163,140	1,350,581	21,758,381
Reportable segment profit	可報告分部溢利	2,009,305	168,500	228,355	2,406,160
Interest income on receivables from customers	應收客戶款項的利息收入	273,904	2,507	-	276,411
Interest expenses	利息開支	6,862	3,892	4	10,758
Depreciation and amortization	折舊及攤銷	-	-	2,587	2,587
Provision of impairment losses	減值虧損撥備				
- trade and other receivables	- 貿易及其他應收款項	82,301	37,741	12,695	132,737
- construction contracts	- 建造合同應收款項	2,164	-	-	2,164
- foreseeable losses on construction contracts	- 建造合同預計虧損	2,788	-	-	2,788
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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13. SEGMENT REPORTING (CONTINUED)

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

13. 分部報告 (續)

(b) 可報告分部收入、溢利/(虧損)、資產及負債的對賬

		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	22,118,560	21,758,381
Elimination of inter-segment revenue	分部間收入抵銷	(692,288)	(462,318)
		21,426,272	21,296,063
Profit	溢利		
Reportable segment profit	可報告分部溢利	2,240,602	2,406,160
Share of profits less losses of associates	應佔聯營公司溢利減虧損	(199)	(86)
Other revenue	其他收入	9,907	9,745
Other income, net	其他收入淨額	172,441	(143)
Other operating expenses	其他經營開支	(602)	(328)
Interest income from bank deposits	來自銀行存款的利息收入	471,731	306,581
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	(13,540)	(14,140)
Foreign exchange losses, net	匯兌虧損淨額	(136,359)	(5,429)
Depreciation and amortization	折舊及攤銷	(79,876)	(96,215)
Reversal of impairment losses on other receivables	其他應收款項減值虧損撥回	-	9,733
		2,664,105	2,615,878

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13. SEGMENT REPORTING (CONTINUED)

13. 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)

		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Assets	資產		
Reportable segment assets	可報告分部資產	11,106,448	13,416,545
Elimination of inter-segment receivables	分部間應收款項抵銷	(635,266)	(412,984)
		10,471,182	13,003,561
Restricted deposits	受限制存款	251,435	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	3,622,336	6,472,079
Cash and cash equivalents	現金及現金等價物	14,550,166	12,089,395
Property, plant and equipment	物業、廠房及設備	485,012	444,205
Lease prepayments	預付租賃款項	1,776,129	1,814,951
Intangible assets	無形資產	7,919	7,659
Interest in associates	聯營公司權益	215	413
Deferred tax assets	遞延稅項資產	154,577	131,311
Other non-current assets	其他非流動資產	343,944	253,952
Other unallocated assets	其他未分配資產	290,249	104,952
		31,953,164	34,769,829
Liabilities	負債		
Reportable segment liabilities	可報告分部負債	18,986,195	23,348,148
Elimination of inter-segment payables	分部間應付款項抵銷	(635,266)	(412,984)
		18,350,929	22,935,164
Retirement and other supplemental benefit obligation	退休及其他補充 福利義務	356,690	397,200
Accrued salaries, wages and benefits	應計薪金、工資及福利	655,507	557,407
Income tax payable	應付所得稅	276,014	451,258
Deferred tax liabilities	遞延稅項負債	-	774
Other unallocated liabilities	其他未分配負債	557,963	510,603
		20,197,103	24,852,406

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13. SEGMENT REPORTING (CONTINUED)

(c) Geographic information

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.

13. 分部報告 (續)

(c) 地理區域資料

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。

		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)	2,555,267	2,403,451
The Republic of Iraq	伊拉克共和國	2,486,528	2,208,441
Venezuela	委內瑞拉	2,414,504	159,375
Turkey	土耳其	1,705,416	1,093,373
Belarus	白俄羅斯	1,581,366	1,899,738
Equatorial Guinea	赤道幾內亞	1,089,825	1,269,250
Sri Lanka	斯里蘭卡	994,791	2,081,669
Nigeria	尼日利亞	984,034	452,983
Angola	安哥拉	920,578	1,418,008
The Republic of Congo	剛果共和國	883,468	670,610
Others	其他	5,810,495	7,639,165
		21,426,272	21,296,063
Specified non-current assets	特定非流動資產		
China (Mainland)	中國(大陸)	2,514,513	2,523,083
Others	其他	19,449	26,005
		2,533,962	2,549,088

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

The Group

本集團

		Buildings	Motor vehicles	Office and other equipments	Construction in progress	Total
		樓宇	汽車	辦公及其他設備	在建工程	總計
		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
Cost:	成本：					
At January 1, 2012	於2012年1月1日	458,030	82,329	52,498	18,061	610,918
Additions	添置	10,905	34,045	10,562	42,038	97,550
Transfer from investment properties	撥自投資物業	28,530	-	-	-	28,530
Disposals	處置	(30,503)	(9,372)	(2,631)	-	(42,506)
Exchange adjustments	匯兌調整	397	(181)	82	-	298
At December 31, 2012	於2012年12月31日	467,359	106,821	60,511	60,099	694,790
At January 1, 2013	於2013年1月1日	467,359	106,821	60,511	60,099	694,790
Additions	添置	-	10,213	11,494	66,340	88,047
Disposals	處置	(6,955)	(4,710)	(6,445)	-	(18,110)
Exchange adjustments	匯兌調整	(2,987)	(3,403)	(351)	-	(6,741)
At December 31, 2013	於2013年12月31日	457,417	108,921	65,209	126,439	757,986
Accumulated depreciation:	累計折舊：					
At January 1, 2012	於2012年1月1日	148,935	43,380	26,958	-	219,273
Charge for the year	年內支出	34,865	14,559	8,689	-	58,113
Transfer from investment properties	撥自投資物業	14,353	-	-	-	14,353
Written back on disposals	處置後撥回	(30,503)	(8,603)	(2,598)	-	(41,704)
Exchange adjustments	匯兌調整	278	117	155	-	550
At December 31, 2012	於2012年12月31日	167,928	49,453	33,204	-	250,585
At January 1, 2013	於2013年1月1日	167,928	49,453	33,204	-	250,585
Charge for the year	年內支出	18,226	11,893	7,864	-	37,983
Written back on disposals	處置後撥回	(4,690)	(4,252)	(6,057)	-	(14,999)
Exchange adjustments	匯兌調整	217	(719)	(93)	-	(595)
At December 31, 2013	於2013年12月31日	181,681	56,375	34,918	-	272,974
Net book value:	賬面淨值：					
At December 31, 2012	於2012年12月31日	299,431	57,368	27,307	60,099	444,205
At December 31, 2013	於2013年12月31日	275,736	52,546	30,291	126,439	485,012

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14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

14. 物業、廠房及設備 (續)

The Company

本公司

		Buildings	Motor vehicles	Office and other equipments	Construction in progress	Total
		樓宇	汽車	辦公及其他設備	在建工程	總計
		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
Cost:	成本：					
At January 1, 2012	於2012年1月1日	338,260	34,576	19,951	15,911	408,698
Additions	添置	-	12,992	8,150	15,101	36,243
Disposals	處置	-	(1,355)	(558)	-	(1,913)
At December 31, 2012	於2012年12月31日	338,260	46,213	27,543	31,012	443,028
At January 1, 2013	於2013年1月1日	338,260	46,213	27,543	31,012	443,028
Additions	添置	-	2,951	4,003	6,995	13,949
Disposals	處置	-	(913)	(2,634)	-	(3,547)
At December 31, 2013	於2013年12月31日	338,260	48,251	28,912	38,007	453,430
Accumulated depreciation:	累計折舊：					
At January 1, 2012	於2012年1月1日	99,648	20,031	7,632	-	127,311
Charge for the year	年內支出	14,224	3,762	4,346	-	22,332
Written back on disposals	處置後撥回	-	(832)	(463)	-	(1,295)
At December 31, 2012	於2012年12月31日	113,872	22,961	11,515	-	148,348
At January 1, 2013	於2013年1月1日	113,872	22,961	11,515	-	148,348
Charge for the year	年內支出	14,224	3,943	3,535	-	21,702
Written back on disposals	處置後撥回	-	(867)	(2,504)	-	(3,371)
At December 31, 2013	於2013年12月31日	128,096	26,037	12,546	-	166,679
Net book value:	賬面淨值：					
At December 31, 2012	於2012年12月31日	224,388	23,252	16,028	31,012	294,680
At December 31, 2013	於2013年12月31日	210,164	22,214	16,366	38,007	286,751

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14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

14. 物業、廠房及設備 (續)

(a) The analysis of net book value of properties is as follows:

(a) 物業的賬面淨值分析如下：

		The Group 本集團		The Company 本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Outside Hong Kong	香港以外				
- long leases	- 長期租賃	41,519	41,719	40,145	35,930
- medium-term leases	- 中期租賃	216,973	213,231	142,195	159,541
- freehold	- 永久業權	39,244	44,481	27,824	28,917
		297,736	299,431	210,164	224,388

(b) As at December 31, 2013, certain of the Group's borrowings were secured by certain of the Group's buildings with an aggregate net book value of RMB4,698,000 (2012: RMB5,063,000).

(b) 於2013年12月31日，本集團若干借貸由本集團賬面總淨值為人民幣4,698,000元（2012年：人民幣5,063,000元）的若干樓宇作抵押。

(c) As at December 31, 2013, the Group was in the process of applying for the ownership certificates for certain buildings. The aggregate carrying value of such properties of the Group was RMB45,973,000 (2012: RMB51,146,000). The directors are of the opinion that the Group is entitled to lawfully occupy or use these buildings.

(c) 於2013年12月31日，本集團正在為若干樓宇申請所有權證書。本集團的該等物業的賬面總淨值為人民幣45,973,000元（2012年：人民幣51,146,000元）。董事認為，本集團有權合法佔用或使用此等樓宇。

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15. INVESTMENT PROPERTIES

15. 投資物業

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Cost:	成本：				
At the beginning of the year	於年初	27,538	56,148	21,244	21,266
Additions	添置	-	-	-	-
Transfer to property, plant and equipment	撥入物業、廠房 及設備	-	(28,530)	-	-
Disposals	處置	(865)	(80)	-	(22)
Exchange adjustments	匯兌調整	(50)	-	-	-
At the end of the year	於年末	26,623	27,538	21,244	21,244
Accumulated depreciation:	累計折舊：				
At the beginning of the year	於年初	11,827	23,893	5,041	4,042
Charge for the year	年內支出	882	2,287	979	999
Transfer to property, plant and equipment	撥入物業、廠房 及設備	-	(14,353)	-	-
Written back on disposals	處置後撥回	(237)	-	-	-
Exchange adjustments	匯兌調整	(12)	-	-	-
At the end of the year	於年末	12,460	11,827	6,020	5,041
Net book value:	賬面淨值：	14,163	15,711	15,224	16,203

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15. INVESTMENT PROPERTIES (CONTINUED)

15. 投資物業 (續)

(a) The analysis of net book value of properties is as follows:

(a) 物業的賬面淨值分析如下：

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
In Hong Kong	於香港				
– freehold	– 永久業權	1,213	1,273	–	–
Outside Hong Kong	香港以外				
– medium-term leases	– 中期租賃	12,950	14,438	15,224	16,203
		14,163	15,711	15,224	16,203

(b) According to the Property Valuation Reports issued by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, a firm of independent qualified valuer in Hong Kong, on March 17, 2014, the fair value as at December 31, 2013 of the Group's and the Company's investment properties, including land use rights, which are classified in "lease prepayments" (note 16), are RMB134,650,000 (2012: RMB131,530,000) and RMB79,526,000 (2012: RMB76,129,000), respectively.

(b) 根據仲量聯行企業評估及諮詢有限公司(香港的獨立合資格估值師事務所)於2014年3月17日發出的物業估值報告，於2013年12月31日，本集團及本公司的投資物業(包括被分類為「預付租賃款項」(附註16)的土地使用權)的公允值分別為人民幣134,650,000元(2012年：人民幣131,530,000元)及人民幣79,526,000元(2012年：人民幣76,129,000元)。

(c) The Group leases out investment properties under operating leases. The leases typically run for an initial period of 1 to 19 years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

(c) 本集團以經營租賃方式出租投資物業。租約初始一般為期1至19年，其後可在重新磋商所有條款的情況下重續。租約概不附帶或有租金。

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15. INVESTMENT PROPERTIES (CONTINUED)

(c) (Continued)

The Group's and the Company's total future minimum lease payments under non-cancellable operating lease are receivables as follow:

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Within 1 year	1年以內	9,988	7,250	5,093	4,194
After 1 year but within 5 years	1年以上但5年以內	12,129	10,096	7,343	5,432
After 5 years	5年以上	-	40	-	-
		22,117	17,386	12,436	9,626

15. 投資物業 (續)

(c) (續)

本集團及本公司根據不可撤銷經營租賃的未來應收最低租金總額如下：

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16. LEASE PREPAYMENTS

16. 預付租賃款項

		The Group 本集團		The Company 本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Cost:	成本：				
At the beginning of the year	於年初	1,894,201	1,660,966	1,545,392	1,515,392
Additions	添置	804	233,235	–	30,000
At the end of the year	於年末	1,895,005	1,894,201	1,545,392	1,545,392
Accumulated amortization:	累計攤銷：				
At the beginning of the year	於年初	67,053	30,595	58,085	24,055
Charge for the year	年內支出	39,843	36,458	34,192	34,030
At the end of the year	於年末	106,896	67,053	92,277	58,085
Net book value:	賬面淨值：	1,788,109	1,827,148	1,453,115	1,487,307

(a) Lease prepayments mainly represent land use right premiums paid by the Group for land located outside Hong Kong. The analysis of net book value of lease prepayments is as follows:

(a) 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。預付租賃款項的賬面淨值分析如下：

		The Group 本集團		The Company 本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Outside Hong Kong	香港以外				
– long leases	– 長期租賃	6,387	6,404	–	–
– medium-term leases	– 中期租賃	1,781,722	1,820,744	1,453,115	1,487,307
		1,788,109	1,827,148	1,453,115	1,487,307

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16. LEASE PREPAYMENTS (CONTINUED)

(b) As at December 31, 2013, none of the Group's borrowings were secured by the Group's land use rights (2012: RMB8,592,000).

16. 預付租賃款項 (續)

(b) 於2013年12月31日，本集團概無任何借貸由本集團的土地使用權作抵押(2012年：人民幣8,592,000元)。

17. INTANGIBLE ASSETS

17. 無形資產

		The Group 本集團		The Company 本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Cost:	成本：				
At the beginning of the year	於年初	11,248	6,850	6,948	4,827
Additions	添置	2,586	4,398	2,464	2,121
Disposals	處置	(2,303)	–	(2,303)	–
At the end of the year	於年末	11,531	11,248	7,109	6,948
Accumulated amortization:	累計攤銷：				
At the beginning of the year	於年初	3,589	1,645	2,508	833
Charge for the year	年內支出	2,326	1,944	2,041	1,675
Disposals	處置	(2,303)	–	(2,303)	–
At the end of the year	於年末	3,612	3,589	2,246	2,508
Net book value:	賬面淨值：	7,919	7,659	4,863	4,440

Intangible assets mainly represent computer software. The amortization charge for the year is included in "administrative expenses" in the consolidated statement of comprehensive income.

無形資產主要為電腦軟件。年內攤銷開支計入合併綜合收益表的「行政開支」。

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18. INVESTMENTS IN SUBSIDIARIES

The Company

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Unlisted investments, at cost	非上市投資，按成本	1,964,706	1,782,488
Less: impairment losses	減：減值虧損	(5,041)	(1,573)
		1,959,665	1,780,915

As at December 31, 2013, the subsidiaries of the Company, all of which are unlisted limited liability companies, were listed as follows:

18. 對附屬公司的投資

本公司

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Unlisted investments, at cost	非上市投資，按成本	1,964,706	1,782,488
Less: impairment losses	減：減值虧損	(5,041)	(1,573)
		1,959,665	1,780,915

於2013年12月31日，本公司的附屬公司（均為非上市有限責任公司）載列如下：

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
1 CMEC International Engineering Co., Ltd. (note i) 中設國際工程有限責任公司 (附註i)	The PRC September 9, 1997 中國 1997年9月9日	RMB50,000,000 人民幣50,000,000元	100%	-	Construction contracting and trading 施工承包及貿易
2 China Everbest Development International Limited 華盛昌發展有限公司	Hong Kong SAR August 12, 1988 香港特別行政區 1988年8月12日	HKD22,136,400 22,136,400港元	100%	-	Trading and security investment 貿易及證券投資
3 China Machinery & Equipment (HK) Company Limited 中國機械設備香港有限公司	Hong Kong SAR September 20, 1983 香港特別行政區 1983年9月20日	HKD25,115,970 25,115,970港元	100%	-	Trading 貿易

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
4 CMEC Engineering Machinery Import & Export Co., Ltd. (note i) 中設工程機械進出口 有限責任公司 (附註i)	The PRC January 9, 1995 中國 1995年1月9日	RMB20,000,000 人民幣20,000,000元	100%	-	Trading 貿易
5 CMEC Comtrans International Co., Ltd. (note i) 中設國際商務運輸代理 有限責任公司 (附註i)	The PRC March 5, 1997 中國 1997年3月5日	RMB20,000,000 人民幣20,000,000元	100%	-	Transportation agency 運輸代理
6 Ausino Pty. Ltd. 澳大利亞澳華機械有限公司	Australia September 13, 1984 澳大利亞 1984年9月13日	AUD3,974,486 3,974,486澳元	92.95%	-	Wholesale and retail of machinery equipment 機械設備批發及零售
7 Shanghai International Transportation Co., Ltd. (note i) 中設集團上海國際貨代儲運 有限公司 (附註i)	The PRC January 30, 1996 中國 1996年1月30日	RMB10,820,000 人民幣10,820,000元	100%	-	Transportation agency 運輸代理
8 Shenzhen CMEC Industry Corporation Limited (note i) 深圳市中設實業有限公司 (附註i)	The PRC March 18, 1992 中國 1992年3月8日	RMB9,200,000 人民幣9,200,000元	100%	-	Storage and property service 儲存及物業服務

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
9 CMEC International Trading Co., Ltd. (note i) 中設國際貿易有限責任公司 (附註i)	The PRC January 16, 1995 中國 1995年1月16日	RMB8,000,000 人民幣8,000,000元	100%	-	Trading 貿易
10 CMEC Machinery & Electric Equipment Import & Export Co., Ltd. (note i) 中設機電進出口有限公司 (附註i)	The PRC January 16, 1995 中國 1995年1月16日	RMB8,000,000 人民幣8,000,000元	100%	-	Trading 貿易
11 CMEC International Exhibition Co., Ltd. (note i) 西麥克國際展覽有限責任公司 (附註i)	The PRC January 9, 1995 中國 1995年1月9日	RMB4,000,000 人民幣4,000,000元	100%	-	Exhibition services 展覽服務
12 CMEC Beijing Property Development Co., Ltd. (note i) 中國機械設備進出口北京物 業發展有限責任公司(附註i)	The PRC January 15, 1985 中國 1985年1月15日	RMB5,000,000 人民幣5,000,000元	100%	-	Property management and rental 物業管理及租賃
13 CMEC General Machinery Import & Export Co., Ltd. (note i) 中設通用機械進出口 有限責任公司(附註i)	The PRC January 9, 1995 中國 1995年1月9日	RMB6,000,000 人民幣6,000,000元	100%	-	Trading 貿易

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
14 China Machinery and Equipment International Tendering Co., Ltd. (note i) 中設國際招標有限責任公司 (附註i)	The PRC April 29, 1996 中國 1996年4月29日	RMB5,000,000 人民幣5,000,000元	100%	-	Tendering for construction contracts 建造合同招標
15 China Machinery Industrial Products Co., Ltd. (note i) 中設集團工貿發展 有限責任公司 (附註i)	The PRC February 6, 2002 中國 2002年2月6日	RMB15,000,000 人民幣15,000,000元	100%	-	Trading 貿易
16 CMEC Petrochemical-General Machinery Co., Ltd. (note i) 中設石化機械有限公司 (附註i)	The PRC January 16, 1995 中國 1995年1月16日	RMB5,000,000 人民幣5,000,000元	100%	-	Trading 貿易
17 China Machinery International Engineering Design & Research Institute Co., Ltd. (note i) 中機國際工程設計研究院 有限責任公司 (附註i)	The PRC October 5, 1993 中國 1993年10月5日	RMB116,220,000 人民幣116,220,000元	100%	-	Engineering design, contracting and supervision 工程設計、承包及監理
18 China-East Resources Import & Export Co., Ltd. (note i) 中經東源進出口有限責任公司 (附註i)	The PRC July 22, 1993 中國 1993年7月22日	RMB20,000,000 人民幣20,000,000元	100%	-	Construction contracting and trading 施工承包及貿易

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
19 China National Machinery & Equipment Import & Export (Suzhou) Co., Ltd. (note i) 中設(蘇州)機械設備進出口 有限責任公司(附註i)	The PRC February 20, 1987 中國 1987年2月20日	RMB19,562,000 人民幣19,562,000元	100%	-	Trading 貿易
20 Shanghai Zhong Jing Import & Export Corporation (note i) 上海中經進出口有限責任公司 (附註i)	The PRC December 21, 1995 中國 1995年12月21日	RMB3,500,000 人民幣3,500,000元	100%	-	Trading 貿易
21 China National Machinery & Equipment Import & Export (Wuxi) Co., Ltd. (note i) 中設(無錫)機械設備進出口 有限責任公司(附註i)	The PRC April 9, 1987 中國 1987年4月9日	RMB11,500,000 人民幣11,500,000元	100%	-	Trading 貿易
22 Sino American Machinery Corporation 美國華美機械有限公司	United States of America ("USA") August 22, 1983 美利堅合眾國(「美國」) 1983年8月22日	USD1,918,476 1,918,476美元	100%	-	Trading 貿易

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest 應佔股權		Principal activities 主要業務
			Direct 直接	Indirect 間接	
23 Euro M.E.C. Import & Export GmbH 歐麥克進出口有限公司	Germany March 9, 1990 德國 1990年3月9日	DEM100,000 100,000德國馬克	100%	-	Trading 貿易
24 CMEC Japan Co., Ltd. CMEC日本株式會社	Japan April 2, 1986 日本 1986年4月2日	JPY50,000,000 50,000,000日圓	80%	-	Trading 貿易
25 Henan Machinery & Electric Import & Export Co., Ltd. (note i) 河南中經進出口有限責任公司 (附註i)	The PRC April 17, 1997 中國 1997年4月17日	RMB4,180,000 人民幣4,180,000元	67%	-	Trading 貿易
26 CMIC International Exhibition Co., Ltd. (note i) 中經國際展覽有限公司 (附註i)	The PRC May 17, 1995 中國 1995年5月17日	RMB1,000,000 人民幣1,000,000元	90%	-	Exhibition services 展覽服務
27 CMIC Enmei Co., Ltd. CMIC燕明株式會社	Japan May 13, 1994 日本 1994年5月13日	JPY26,000,000 26,000,000日圓	77%	-	Trading 貿易
28 CMEC International Economic & Legal Advisors (Beijing) Inc. (note i) 西邁克(北京)國際經濟 法律諮詢有限責任公司(附註i)	The PRC September 24, 1993 中國 1993年9月24日	RMB500,000 人民幣500,000元	100%	-	Legal consulting 法律諮詢

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest		Principal activities 主要業務
			Direct 直接	Indirect 間接	
29 China National Machinery & Equipment Import & Export (Fujian) Co., Ltd. (note i) 福建中設機械設備進出口 有限公司 (附註i)	The PRC February 21, 2001 中國 2001年2月21日	RMB5,460,000 人民幣5,460,000元	55%	-	Trading 貿易
30 China National Machinery & Equipment Import & Export (Hubei) Co., Ltd. (note i) 中設集團湖北機械設備 進出口有限公司 (附註i)	The PRC November 30, 2007 中國 2007年11月30日	RMB5,000,000 人民幣5,000,000元	51%	-	Trading 貿易
31 CMEC Senegal S.A. 中國機械設備進出口總公司 塞內加爾股份有限公司	Senegal April 20, 2009 塞內加爾 2009年4月20日	XOF10,000,000 10,000,000西非法郎	100%	-	Construction contracting 施工承包
32 CMEC Engineering, C.A. 西麥克委內瑞拉工程公司	Venezuela March 11, 2011 委內瑞拉 2011年3月11日	VEF200,000 200,000強勢玻利瓦爾	99.9%	0.1%	Construction contracting 施工承包
33 CMEC Nigeria Development Limited 中國機械設備進出口總公司 尼日利亞發展有限公司	Nigeria March 25, 2011 尼日利亞 2011年3月25日	NGN20,000,000 20,000,000奈拉	100%	-	Construction contracting 施工承包
34 China Machinery Engineering Argentina S.A. 中國機械設備工程阿根廷股份 有限公司	Argentina July 30, 2012 阿根廷 2012年7月30日	ARS429,000 429,000比索	90%	10%	Construction contracting 施工承包

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18. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

18. 對附屬公司的投資 (續)

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊成立／成立 地點及日期	Issued and paid-in capital/ registered capital 已發行及實繳 資本／註冊資本	Attributable equity interest		Principal activities 主要業務	
			Direct 直接	Indirect 間接		
35	China Power Construction Engineering Consulting Central Southern Corporation (note i) 中國電力建設工程諮詢中南 有限公司(附註i)	The PRC January 11, 1993 中國 1993年1月11日	RMB5,000,000 人民幣5,000,000元	50%	-	Engineering design 工程設計
36	China Machinery Engineering Corporation Namibia (Proprietary) Limited 中國機械設備工程股份有限公司 納米比亞有限責任公司	Namibia June 11, 2013 納米比亞 2013年6月11日	NAD20,000 20,000納米比亞元	100%	-	Construction contracting 施工承包

Notes:

(i) Except for China Everbest Development International Limited, China Machinery & Equipment (HK) Company Limited, Ausino Pty. Ltd., Sino American Machinery Corporation, Euro M.E.C. Import & Export GmbH, China Machinery Engineering Corporation Namibia (Proprietary) Limited and CMEC Nigeria Development Limited of which their official names are in English, the official names of CMEC Senegal S.A. are in French, the official names of CMEC Japan Co., Ltd. and CMIC Enmei Co., Ltd. are in Japanese, and the official names of CMEC Engineering, C.A. and China Machinery Engineering Argentina S.A. are in Spanish, the official names of other entities in the list above are in Chinese and the English translation of their names is for identification only.

(ii) On November 27, 2013, the Company disposed its equity interest in and receivables due from COMIBEL.S.A. at a consideration of USD32,528,870 (approximately RMB198,325,000). On the disposal date, the share of carrying value of net assets of COMIBEL.S.A. was approximately RMB36,665,000 and the carrying value of receivables due from COMIBEL.S.A. was RMB59,341,000. Gain on the disposal was included in "Other income, net" in the consolidated statements of comprehensive income.

附註：

(i) 除華盛昌發展有限公司、中國機械設備香港有限公司、澳大利亞澳華機械有限公司、美國華美機械有限公司、歐麥克進出口有限公司、中國機械設備工程股份有限公司納米比亞有限責任公司及中國機械設備進出口總公司尼日利亞發展有限公司的正式名稱為英文名稱，中國機械設備進出口總公司塞內加爾股份有限公司的正式名稱為法文名稱，CMEC日本株式會社及CMIC燕明株式會社的正式名稱為日文名稱和西麥克委內瑞拉工程公司及中國機械設備工程阿根廷股份有限公司的正式名稱為西班牙文名稱外，上表其他實體的正式名稱為中文名稱。

(ii) 於2013年11月27日，本公司以代價32,528,870美元(約人民幣198,325,000元)出售其於加蓬貝林加鐵礦公司的股權及應收款項。於處置日期，所分佔的加蓬貝林加鐵礦公司淨資產賬面值約為人民幣36,665,000元，以及應收加蓬貝林加鐵礦公司的款項的賬面值為人民幣59,341,000元。處置收益已計入合併綜合收益表內的「其他收入淨額」。

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19. OTHER NON-CURRENT ASSETS

19. 其他非流動資產

		The Group 本集團		The Company 本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Cost and prepaid consideration of unquoted equity investments in non-listed companies	非上市公司的非流通股權投資的成本及預付代價	344,214	254,222	347,448	252,340
Less: impairment losses	減：減值虧損	(270)	(270)	(5,041)	-
		343,944	253,952	342,407	252,340

20. INVENTORIES

20. 存貨

(a) Inventories in the balance sheet comprise:

(a) 列入資產負債表內的存貨包括：

		The Group 本集團		The Company 本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Goods in transit (note (i))	在途商品 (附註(i))	4,265	32,211	3,714	27,314
Finished goods (note (ii))	製成品 (附註(ii))	178,796	155,434	-	-
Entrusted processing materials (note (iii))	委託加工物資 (附註(iii))	15,745	28,126	1,647	297
Others (note (iv))	其他 (附註(iv))	13,929	9,960	-	-
		212,735	225,731	5,361	27,611

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20. INVENTORIES (CONTINUED)

(a) Inventories in the balance sheet comprise: (Continued)

Notes:

The inventories were mainly related to the Group's trading business.

- (i) Goods in transit represent goods on its delivery to the customers while risks and rewards of ownership of the goods have not passed to the customers.
- (ii) Finished goods represent goods ready to be sold to the customers.
- (iii) Entrusted processing materials represent materials owned by the Group and entrusted to third party entities to process for the purpose of selling to the customers.
- (iv) Others mainly represent packaging materials and materials purchased for processing for the purpose of selling to the customers.

- (b) For the year ended December 31, 2013, the carrying amount of inventories sold was RMB4,451,323,000 (2012: RMB6,469,206,000). There was no write down of inventories for the years ended December 31, 2012 and 2013.

20. 存貨 (續)

(a) 列入資產負債表內的存貨包括：(續)

附註：

存貨主要與本集團的貿易業務有關。

- (i) 在途商品指正在向客戶交付的貨品，而貨品所有權的風險及報酬尚未轉移至客戶。
- (ii) 製成品指已準備好向客戶出售的貨品。
- (iii) 委託加工物資指本集團擁有並委託予第三方實體加工以銷售給客戶的物資。
- (iv) 其他主要指包裝物資及為加工購買以銷售給客戶的物資。

- (b) 於截至2013年12月31日止年度，已出售存貨的賬面值為人民幣4,451,323,000元（2012年：人民幣6,469,206,000元）。於截至2012年及2013年12月31日止年度，概無撇減任何存貨。

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21. TRADE AND OTHER RECEIVABLES

21. 貿易及其他應收款項

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Bills receivable	應收票據	33,471	20,500	-	-
Trade receivables	貿易應收款項				
- SINOMACH (note 21(d))	- 國機 (附註21(d))	10,159	265,913	-	265,913
- fellow subsidiaries (note 21(d))	- 同系附屬公司				
	(附註21(d))	995	2,591	-	200
- subsidiaries (note 21(d))	- 附屬公司 (附註21(d))	-	-	-	150
- third parties	- 第三方	2,775,855	3,209,931	1,601,661	1,902,955
Less: allowance for doubtful debts	減：呆賬撥備	(461,300)	(407,592)	(214,478)	(172,210)
Trade and bills receivables	貿易應收款項及應收票據	2,359,180	3,091,343	1,387,183	1,997,008
Amount due from/advances to fellow subsidiaries (note 21(d))	應收／墊付同系附屬公司款項 (附註21(d))	21,034	206,150	20,262	206,150
Amount due from/advances to subsidiaries (note 21(d))	應收／墊付附屬公司款項 (附註21(d))	-	-	897,262	825,521
Advances to suppliers	供應商預付款	1,213,714	1,243,476	692,426	736,322
Other receivables related to agency services	代理服務相關的其他應收款項	336,388	313,344	1,789	54,614
Derivative financial instruments	衍生金融工具	142,332	15,117	118,165	15,117
Other receivable related to disposal of interests in a subsidiary (note 18(ii))	與處置一家附屬公司的權益相關的其他應收款項 (附註18(ii))	198,325	-	198,325	-
Others	其他	734,392	738,191	504,427	499,848
Less: allowance for doubtful debts	減：呆賬撥備	(57,330)	(58,512)	(3,151)	(47,279)
		4,948,035	5,549,109	3,816,688	4,287,301
Less: portion classified as current assets	減：分類為流動資產的部分	4,894,653	5,510,059	3,766,502	4,282,918
Non-current portion	非流動部分	53,382	39,050	50,186	4,383

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21. 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:

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Within 3 months	3個月以內	1,306,468	1,814,702	839,830	1,271,283
3 to 6 months	3至6個月	218,537	398,909	80,262	251,508
6 months to 1 year	6個月至1年	301,757	370,638	149,204	192,877
Over 1 year	1年以上	532,418	507,094	317,887	281,340
		2,359,180	3,091,343	1,387,183	1,997,008

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. The Group's credit policy is set out in note 31(a).

21. 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：

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。本集團的信貸政策載於附註31(a)。

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

(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 (see note 2(m)(i)).

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

21. 貿易及其他應收款項 (續)

(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（見附註2(m)(i)）。

呆賬撥備於年內的變動如下：

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
At the beginning of the year	於年初	466,104	354,786	219,489	157,568
Impairment losses recognized	已確認的減值虧損	59,398	123,004	43,641	72,568
Uncollectible amounts written off	撇銷不可收回的金額	(6,872)	(11,686)	(45,501)	(10,647)
At the end of the year	於年末	518,630	466,104	217,629	219,489
Attributable to:	下列應佔：				
Trade and bills receivables	貿易應收款項及應收票據	461,300	407,592	214,478	172,210
Other receivables	其他應收款項	57,330	58,512	3,151	47,279

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Impairment of trade and other receivables (Continued)

As at December 31, 2013, the Group's trade and bills receivables of RMB844,877,000 (2012: RMB1,142,991,000) and the Company's trade and bills receivables of RMB534,429,000 (2012: RMB870,449,000) were individually determined to be impaired. The individually impaired receivables related to debtors that were in financial difficulties or under the lawsuits proceedings, and management assessed that only a portion of the receivables is expected to be recovered. Consequently, as at December 31, 2013, specific allowances for doubtful debts of RMB461,300,000 (2012: RMB407,592,000) and RMB214,478,000 (2012: RMB172,210,000) were recognized by the Group and the Company, respectively.

As at December 31, 2013, the Group's other receivables of RMB85,292,000 (2012: RMB68,433,000) and the Company's other receivables of RMB3,452,000 (2012: RMB48,296,000) were individually determined to be impaired. The individually impaired receivables related to debtors that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, as at December 31, 2013, specific allowances for doubtful debts of RMB57,330,000 (2012: RMB58,512,000) and RMB3,151,000 (2012: RMB47,279,000) were recognized by the Group and the Company, respectively.

21. 貿易及其他應收款項 (續)

(b) 貿易及其他應收款項減值 (續)

於2013年12月31日，本集團的貿易應收款項及應收票據人民幣844,877,000元（2012年：人民幣1,142,991,000元）及本公司的貿易應收款項及應收票據人民幣534,429,000元（2012年：人民幣870,449,000元）被個別釐定為已減值。個別減值的應收款項與當時正處於財務困難或面對訴訟程序的債務人有關，管理層因此評估，預期僅有一部分的應收款項可以收回。因此，本集團及本公司於2013年12月31日確認特定呆賬撥備分別為人民幣461,300,000元（2012年：人民幣407,592,000元）及人民幣214,478,000元（2012年：人民幣172,210,000元）。

於2013年12月31日，本集團的其他應收款項人民幣85,292,000元（2012年：人民幣68,433,000元）及本公司的其他應收款項人民幣3,452,000元（2012年：人民幣48,296,000元）被個別釐定為已減值。個別減值的應收款項與當時正處於財務困難的債務人有關，管理層因此評估，預期僅有一部分的應收款項可以收回。因此，本集團及本公司於2013年12月31日確認特定呆賬撥備分別為人民幣57,330,000元（2012年：人民幣58,512,000元）及人民幣3,151,000元（2012年：人民幣47,279,000元）。

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade and bills receivables that are not impaired

The ageing analysis of trade and bills receivables that are neither individually nor collectively considered to be impaired are as follows:

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Neither past due nor impaired	既未逾期亦未減值	1,681,820	1,721,295	884,445	774,222
Within 3 months past due	逾期3個月以內	135,350	268,828	104,689	252,546
More than 3 months to 6 months past due	逾期3至6個月	46,517	259,524	37,151	233,112
More than 6 months to 1 year past due	逾期6個月至1年	26,491	38,295	4,210	20,320
More than 1 year past due	逾期1年以上	85,425	68,002	36,737	18,569
		293,783	634,649	182,787	524,547
		1,975,603	2,355,944	1,067,232	1,298,769

Receivables that were neither past due nor impaired relate to customers and debtors for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group or entered into collateral with the Group. Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

21. 貿易及其他應收款項 (續)

(c) 未減值的貿易應收款項及應收票據

既未單獨亦未共同視為減值的貿易應收款項及應收票據的賬齡分析如下：

既未逾期亦未減值的應收款項與近期並無拖欠記錄的客戶及債務人有關。

逾期但並未減值的應收款項與多名獨立客戶有關，彼等與本集團具有良好的往績記錄或與本集團訂立抵押品安排。根據過往經驗，由於信貸質量並無重大變化且該等結餘仍被視為可悉數收回，故管理層相信毋須就該等結餘作減值撥備。

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21. TRADE AND OTHER RECEIVABLES (CONTINUED)

- (d) These balances are unsecured, non-interest-bearing and repayable on similar credit terms to those offered to the major customers of the Group.
- (e) As at December 31, 2013, none of the Group's borrowings were secured by the Group's trade receivables (2012: RMB6,754,000).

21. 貿易及其他應收款項 (續)

- (d) 該等結餘為無擔保、不計息並按相近於本集團主要客戶獲提供的信貸期償還。
- (e) 於2013年12月31日，本集團概無借貸由本集團的貿易應收款項作為抵押(2012年：人民幣6,754,000元)。

22. CONSTRUCTION CONTRACTS

22. 建造合同

	The Group 本集團		The Company 本公司	
	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 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	2,372,575	3,191,436	2,059,414	2,905,004
– non-current portion	3,201,943	4,114,329	3,136,275	3,973,699
	5,574,518	7,305,765	5,195,689	6,878,703
Contract costs incurred plus recognized profits less recognized losses to date	迄今已產生合同成本 加已確認溢利 減已確認虧損			
Less: progress billings allowance for doubtful debts for construction contracts	減：進度款項 建造合同應收款項 的呆賬撥備			
	61,086,026	52,473,571	57,234,187	50,139,957
	55,330,915	44,992,689	51,857,905	43,086,137
	180,593	175,117	180,593	175,117
	5,574,518	7,305,765	5,195,689	6,878,703

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22. CONSTRUCTION CONTRACTS (CONTINUED)

(a) As at December 31, 2013, the amount of retentions receivable from customers, recorded within “Construction contracts” of the Group and the Company are RMB470,679,000 and RMB447,137,000 (2012: RMB300,333,000), which are expected to be recovered as follows:

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Within one year	1年以內	91,807	138,341	91,807	138,341
After more than one year	1年以上	378,872	161,992	355,330	161,992
		470,679	300,333	447,137	300,333

(b) As at December 31, 2013, none of the Group's borrowings were secured by unbilled amount of the Group's construction contracts (2012: RMB30,759,000).

22. 建造合同 (續)

(a) 於2013年12月31日，記錄於本集團及本公司「建造合同應收款項」內的應收客戶質保金金額為人民幣470,679,000元及人民幣447,137,000元（2012年：人民幣300,333,000元），預計收回的期間載列如下：

(b) 於2013年12月31日，本集團概無借貸由本集團的建造合同未結算金額作抵押（2012年：人民幣30,759,000元）。

23. RESTRICTED DEPOSITS

Restricted deposits mainly represent cash pledged for bank facilities or for issue of letter of credit. These restricted deposits are expected to be released within one year.

24. CASH AND CASH EQUIVALENTS

Cash on hand
Cash at bank and other financial institutions
Cash and cash equivalents

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
	手頭現金	1,660	1,429	83	117
	於銀行及其他金融機構的現金	14,548,506	12,087,966	12,907,538	10,707,132
	現金及現金等價物	14,550,166	12,089,395	12,907,621	10,707,249

23. 受限制存款

受限制存款主要為就銀行融資或發行信用證質押的現金。預期此等受限制存款於一年內解除。

24. 現金及現金等價物

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25. BORROWINGS

25. 借貸

	The Group				The Company			
	本集團				本公司			
	2013		2012		2013		2012	
	2013年		2012年		2013年		2012年	
	Interest rate (%)	RMB'000	Interest rate (%)	RMB'000	Interest rate (%)	RMB'000	Interest rate (%)	RMB'000
	利率(%)	人民幣千元	利率(%)	人民幣千元	利率(%)	人民幣千元	利率(%)	人民幣千元
Current:	流動：							
Short-term borrowings	短期借貸							
Bank loans	銀行貸款							
- unsecured	5.39-6.72	16,933	3.43-7.07	18,621	-	-	-	-
- secured	3.26-6.60	145,650	5.17-7.20	33,801	-	-	-	-
		<u>162,583</u>		<u>52,422</u>		<u>-</u>		<u>-</u>
Add: current portion of long-term borrowings	加：長期借貸的流動部分							
		<u>71,724</u>		<u>81,498</u>		<u>69,810</u>		<u>69,769</u>
		<u>234,307</u>		<u>133,920</u>		<u>69,810</u>		<u>69,769</u>
Non-current:	非流動：							
Long-term borrowings	長期借貸							
Bank loans	銀行貸款							
- secured	1.80-2.41	148,628	1.80-5.17	236,116	2.41	142,668	2.67	216,850
- unsecured	1.25	2,733	-	-	-	-	-	-
		<u>151,361</u>		<u>236,116</u>		<u>142,668</u>		<u>216,850</u>
Less: current portion of long-term borrowings	減：長期借貸的流動部分							
		<u>71,724</u>		<u>81,498</u>		<u>69,810</u>		<u>69,769</u>
		<u>79,637</u>		<u>154,618</u>		<u>72,858</u>		<u>147,081</u>
		<u>313,944</u>		<u>288,538</u>		<u>142,668</u>		<u>216,850</u>

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25. BORROWINGS (CONTINUED)

25. 借貸(續)

(a) The borrowings are repayable as follows:

(a) 借貸的償還期如下：

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Within 1 year or on demand	1年以內或按要求還款	234,307	133,920	69,810	69,769
After 1 year but within 2 years	1年至2年	73,728	73,601	71,943	71,969
After 2 years but within 5 years	2年至5年	3,959	77,894	915	75,112
After 5 years	5年以上	1,950	3,123	-	-
		79,637	154,618	72,858	147,081
		313,944	288,538	142,668	216,850

(b) As at December 31, 2012 and 2013, certain borrowings were secured by the Group's property, plant and equipment and restricted deposits.

(b) 於2012年及2013年12月31日，若干借貸由本集團的物業、廠房及設備及受限制存款作為抵押。

As at December 31, 2012 and 2013, no borrowings of the Group were guaranteed by SINOMACH.

於2012年及2013年12月31日，國機概無擔保本集團的任何借貸。

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26. RECEIPTS IN ADVANCE

26. 預收款項

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Receipts in advance for construction contracts (note (i))	建造合同的預收款項 (附註(i))	6,035,713	12,023,465	5,865,212	11,925,068
Receipts in advance for sales of goods	銷售貨品的預收款項	885,437	614,442	569,881	151,873
Others	其他	100,514	72,503	-	7,002
		7,021,664	12,710,410	6,435,093	12,083,943

Note:

- (i) The balances as at December 31, 2012 and 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年及2013年12月31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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27. TRADE AND OTHER PAYABLES

27. 貿易及其他應付款項

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Bills payable	應付票據	60,494	39,917	-	-
Trade payables	貿易應付款項				
- fellow subsidiaries	- 同系附屬公司	551,194	236,446	551,194	235,026
- subsidiaries	- 附屬公司	-	-	160,309	171,289
- third parties	- 第三方	10,161,219	9,319,206	8,908,689	7,971,314
Trade and bills payables	貿易應付款項及應付票據	10,772,907	9,595,569	9,620,192	8,377,629
Amount due to fellow subsidiaries	欠同系附屬公司款項	2,464	2,360	2,444	2,221
Amount due to subsidiaries	欠附屬公司款項	-	-	214,689	36,669
Other payables related to agency services	代理服務相關的其他應付款項	506,169	401,938	203,734	76,904
Accrued salaries, wages and benefits	應計薪金、工資及福利	655,507	557,407	583,861	493,101
Other taxes payable	其他應繳稅項	90,161	99,164	63,816	94,862
Others	其他	195,275	314,110	87,090	238,700
Financial liabilities measured at amortized costs	按攤銷成本計量的金融負債	12,222,483	10,970,548	10,775,826	9,320,086
Derivative financial instruments	衍生金融工具	6,279	33,208	6,279	33,208
Others	其他	30	470	-	-
		12,228,792	11,004,226	10,782,105	9,353,294
Less: portion classified as current liabilities	減：分類為流動負債的部分	12,227,087	10,943,270	10,780,400	9,329,793
Non-current portion	非流動部分	1,705	60,956	1,705	23,501

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27. TRADE AND OTHER PAYABLES (CONTINUED)

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

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Within 3 months	3個月以內	4,707,016	6,039,306	4,292,096	5,553,722
3 to 6 months	3至6個月	761,383	468,593	606,596	381,383
6 months to 1 year	6個月至1年	534,083	547,112	255,111	158,466
Over 1 year	1年以上	4,770,425	2,540,558	4,466,389	2,284,058
		10,772,907	9,595,569	9,620,192	8,377,629

27. 貿易及其他應付款項 (續)

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：

28. EMPLOYEE BENEFITS

(a) Defined benefit retirement plans

The Group provides supplementary pension subsidies (including post-retirement medical benefits) to its employees who retired prior to January 1, 2010. In addition, the Group provides subsidies to early retirees. The Group's obligations in respect of such defined benefit retirement plans at the end of the reporting period were computed by an independent actuary, Towers Watson, whose actuaries are members of the Society of Actuaries of the United States of America, using the projected unit credit method.

28. 僱員福利

(a) 設定收益退休計劃

本集團向2010年1月1日前退休的員工提供補充退休津貼（包括退休後醫療福利）。此外，本集團亦向提前退休者提供津貼。本集團於報告期末在該等設定收益退休計劃的責任由獨立精算師韋德惠悅（該公司精算師為美國精算協會成員）採用預計單位貸記法計算。

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28. EMPLOYEE BENEFITS

(a) Defined benefit retirement plans (Continued)

(i) The amounts recognized in the consolidated balance sheet are as follows:

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Present value of defined benefit obligations	設定收益義務的現值	356,690	413,950	267,150	309,960
Net unrecognized actuarial losses	未確認精算虧損淨額	-	(16,750)	-	(8,400)
		356,690	397,200	267,150	301,560
Less: portion classified as current liabilities	減：分類為流動負債的部分	30,870	31,660	23,950	24,570
Non-current portion	非流動部分	325,820	365,540	243,200	276,990

28. 僱員福利 (續)

(a) 設定收益退休計劃 (續)

(i) 於合併資產負債表內確認的金額如下：

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28. EMPLOYEE BENEFITS (CONTINUED)

28. 僱員福利 (續)

(a) Defined benefit retirement plans (Continued)

(a) 設定收益退休計劃 (續)

(ii) *Movements of the defined benefit obligations recognized in the balance sheet are as follows:*

(ii) 於資產負債表內確認的設定收益義務變動如下：

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
At the beginning of the year	於年初	397,200	411,400	301,560	316,720
Benefits paid during the year	年內的已付福利	(32,770)	(31,140)	(24,890)	(24,910)
Interest cost	利息成本	13,540	14,140	10,070	10,620
Recognized prior service cost	已確認前期服務成本	430	900	-	-
Actuarial (gains)/losses	精算(收益)/虧損	(21,710)	1,900	(19,590)	(870)
At the end of the year	於年末	356,690	397,200	267,150	301,560

(iii) *Expense recognized in the consolidated statement of comprehensive income is as follows:*

(iii) 於合併綜合收益表內確認的開支如下：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest cost	利息成本	13,540	14,140
Recognized prior service cost	已確認前期服務成本	430	900
Net actuarial (gain)/losses recognized	已確認精算(收益)/虧損淨額	(21,710)	1,900
		(7,740)	16,940

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28. EMPLOYEE BENEFITS (CONTINUED)

(a) Defined benefit retirement plans (Continued)

(iii) Expense recognized in the consolidated statement of comprehensive income is as follows: (Continued)

The expense is recognized in the following line items in the consolidated statement of comprehensive income:

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Finance expenses	財務開支	13,540	14,140
Administrative expenses	行政開支	430	2,800
		13,970	16,940

(iv) The principal actuarial assumptions used for the purpose of the actuarial valuation are as follows:

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Discount rate	折現率	4.50%	3.50%
Early retirees' salary and retirees' supplementary benefits	提前退休人士的薪酬及退休人士的		
increase rate	補充福利增長率	nil-10.00%	nil-10.00%
Medical cost increase rate	醫療成本增長率	8.00%	8.00%

Mortality is assumed to be the average life expectancy of the residents in the PRC and the subsidies paid to retirees are assumed to continue until the death of the retirees.

28. 僱員福利 (續)

(a) 設定收益退休計劃 (續)

(iii) 於合併綜合收益表內確認的開支如下：(續)

開支於合併綜合收益表內在以下項目中確認：

	2013	2012
	2013年	2012年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Finance expenses	13,540	14,140
Administrative expenses	430	2,800
	13,970	16,940

(iv) 就精算估值使用的主要精算假設如下：

	2013	2012
	2013年	2012年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Discount rate	4.50%	3.50%
Early retirees' salary and retirees' supplementary benefits		
increase rate	nil-10.00%	nil-10.00%
Medical cost increase rate	8.00%	8.00%

假設死亡率是中國居民的平均壽命，並假設津貼會持續支付至退休人士身故。

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28. EMPLOYEE BENEFITS (CONTINUED)

(a) Defined benefit retirement plans (Continued)

(v) A one percentage point change in the assumed rate of increase in medical cost would have the following effects:

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Increase in effect on the interest cost	對利息成本的影響增加	150	160
Decrease in effect on the interest cost	對利息成本的影響減少	(130)	(140)
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Increase in effect on the defined benefit obligations	對設定收益義務的影響增加	3,360	4,510
Decrease in effect on the defined benefit obligations	對設定收益義務的影響減少	(2,930)	(3,890)

(b) Defined contribution retirement plans

Pursuant to the relevant labour rules and the regulations in the PRC, the companies of the Group in the PRC participated in defined contribution retirement schemes (the "Schemes") organized by the relevant local government authorities for its employees. The Group is required to make contributions to the Schemes at the rate of 11% to 22% of eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to retired employees.

28. 僱員福利 (續)

(a) 設定收益退休計劃 (續)

(v) 假設醫療成本增長率變動一個百分點的影響如下：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Increase in effect on the interest cost	對利息成本的影響增加	150	160
Decrease in effect on the interest cost	對利息成本的影響減少	(130)	(140)
		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Increase in effect on the defined benefit obligations	對設定收益義務的影響增加	3,360	4,510
Decrease in effect on the defined benefit obligations	對設定收益義務的影響減少	(2,930)	(3,890)

(b) 設定供款退休計劃

根據中國相關勞工條例及法規，本集團的國內公司參與由相關地方政府機關管理的設定供款退休計劃（「該等計劃」）。本集團須按合資格僱員薪酬的11%至22%向該等計劃作出供款。地方政府機關須負責支付退休僱員的全數退休金。

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28. EMPLOYEE BENEFITS (CONTINUED)

(b) Defined contribution retirement plans (Continued)

In addition, some employees of the Group participate in a retirement plan managed by SINOMACH to supplement the above-mentioned Schemes. The Group is required to make contribution to SINOMACH at the rate of 5% of the eligible employees' salaries.

Except for those in respect of the defined benefit retirement plans (see note 28(a)), the Group has no other obligation to make payments in respect of pension benefits associated with these Schemes and supplementary retirement plan managed by SINOMACH other than the annual contributions described above.

28. 僱員福利 (續)

(b) 設定供款退休計劃 (續)

此外，本集團部分僱員參與由國機管理的退休計劃，作為上述該等計劃的補充。本集團須按合資格僱員薪酬的5%向國機作出供款。

除設定收益退休計劃所承擔的責任(見附註28(a))外，本集團對該等計劃及由國機管理的補充退休計劃相關的養老金福利並無上述年度供款以外的其他付款責任。

29. INCOME TAX IN THE CONSOLIDATED BALANCE SHEET

(a) Income tax payable in the consolidated balance sheet represents:

29. 於合併資產負債表內的所得稅

(a) 合併資產負債表內的應付所得稅指：

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Income tax payable at the beginning of the year	年初應付所得稅	451,258	318,016	384,792	254,890
Provision for the year (note 8)	年內撥備 (附註8)	727,904	736,682	678,589	653,142
Income tax paid	已付所得稅	(903,149)	(603,440)	(836,646)	(523,240)
Income tax payable at the end of the year	年末應付所得稅	276,013	451,258	226,735	384,792

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29. INCOME TAX IN THE CONSOLIDATED BALANCE SHEET (CONTINUED)

(b) Deferred tax assets and liabilities recognized:

(i) *The components of deferred tax assets/ (liabilities) recognized and the movements during the years are as follows:*

The Group

		Impairment loss on receivables 應收款項 減值虧損 RMB'000 人民幣千元	Construction contracts 建造合同 RMB'000 人民幣千元	Accrued expenses 應計開支 RMB'000 人民幣千元	Changes in fair value 公允價值變動 RMB'000 人民幣千元	Surplus on revaluation of non-current assets 非流動資產 重估盈餘 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At January 1, 2012	於2012年1月1日	123,028	7,044	97,603	6,204	(152,627)	319	81,571
Credited/(charged) to profit or loss (note 8(a))	於損益中計入/ (扣除)(附註8(a))	27,009	(6,939)	26,678	(1,681)	3,664	235	48,966
At December 31, 2012	於2012年12月31日	150,037	105	124,281	4,523	(148,963)	554	130,537
Credited/(charged) to profit or loss (note 8(a))	於損益中計入/ (扣除)(附註8(a))	7,254	41,030	12,433	(38,536)	1,791	68	24,040
At December 31, 2013	於2013年12月31日	157,291	41,135	136,714	(34,013)	(147,172)	622	154,577

29. 於合併資產負債表內的所得稅 (續)

(b) 已確認的遞延稅項資產及負債：

(i) *已確認的遞延稅項資產/ (負債) 的組成部分及年內變動如下：*

本集團

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29. INCOME TAX IN THE CONSOLIDATED BALANCE SHEET (CONTINUED)

(b) Deferred tax assets and liabilities recognized: (Continued)

(i) The components of deferred tax assets/ (liabilities) recognized and the movements during the years are as follows: (Continued)

The Company

		Impairment loss on receivables 應收款項 減值虧損 RMB'000 人民幣千元	Construction contracts 建造合同 RMB'000 人民幣千元	Accrued expenses 應計開支 RMB'000 人民幣千元	Changes in fair value 公允值變動 RMB'000 人民幣千元	Surplus on revaluation of non-current assets 非流動資產 重估盈餘 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At January 1, 2012	於2012年1月1日	76,298	7,044	90,003	6,204	(152,627)	-	26,922
Credited/(charged) to profit or loss	於損益中計入/(扣除)	20,229	(6,939)	25,668	(1,681)	3,664	-	40,941
At December 31, 2012	於2012年12月31日	96,527	105	115,671	4,523	(148,963)	-	67,863
Credited/(charged) to profit or loss	於損益中計入/(扣除)	904	41,030	18,753	(32,494)	1,791	-	29,984
At December 31, 2013	於2013年12月31日	97,431	41,135	134,424	(27,971)	(147,172)	-	97,847

29. 於合併資產負債表內的所得稅 (續)

(b) 已確認的遞延稅項資產及負債：(續)

(i) 已確認的遞延稅項資產／(負債)的組成部分及年內變動如下：(續)

本公司

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29. INCOME TAX IN THE CONSOLIDATED BALANCE SHEET (CONTINUED)

(b) Deferred tax assets and liabilities recognized: (Continued)

(ii) Reconciliation to the balance sheet:

	The Group 本集團		The Company 本公司	
	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Net deferred tax assets recognized in the consolidated balance sheet	154,577	131,311	97,847	67,863
Net deferred tax liabilities recognized in the consolidated balance sheet	-	(774)	-	-
	154,577	130,537	97,847	67,863

(c) Deferred tax assets not recognized

In accordance with the accounting policy set out in note 2(u), the Group has not recognized deferred tax assets in respect of unused tax losses and certain deductible temporary differences of RMB156,604,000 as at December 31, 2013 (2012: RMB167,705,000), as it is not probable that future taxable profits against which the losses and the deductible temporary differences can be utilized will be available in the relevant tax jurisdictions and entities.

The Group's unused tax losses of RMB102,735,000 as at December 31, 2013 include tax losses of RMB70,983,000 that will expire, if unused, on or before December 31, 2025 and tax losses of RMB31,752,000 with no expiry date under relevant tax legislation.

The Company has no unused tax losses as at December 31, 2013.

29. 於合併資產負債表內的所得稅 (續)

(b) 已確認的遞延稅項資產及負債：(續)

(ii) 資產負債表的對賬：

(c) 未確認的遞延稅項資產

根據附註2(u)所載的會計政策，由於在有關稅務司法管轄區及實體內預計難以獲得未來應課稅溢利用以抵扣虧損及可抵扣暫時差額，因此，於2013年12月31日，本集團並未就未動用稅務虧損及若干可抵扣暫時差額人民幣156,604,000元（2012年：人民幣167,705,000元）確認遞延稅項資產。

本集團於2013年12月31日的未動用稅務虧損為人民幣102,735,000元，包括倘於2025年12月31日或之前仍未動用則將屆滿的人民幣70,983,000元稅務虧損以及根據有關稅務法規不會屆滿的人民幣31,752,000元稅務虧損。

本公司於2013年12月31日概無任何未動用稅務虧損。

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30. CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		Share capital 股本 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Reserve fund 儲備基金 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At January 1, 2012	於2012年1月1日	3,300,000	1,157,077	135,052	1,145,175	5,737,304
Changes in equity:	權益變動：					
Profit for the year	年內溢利	-	-	-	1,810,383	1,810,383
Total comprehensive income	綜合收益總額	-	-	-	1,810,383	1,810,383
Issuance of shares upon public offering, net of issuing expenses (note 30(c))	公開發售股份，扣除發行費用 (附註30(c))	718,000	2,294,300	-	-	3,012,300
Distribution to the controlling shareholder of the Company before public offering	公開發售前向本公司控股股東分派	-	-	-	(42,782)	(42,782)
Appropriation to reserves	撥入儲備	-	-	181,038	(181,038)	-
Dividend paid to shareholders of the Company (note 30(b))	付予本公司股東的股息 (附註30(b))	-	-	-	(354,238)	(354,238)
At December 31, 2012	於2012年12月31日	4,018,000	3,451,377	316,090	2,377,500	10,162,967

30. 資本及儲備

(a) 權益組成部分變動

本集團合併權益各組成部分的年初及年末結餘的對賬載於合併權益變動表。本公司年初及年末權益各組成部分的變動詳情載列如下：

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30. CAPITAL AND RESERVES (CONTINUED)

30. 資本及儲備 (續)

(a) Movements in components of equity (Continued)

(a) 權益組成部分變動 (續)

		Share capital 股本 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Reserve fund 儲備基金 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At January 1, 2013	於2013年1月1日					
Changes in equity:	權益變動：					
Profit for the year	年內溢利	-	-	-	1,940,781	1,940,781
Other comprehensive profit for the year	年內其他綜合溢利	-	-	-	19,590	19,590
Total comprehensive income	綜合收益總額	-	-	-	1,960,371	1,960,371
Issuance of shares upon public offering, net of issuing expenses (note 30(c))	公開發售股份， 扣除發行費用 (附註30(c))	107,700	411,726	-	-	519,426
Appropriation to reserves	撥入儲備	-	-	194,078	(194,078)	-
Dividend paid to shareholders of the Company (note 30(b))	付予本公司股東的股息 (附註30(b))	-	-	-	(674,965)	(674,965)
At December 31, 2013	於2013年12月31日	4,125,700	3,863,103	510,168	3,468,828	11,967,799

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30. CAPITAL AND RESERVES (CONTINUED)

(b) Dividends

Dividends payable to shareholders of the Company attributable to the year:

	2013	2012
	2013年	2012年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Final dividend proposed after the end of the reporting period	783,883	674,965

The directors of the Company resolved on March 24, 2014 that RMB0.19 per share is to be distributed to the shareholders for 2013, subject to approval of the shareholders at the forthcoming Annual General Meeting. The final dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

30. 資本及儲備 (續)

(b) 股息

本年度應付本公司股東的股息：

	2013	2012
	2013年	2012年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Final dividend proposed after the end of the reporting period	783,883	674,965

本公司董事於2014年3月24日作出決議，就2013年度對股東進行股息分派，每股人民幣0.19元，該金額尚需經股東於即將召開的股東週年大會批准。於報告期末後建議分派的末期股息尚未在報告期末確認為負債。

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30. CAPITAL AND RESERVES (CONTINUED)

30. 資本及儲備 (續)

(c) Share capital

(c) 股本

		No. of shares 股份數目 '000 千股	RMB'000 人民幣千元
Ordinary shares, registered issued and fully paid:	已註冊發行及繳足的普通股：		
Domestic shares of RMB1.00 each	每股人民幣1.00元的內資股		
At January 1, 2013	於2013年1月1日	3,228,200	3,228,200
Converted to H shares for NSSF (note 1)	轉至H股的社保基金理事會股份 (附註1)	(10,770)	(10,770)
At December 31, 2013	於2013年12月31日	3,217,430	3,217,430
H shares of RMB1.00 each	每股人民幣1.00元的H股		
At January 1, 2013	於2013年1月1日	789,800	789,800
Issuance of shares by over-allotment option (note 1)	以超額配股權發行股份 (附註1)	107,700	107,700
Converted from domestic shares for NSSF (note 1)	轉自國內資股的社保基金理事會股份 (附註1)	10,770	10,770
At December 31, 2013	於2013年12月31日	908,270	908,270
Total	合計		
At January 1, 2013	於2013年1月1日	4,018,000	4,018,000
At December 31, 2013	於2013年12月31日	4,125,700	4,125,700

All shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

全體股東均有權收取不時宣派的股息，並可於本公司大會上享有一股一票的投票權。所有股份對本公司的剩餘資產享有同等權利。

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30. CAPITAL AND RESERVES (CONTINUED)

(d) 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.

During the Predecessor's reorganization, the Predecessor was converted from a state-owned enterprise into a joint stock company and multiple subsidiaries of the Predecessor were converted from state-owned enterprises into limited liability companies in 2009 to 2011.

As required by PRC regulations on the restructuring of state-owned enterprises, the Predecessor and these subsidiaries engaged China Enterprise Appraisals Co., Ltd. (中企華資產評估公司), an assets appraiser certified in the PRC, to carry out an independent valuation of their assets and liabilities at the measurement dates. The valuation results have been recognized in the financial statements of the Predecessor and these subsidiaries. These event-driven fair value measurements have been used as deemed cost in the financial statements at the measurements dates, and the resulting revaluation adjustments have been recognized in capital reserve.

30. 資本及儲備 (續)

(d) 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。

2009年至2011年，在前身重組時，前身由國有企業改制為股份公司，而前身的多家附屬公司則由國有企業改制為有限責任公司。

根據中國法規有關國有企業重組的規定，前身及有關附屬公司聘請於中國獲註冊的資產評估師中企華資產評估公司對其於計量日的資產及負債進行獨立估值。估值結果已於前身及該等附屬公司的財務報表內確認。該等特定事件驅動的公允值計量用作於計量日財務報表內的認定成本，而所產生的重估調整於資本儲備中確認。

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30. CAPITAL AND RESERVES (CONTINUED)

(d) Reserves (Continued)

(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.

(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. The reserve is dealt with in accordance with the accounting policies set out in note 2(x).

30. 資本及儲備 (續)

(d) 儲備 (續)

(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）。

(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。該儲備根據附註2(x)所載的會計政策處理。

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30. CAPITAL AND RESERVES (CONTINUED)

(d) Reserves (Continued)

(iv) Distributability of reserve

Following the Reorganization, the payment of future dividends will be determined by the Company's shareholders. The payment of the dividends will depend upon the future earnings, capital requirement, financial conditions and general business conditions of the Company. As the controlling shareholder, SINOMACH will be able to influence the Company's dividend policy.

Following the establishment of the Company, under the Company Law of the PRC and the Company's Articles of Association, net profit can only be distributed as dividends after allowances have been made for the following:

- (i) Making up prior years' cumulative losses, if any;
- (ii) Allocations to the statutory reserve fund as set out in note 30(d)(ii) above; and
- (iii) Allocations to the discretionary common reserve if approved by the shareholders.

In accordance with the Articles of Association of the Company, the net profit of the Company for the purpose of dividends payment will be the lesser of (i) the net profit determined in accordance with the accounting rules and regulations of the PRC; and (ii) the net profit determined in accordance with IFRSs. As at December 31, 2013, the aggregate amount of reserves available for distribution to shareholders of the Company was RMB3,468,828,000 (2012: RMB2,377,500,000).

30. 資本及儲備 (續)

(d) 儲備 (續)

(iv) 分配儲備

於重組後，未來股息的支付將由本公司的股東釐定。股息的支付將取決於本公司的未來盈利、資本要求、財務狀況以及一般業務情況。作為控股股東，國機將能夠影響本公司的股息政策。

於本公司設立後，根據中國公司法及本公司章程，淨溢利必須在計提以下撥備之後方可作為股息分派：

- (i) 彌補過往年度的累計虧損 (如有)；
- (ii) 根據上文附註30(d)(ii)計提法定儲備基金；及
- (iii) 經股東批准計提任意盈餘儲備。

根據本公司章程，本公司就股息支付而言的淨溢利為以下較低者：(i)根據中國會計制度及法規釐定的淨溢利；及(ii)根據國際財務報告準則釐定的淨溢利。於2013年12月31日，可分派給本公司股東的儲備金額合共人民幣3,468,828,000元 (2012年：人民幣2,377,500,000元)。

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30. CAPITAL AND RESERVES (CONTINUED)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing goods and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of liability-to-asset ratio, which is calculated by dividing total liabilities by total assets. The liability-to-asset ratio of the Group as at December 31, 2013 is 63% (2012: 71%).

There were no changes in the Group's approach to capital management compared with 2012. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

30. 資本及儲備 (續)

(e) 資本管理

本集團資本管理的主要目的是保障本集團可持續經營，藉以不斷為股東提供回報及為其他利益相關者帶來利益，方法包括依照風險水平釐定產品及服務價格，及以合理的成本獲得融資渠道。

本集團積極定期檢查及管理其資本架構，以期在維持較高借貸水平下爭取更高股東回報與維持良好資本的優勢和保障兩者之間取得平衡，並且因經濟情況的轉變調整資本架構。

本集團以資產負債比率（按負債總額除以資產總額計算）為基礎監管資本架構。於2013年12月31日，本集團的資產負債比率為63%（2012年：71%）。

本集團資本管理方法與2012年相比並無改變。本公司及其任何附屬公司均不受制於外部施予的資本要求。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The Group primarily evaluates customers' credit status and their ability to guarantee payment through its establishment of an appropriate business evaluation system. The Group generally requires customers to settle progress billings in accordance with contracted terms and other debts in accordance with agreements. Credit terms may be granted to customers, depending on credit assessment carried out by management on an individual basis. Also, in order to properly control the credit risk on trade and other receivables, the Group issued policies on the purchase of export credit insurance. To protect against credit risk in its trading business, the Group requires the Company and its subsidiary entities to buy unified export credit insurance from China Export & Credit Insurance Corporation ("SINOSURE"); for its construction contract business under the financing arrangement of export seller's credit provided by the Group to relevant customers, the Group requires each project to meet financing needs and control for credit risk on trade and other receivables by buying export credit insurance from SINOSURE.

The Group's significant concentration of credit risk stems from its significant trade and other receivables due from individual customers.

31. 財務風險管理及公允價值

本集團的日常業務過程中面臨信用風險、流動資金風險、利率風險及貨幣風險。本集團面臨的該等風險以及本集團用以管理該等風險的財務風險管理政策及慣常做法如下。

(a) 信用風險

本集團的信用風險主要歸屬於貿易及其他應收款項。管理層已制定信貸政策並持續監控面臨的該等信用風險。

本集團主要通過建立一個適當的業務評價制度以評估客戶的信用狀況及其保證支付的能力。本集團一般要求客戶按照合同條款清償進度款項及根據協議清償其他債務。根據管理層對各個案進行的信用評估，可能向客戶授予信貸期。此外，為適當控制貿易及其他應收款項的信用風險，本集團制定了購買出口信用保險的政策。為防範貿易業務中的信用風險，本集團要求本公司及其附屬實體向中國出口信用保險公司（「中國信保」）購買統一的出口信用保險；對於本集團向有關客戶提供出口賣方信貸融資安排的建造合同業務，本集團要求各項目通過向中國信保購買出口信用保險以滿足融資需求及對貿易及其他應收款項的信用風險的控制。

本集團的信用風險明顯集中於個別客戶的重大貿易及其他應收款項。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(a) Credit risk (Continued)

As at December 31, 2013, 9% of the total trade and other receivables was due from the Group's largest customer (2012: 10%) and 26% of the total trade and other receivables was due from the five largest customers (2012: 25%).

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 21.

(b) Liquidity risk

The funding needs of the Company and its subsidiary entities are raised and allocated by the Group. Fund raising from external sources by subsidiary entities is subject to approval by the Company. The Company and its subsidiary entities manage cash flows according to their own business approval processes. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirement in the short and longer term.

31. 財務風險管理及公允值 (續)

(a) 信用風險 (續)

於2013年12月31日，貿易及其他應收款項總額中有9% (2012年：10%) 應向本集團最大客戶收取，而貿易及其他應收款項總額中有26% (2012年：25%) 應向五大客戶收取。

有關本集團面臨的貿易及其他應收款項的信用風險的進一步定量披露載於附註21。

(b) 流動資金風險

本公司及其附屬實體的資金需求由本集團籌集及分配。附屬實體向外部來源籌集資金應得到本公司的批准。本公司及其附屬實體通過其自身的業務審批流程管理現金流量。本集團的政策是定期監察目前及預期的流動資金要求及其借貸契約的合規情況，確保其維持足夠的現金儲備及取得主要金融機構的充足的資金承諾額度，以滿足其短期及較長期的流動資金要求。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Liquidity risk (Continued)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's and the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and the Company can be required to pay:

The Group

		Contractual undiscounted cash outflow 合同未折現現金流出					
		Within 1 year or on demand 1年以內或 按要求還款 RMB'000 人民幣千元	More than 1 year but within 2 years 1年以上 但不到2年 RMB'000 人民幣千元	More than 2 years but within 5 years 2年以上 但不到5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total RMB'000 人民幣千元	Carrying amount RMB'000 人民幣千元
At December 31, 2013	於2013年12月31日						
Borrowings	借貸	241,463	73,828	4,141	2,020	321,452	313,944
Trade and other payables	貿易及其他應付款項	11,705,127	517,356	-	-	12,222,483	12,222,483
		11,946,590	591,184	4,141	2,020	12,543,935	12,536,427
Interest rate swaps (net settled)	利率掉期(淨額結算)	4,580	1,706	11	-	6,297	6,279
Derivatives settled gross:	總額計算衍生工具:						
Foreign currency forward exchange contracts:	遠期外匯合同:						
- outflow	- 流出	5,582,799	1,364,971	1,559,991	-	8,507,761	
- inflow	- 流入	(5,655,226)	(1,395,100)	(1,610,720)	-	(8,661,046)	

31. 財務風險管理及公允值(續)

(b) 流動資金風險(續)

下表詳述於報告期末本集團及本公司的金融負債的剩餘合同期限，其依據的是合同未折現現金流量(含使用合同利率或依據報告期末的通行利率(如為浮動)計算的利息支付)以及本集團及本公司必須付款的最早日期：

本集團

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Liquidity risk (Continued)

The Group (Continued)

		Contractual undiscounted cash outflow				Total	Carrying amount
		Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years		
		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
At December 31, 2012	於2012年12月31日						
Borrowings	借貸	139,786	76,376	78,831	3,266	298,259	288,538
Trade and other payables	貿易及其他應付款項	10,475,475	500,778	2,440	-	10,978,693	10,970,548
		10,615,261	577,154	81,271	3,266	11,276,952	11,259,086
Interest rate swaps (net settled)	利率掉期 (淨額結算)	7,117	4,564	1,721	-	13,402	13,388
Derivatives settled gross:	總額計算衍生工具:						
Foreign currency forward exchange contracts:	遠期外匯合同:						
- outflow	- 流出	944,662	665,638	327,189	-	1,937,489	
- inflow	- 流入	(953,046)	(664,832)	(313,982)	-	(1,931,860)	

31. 財務風險管理及公允值 (續)

(b) 流動資金風險 (續)

本集團 (續)

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

31. 財務風險管理及公允值 (續)

(b) Liquidity risk (Continued)

(b) 流動資金風險 (續)

The Company

本公司

		Contractual undiscounted cash outflow 合同未折現現金流出					
		Within 1 year or on demand 1年以內或 按要求還款 RMB'000 人民幣千元	More than 1 year but within 2 years 1年以上 但不到2年 RMB'000 人民幣千元	More than 2 years but within 5 years 2年以上 但不到5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
At December 31, 2013	於2013年12月31日						
Borrowings	借貸	72,127	72,546	916	-	145,589	142,668
Trade and other payables	貿易及其他應付款項	10,255,698	520,128	-	-	10,775,826	10,775,826
		10,327,825	592,674	916	-	10,921,415	10,918,494
Interest rate swaps (net settled)	利率掉期 (淨額結算)	4,580	1,706	11	-	6,297	6,279
Derivatives settled gross:	總額計算衍生工具：						
Foreign currency forward exchange contracts:	遠期外匯合同：						
- outflow	- 流出	5,379,463	1,071,607	1,035,632	-	7,486,702	
- inflow	- 流入	(5,448,989)	(1,095,190)	(1,069,071)	-	(7,613,250)	
At December 31, 2012	於2012年12月31日						
Borrowings	借貸	74,312	74,616	75,802	-	224,730	216,850
Trade and other payables	貿易及其他應付款項	8,867,139	452,947	-	-	9,320,086	9,320,086
		8,941,451	527,563	75,802	-	9,544,816	9,536,936
Interest rate swaps (net settled)	利率掉期 (淨額結算)	7,117	4,564	1,721	-	13,402	13,388
Derivatives settled gross:	總額計算衍生工具：						
Foreign currency forward exchange contracts:	遠期外匯合同：						
- outflow	- 流出	944,662	665,638	327,189	-	1,937,489	
- inflow	- 流入	(953,046)	(664,832)	(313,982)	-	(1,931,860)	

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest bearing borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group regularly reviews and monitors the mix of fixed and variable rate borrowings either through the contractual terms of the interest-bearing financial assets and liabilities or through the use of interest rate swaps in order to manage its interest rate risks.

(i) Interest rate profile

The following table details the interest rate profile of the Group's and the Company's net instruments (interest-bearing financial assets less interest-bearing financial liabilities) at the end of the reporting period, after taking into account the effect of interest rate swaps:

	The Group		The Company	
	2013	2012	2013	2012
	2013年	2012年	2013年	2012年
	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
Net fixed rate instruments:	淨固定利率工具：			
Trade and other receivables	-	101,000	-	-
Construction contracts	4,150,113	5,221,298	4,015,793	4,922,132
Bank deposits	13,756,307	14,346,426	13,259,911	13,671,399
Less: Borrowings	309,394	282,128	142,668	216,850
Trade and other payables	-	109,307	-	-
	17,597,026	19,277,289	17,133,036	18,376,681
Net variable rate instruments:	淨浮動利率工具：			
Bank deposits	4,665,970	4,660,970	3,383,731	3,734,114
Less: Borrowings	4,550	6,410	-	-
	4,661,420	4,654,560	3,383,731	3,734,114

31. 財務風險管理及公允值 (續)

(c) 利率風險

本集團的利率風險主要來自於計息借貸。按浮動利率及固定利率發放的借貸分別使本集團面臨現金流量利率風險及公允值利率風險。本集團通過計息金融資產及負債的合同條款或通過利率掉期的使用定期審查及監察固定利率及浮動利率的借貸比例，以管理其利率風險。

(i) 利率概況

下表詳述計及利率掉期的影響，本集團及本公司於報告期末的淨工具（計息金融資產減計息金融負債）利率概況：

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Interest rate risk (Continued)

(ii) Sensitivity Analysis

At December 31, 2013, it is estimated that a general increase/decrease of 100 basis points in interest rates of net variable rate instruments, with all other variables held constant, would have increased/decreased the Group's profit after tax and retained profits by approximately RMB35,303,000 (2012: RMB34,951,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to cash flow interest rate risk for non-derivative financial instruments in existence at the end of the reporting period.

The estimated 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next annual reporting period. The sensitivity analysis is performed on the same basis for 2012.

31. 財務風險管理及公允值 (續)

(c) 利率風險 (續)

(ii) 敏感性分析

於2013年12月31日，淨浮動利率工具的利率總體上浮／下浮100個基點而所有其他變量保持不變，估計將導致本集團的除稅後溢利及保留溢利分別增加／減少約人民幣35,303,000元（2012年：人民幣34,951,000元）。

上述敏感性分析假設利率變動於報告期末發生並適用於報告期末存在的非衍生金融工具面臨的現金流量利率風險。

估計100個基點的上浮或下浮代表管理層對直至下一個年度報告期末期間內的合理可能利率變動的評估。敏感性分析按2012年的相同基礎進行。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk

The Group is exposed to currency risk primarily through sales, purchases and financing which give rise to receivables, payables, borrowings and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transaction relate. The currencies giving rise to this risk are primarily United States dollars (“USD”), Euros (“EUR”) and Hong Kong dollars (“HKD”). The Group manages this risk as follows:

(i) Forecast transactions

The Group uses foreign currency forward exchange contracts to hedge some of its currency risk in respect of committed future sales transactions. At December 31, 2013, the Group had foreign currency forward exchange contracts hedging forecast transactions with a net fair value of RMB57,846,000 (2012: RMB nil), recognized as derivative financial instruments recorded in “trade and other receivables”.

(ii) Recognized assets and liabilities

Changes in the fair value of foreign currency forward exchange contracts on monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss (see note 6). The net fair value of foreign currency forward exchange contracts used by the Group on monetary assets and liabilities denominated in foreign currencies at December 31, 2013 was RMB84,486,000 (2012: RMB(4,703,000)), recognized as derivative financial instruments recorded in “trade and other receivables”.

31. 財務風險管理及公允值 (續)

(d) 貨幣風險

本集團主要因銷售、採購及融資產生的以外幣(即交易相關的業務功能貨幣以外的貨幣)計價的應收款項、應付款項、借貸及現金結餘而面臨貨幣風險。產生該風險的貨幣主要有美元(「美元」)、歐元(「歐元」)及港元(「港元」)。本集團對該風險的管理如下：

(i) 預測交易

本集團利用遠期外匯合同對沖其於已承諾未來銷售交易的部分貨幣風險。於2013年12月31日，本集團為對沖預測交易的遠期外匯合同淨公允值分別為人民幣57,846,000元(2012年：人民幣零元)，確認為記錄於「貿易及其他應收款項」中的衍生金融工具。

(ii) 已確認資產及負債

有關以外幣計價的貨幣資產及負債的遠期外匯合同的公允價值變動於損益中確認(見附註6)。本集團於2013年12月31日就以外幣計價的貨幣資產及負債使用的遠期外匯合同的淨公允值為人民幣84,486,000元(2012年：人民幣(4,703,000)元)，確認為記錄於「貿易及其他應收款項」中的衍生金融工具。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(ii) Recognized assets and liabilities (Continued)

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

(iii) Exposure to currency risk

The following table details the Group's and the Company's exposure at the end of the reporting period to currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(ii) 已確認資產及負債 (續)

就其他以外幣計價的貨幣資產及負債而言，本集團確保通過於必要時以即期匯率買入或賣出外匯以解決短期不平衡，令淨風險保持在一個可接受的水平。

(iii) 貨幣風險敞口

下表詳述本集團及本公司於報告期末以實體相關功能貨幣以外的貨幣計價的已確認資產或負債所產生的貨幣風險敞口。就列報而言，風險敞口的金額使用年末當日的即期匯率換算，以人民幣列示。不計及境外業務的財務報表換算為本集團的呈列貨幣產生的差異。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(iii) Exposure to currency risk (Continued)

The Group

		Exposure to foreign currencies (expressed in RMB) 外幣風險敞口 (以人民幣列示)			
		USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元
At December 31, 2013	於2013年12月31日				
Cash and cash equivalents	現金及現金等價物	1,234,298	191,737	2,090,973	520,316
Restricted deposits	受限制存款	1,309	36	-	1,915
Trade and other receivables	貿易及其他應收款項	1,946,787	183,720	7,019	1,607
Construction contracts	建造合同應收款項	5,411,217	15,421	-	98,525
Borrowings	借貸	(278,589)	(619)	-	(22,124)
Trade and other payables	貿易及其他應付款項	(2,129,788)	(65,543)	(1,579)	(83,422)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	6,185,234	324,752	2,096,413	516,817
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(2,875,085)	-	-	-
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	3,310,149	324,752	2,096,413	516,817

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(iii) 貨幣風險敞口 (續)

本集團

Exposure to foreign currencies (expressed in RMB)

外幣風險敞口 (以人民幣列示)

USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元
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At December 31, 2013	於2013年12月31日				
Cash and cash equivalents	現金及現金等價物	1,234,298	191,737	2,090,973	520,316
Restricted deposits	受限制存款	1,309	36	-	1,915
Trade and other receivables	貿易及其他應收款項	1,946,787	183,720	7,019	1,607
Construction contracts	建造合同應收款項	5,411,217	15,421	-	98,525
Borrowings	借貸	(278,589)	(619)	-	(22,124)
Trade and other payables	貿易及其他應付款項	(2,129,788)	(65,543)	(1,579)	(83,422)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	6,185,234	324,752	2,096,413	516,817
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(2,875,085)	-	-	-
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	3,310,149	324,752	2,096,413	516,817

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(iii) Exposure to currency risk (Continued)

The Group (Continued)

		Exposure to foreign currencies (expressed in RMB) 外幣風險敞口 (以人民幣列示)			
		USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元
At December 31, 2012	於2012年12月31日				
Cash and cash equivalents	現金及現金等價物	1,786,327	227,344	3,024,959	159,547
Restricted deposits	受限制存款	14,229	9,610	–	9,466
Trade and other receivables	貿易及其他應收款項	1,807,280	306,968	–	253
Construction contracts	建造合同應收款項	6,657,999	76,269	–	104,041
Borrowings	借貸	(223,366)	(12,105)	–	–
Trade and other payables	貿易及其他應付款項	(2,239,753)	(135,225)	(44)	(46,090)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	7,802,716	472,861	3,024,915	227,217
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(1,909,305)	–	–	–
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	5,893,411	472,861	3,024,915	227,217

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(iii) 貨幣風險敞口 (續)

本集團 (續)

		Exposure to foreign currencies (expressed in RMB) 外幣風險敞口 (以人民幣列示)			
		USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元

At December 31, 2012	於2012年12月31日				
Cash and cash equivalents	現金及現金等價物	1,786,327	227,344	3,024,959	159,547
Restricted deposits	受限制存款	14,229	9,610	–	9,466
Trade and other receivables	貿易及其他應收款項	1,807,280	306,968	–	253
Construction contracts	建造合同應收款項	6,657,999	76,269	–	104,041
Borrowings	借貸	(223,366)	(12,105)	–	–
Trade and other payables	貿易及其他應付款項	(2,239,753)	(135,225)	(44)	(46,090)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	7,802,716	472,861	3,024,915	227,217
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(1,909,305)	–	–	–
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	5,893,411	472,861	3,024,915	227,217

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(iii) Exposure to currency risk (Continued)

The Company

		Exposure to foreign currencies (expressed in RMB) 外幣風險敞口 (以人民幣列示)			
		USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元
At December 31, 2013	於2013年12月31日				
Cash and cash equivalents	現金及現金等價物	1,086,062	180,279	2,090,973	500,012
Restricted deposits	受限制存款	209	24	-	-
Trade and other receivables	貿易及其他應收款項	1,443,318	172,369	7,019	753
Construction contracts	建造合同應收款項	5,170,107	15,421	-	-
Borrowings	借貸	(142,668)	-	-	-
Trade and other payables	貿易及其他應付款項	(1,805,866)	(31,977)	(1,414)	(82,534)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	5,751,162	336,116	2,096,578	418,231
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(2,744,267)	-	-	-
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	3,006,895	336,116	2,096,578	418,231

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(iii) 貨幣風險敞口 (續)

本公司

Exposure to foreign currencies (expressed in RMB) 外幣風險敞口 (以人民幣列示)

USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元
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At December 31, 2013	於2013年12月31日				
Cash and cash equivalents	現金及現金等價物	1,086,062	180,279	2,090,973	500,012
Restricted deposits	受限制存款	209	24	-	-
Trade and other receivables	貿易及其他應收款項	1,443,318	172,369	7,019	753
Construction contracts	建造合同應收款項	5,170,107	15,421	-	-
Borrowings	借貸	(142,668)	-	-	-
Trade and other payables	貿易及其他應付款項	(1,805,866)	(31,977)	(1,414)	(82,534)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	5,751,162	336,116	2,096,578	418,231
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(2,744,267)	-	-	-
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	3,006,895	336,116	2,096,578	418,231

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(iii) Exposure to currency risk (Continued)

The Company (Continued)

		Exposure to foreign currencies (expressed in RMB) 外幣風險敞口 (以人民幣列示)			
		USD 美元 RMB'000 人民幣千元	EUR 歐元 RMB'000 人民幣千元	HKD 港元 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元
At December 31, 2012	於2012年12月31日				
Cash and cash equivalents	現金及現金等價物	1,722,072	219,903	3,024,959	151,577
Restricted deposits	受限制存款	215	14	-	-
Trade and other receivables	貿易及其他應收款項	1,241,758	304,608	-	-
Construction contracts	建造合同應收款項	6,388,141	76,269	-	-
Borrowings	借貸	(216,850)	-	-	-
Trade and other payables	貿易及其他應付款項	(2,213,681)	(72,784)	-	(41,970)
Gross exposure arising from recognized assets and liabilities	已確認資產及負債產生的總風險敞口	6,921,655	528,010	3,024,959	109,607
Notional amounts of foreign currency forward exchange contracts	遠期外匯合同的名義金額	(1,909,305)	-	-	-
Net exposure arising from recognized assets and liabilities	已確認資產及負債產生的淨風險敞口	5,012,350	528,010	3,024,959	109,607

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(iii) 貨幣風險敞口 (續)

本公司 (續)

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(iv) Sensitivity analysis

The following table indicates the instantaneous change in the Group's and the Company's profit after tax and retained profits that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at those dates, assuming all other risk variables remained constant.

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(iv) 敏感性分析

下表顯示倘若本集團於報告期間結算日有重大敞口的外匯匯率於該等日期出現變動，假設所有其他風險變量保持不變，本集團及本公司的稅後溢利及保留溢利可能產生的實時變更。

		The Group 本集團				The Company 本公司			
		2013 2013年		2012 2012年		2013 2013年		2012 2012年	
		Increase/ (decrease) in in foreign exchange rate	Increase/ (decrease) in profit after tax and retained profits	Increase/ (decrease) in in foreign exchange rate	Increase/ (decrease) in profit after tax and retained profits	Increase/ (decrease) in in foreign exchange rate	Increase/ (decrease) in profit after tax and retained profits	Increase/ (decrease) in in foreign exchange rate	Increase/ (decrease) in profit after tax and retained profits
		外匯匯率 增加/(減少)	稅後溢利及 保留溢利 增加/(減少)	外匯匯率 增加/(減少)	稅後溢利及 保留溢利 增加/(減少)	外匯匯率 增加/(減少)	稅後溢利及 保留溢利 增加/(減少)	外匯匯率 增加/(減少)	稅後溢利及 保留溢利 增加/(減少)
		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	
USD	美元	5%	(86,552)	5%	221,191	5%	(64,890)	5%	71,254
USD	美元	(5%)	86,552	(5%)	(221,191)	(5%)	64,890	(5%)	(71,254)
EUR	歐元	10%	24,380	10%	35,486	10%	25,209	10%	39,601
EUR	歐元	(10%)	(24,380)	(10%)	(35,486)	(10%)	(25,209)	(10%)	(39,601)
HKD	港元	5%	78,615	5%	113,434	5%	78,622	5%	113,436
HKD	港元	(5%)	(78,615)	(5%)	(113,434)	(5%)	(78,622)	(5%)	(113,436)
Others	其他	5%	19,493	5%	8,772	5%	15,684	5%	4,110
Others	其他	(5%)	(19,493)	(5%)	(8,772)	(5%)	(15,684)	(5%)	(4,110)

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Currency risk (Continued)

(iv) Sensitivity analysis (Continued)

Results of the analysis presented in the above table represent an aggregate of the instantaneous effects on each of the Group entities' profit after tax and retained profits measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of each reporting period for presentation purpose.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including intercompany payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2012.

31. 財務風險管理及公允值 (續)

(d) 貨幣風險 (續)

(iv) 敏感性分析 (續)

上表呈列的分析結果代表對本集團各實體的稅後溢利及保留溢利(按各自的功能貨幣計量，並就列報而言按各報告期末的匯率換算成人民幣)的總計實時影響。

敏感性分析假設外匯匯率變動已被應用於重新計量本集團持有的令本集團於報告期末面臨外匯風險的金融工具，包括本集團內公司間的以貸方或借方的功能貨幣以外的貨幣計價的應付款項及應收款項。分析不包括境外業務的財務報表換算為本集團的呈列貨幣產生的差異。分析按2012年的相同基礎進行。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the end of the reporting period across the three levels of the fair value hierarchy defined in IFRS 7, Financial Instruments: Disclosures, with the fair value of each financial instrument categorized in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted priced (adjusted) in active markets for identical financial instruments;
- Level 2: fair values measured using quoted prices in active market for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data;
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

31. 財務風險管理及公允值 (續)

(e) 公允值

(i) 以公允值列賬的金融工具

下表呈列以公允值計量的金融工具於報告期末在國際財務報告準則第7號「金融工具：披露」所界定的公允值層級的三個層級的賬面值，各金融工具的公允值完全依據對該公允值計量而言屬重要的最低層級輸入參數歸類。層級定義如下：

- 第1級（最高層級）：使用同類金融工具在活躍市場取得的市場報價（經調整）計量的公允值；
- 第2級：使用類似金融工具在活躍市場上的市場報價，或使用所有重要輸入參數均直接或間接基於可觀察市場數據的估值技術計量的公允值；
- 第3級（最低層級）：使用任何重要的輸入參數均非基於可觀察市場數據的估值技術計量的公允值。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(e) Fair values (Continued)

(i) Financial instruments carried at fair value (Continued)

The Group's financial instruments carried at fair value as at December 31, 2012 and 2013 are all measured under level 2.

31. 財務風險管理及公允值 (續)

(e) 公允值 (續)

(i) 以公允值列賬的金融工具 (續)

本集團於2012年及2013年12月31日按公允值列賬的金融工具均按第2級計量。

	The Group		The Company	
	本集團	本公司	本公司	本公司
	2013	2012	2013	2012
	2013年	2012年	2013年	2012年
	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
Level 2	第2級			
Assets	資產			
Derivative financial instruments	衍生金融工具			
– foreign currency forward exchange contracts	– 遠期外匯合同			
	142,332	15,117	118,165	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			
– interest rate swaps	– 利率掉期			
	-	19,820	-	19,820
	6,279	13,388	6,279	13,388

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(e) Fair values (Continued)

(ii) 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 value as at December 31, 2012 and 2013 except as follows:

		The Group 本集團				The Company 本公司			
		2013 2013年		2012 2012年		2013 2013年		2012 2012年	
		Book value 賬面值	Fair value 公允值	Book value 賬面值	Fair value 公允值	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	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	5,574,518	5,381,350	7,306,183	7,160,490	5,195,689	5,001,265	6,879,121	6,725,164
Long-term borrowings	長期借貸	(151,361)	(146,943)	(236,116)	(224,068)	(142,668)	(138,250)	(216,850)	(204,802)

(f) Estimation of fair values

(i) Receivables and borrowings

The fair value is estimated as the present value of the future cash flows discounted at the market interest rates at the end of the reporting period.

31. 財務風險管理及公允值 (續)

(e) 公允值 (續)

(ii) 非按公允值列賬的金融工具的公允值

於2012年及2013年12月31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：

(f) 公允值的估計

(i) 應收款項及借貸

公允值估計為未來現金流量按報告期末的市場利率折現的現值。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(f) Estimation of fair values (Continued)

(ii) Derivatives

Foreign currency forward exchange contracts are either marked to market using listed market prices or by discounting the difference between the contractual forward price and the current market forward price. The fair value of interest rate swaps is obtained using discounted cash flow models.

32. COMMITMENTS

(a) Capital commitments outstanding at the year end not provided for in the financial statements were as follows:

		The Group		The Company	
		本集團		本公司	
		2013	2012	2013	2012
		2013年	2012年	2013年	2012年
		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
Contracted for	已訂約	310,055	82,128	53,735	56,297
Authorized but not contracted for	已獲准但未訂約	1,411,810	1,476,172	908,259	913,493
		1,721,865	1,558,300	961,994	969,790

The Company's capital commitments outstanding as at December 31, 2013 represented capital commitments amounted to RMB961,994,000 for the planned construction of a new office building located in Beijing in the PRC.

31. 財務風險管理及公允值 (續)

(f) 公允值的估計 (續)

(ii) 衍生工具

遠期外匯合同使用上市市場價格或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式取得。

32. 承擔

(a) 財務報表中未予撥備及於年末未償付的資本承擔如下：

於2013年12月31日未償付的本公司資本承擔為在中國北京規劃建造一棟新辦公樓的金額為人民幣961,994,000元的資本承擔。

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32. COMMITMENTS (CONTINUED)

(b) At the year end, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團		The Company 本公司	
		2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元	2012 2012年 RMB'000 人民幣千元
Within 1 year	1年以內	12,493	13,549	6,653	10,103
After 1 year but within 5 years	1年以上但5年以內	6,415	6,119	711	4,545
		18,908	19,668	7,364	14,648

The Group leases certain buildings through non-cancellable operating leases. These operating leases do not contain provision for contingent lease rentals. None of the rental agreements contain escalation provision that may require higher future rental payment.

(b) 於年末，根據不可撤銷經營租賃，未來應付最低租賃款項總額如下：

本集團通過不可撤銷經營租賃租賃若干樓宇。該等經營租賃並未包含或有租金撥備。租賃協議概無包含要求提高未來租金的遞增條款。

33. 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.

33. 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序的被點名方。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。

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33. CONTINGENT LIABILITIES (CONTINUED)

(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 December 31, 2013, the maximum liability of the Group and the Company under these guarantees issued are the outstanding amount of letter of guarantee issued through certain banks to the buyers of RMB179,889,000 (2012: RMB662,039,000) and RMB179,889,000 (2012: RMB662,039,000), respectively, which are secured by certain assets of the sellers or letter of guarantees through certain banks from sellers.

The Company has issued guarantees to banks in respect of the banking facilities granted to its subsidiaries for issuance of letter of credit, letter of guarantees, bills and bank loans etc.

As at December 31, 2013, the maximum liability of the Company under these guarantees issued for its subsidiaries are the banking facilities drawn down by the subsidiaries of RMB1,433,894,000 (2012: RMB744,105,000).

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

33. 或有負債 (續)

(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12月31日，本集團及本公司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分別為人民幣179,889,000元（2012年：人民幣662,039,000元）及人民幣179,889,000元（2012年：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。

本公司就其附屬公司發出信用證、保函、票據及銀行貸款等獲授的銀行信用額度向銀行作出擔保。

於2013年12月31日，本公司於該等為其附屬公司發出的擔保項下的負債最大值為附屬公司已使用的銀行信用額度人民幣1,433,894,000元（2012年：人民幣744,105,000元）。

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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34. MATERIAL RELATED PARTY TRANSACTIONS

34. 重大關聯方交易

(a) Transactions with SINOMACH and fellow subsidiaries

(a) 與國機及同系附屬公司的交易

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:

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：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Non-exempt continuing connected transactions	不獲自動豁免持續關連交易		
Provision of engineering services and products to	向下列各方提供工程服務及產品		
– SINOMACH	– 國機	-	826,472
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	749,998	466,757
Trading procurement from	向下列各方進行貿易採購		
– Fellow subsidiaries	– 同系附屬公司	-	11,688
Provision of integrated services to	向下列各方提供綜合服務		
– Fellow subsidiaries	– 同系附屬公司	15,274	12,057
– SINOMACH	– 國機	7,713	-
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	501,160	(1,452,642)
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	8,525	13,029
Exempt continuing connected transactions	獲自動豁免持續關連交易		
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	318	315
Exempt connected transactions	獲自動豁免關連交易		
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	(26,268)	(50,441)
Guarantees revoked by	由下列各方解除的擔保		
– SINOMACH	– 國機	-	357,891

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34. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

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

Note:

- (i) The related party transactions listed above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on HKSE (the "Listing Rules"). The detailed disclosures required by Chapter 14A of the Listing Rules are provided in the "Report of Directors" section of the annual report for the year ended December 31, 2013.

(b) Outstanding balances with SINOMACH and fellow subsidiaries

Cash deposits placed with	於下列各方的現金存款		
– A fellow subsidiary	– 一家同系附屬公司	501,160	–
Trade and other receivables due from	應收下列各方的貿易及		
	其他應收款項		
– SINOMACH	– 國機	10,159	265,913
– Fellow subsidiaries	– 同系附屬公司	22,029	208,741
Receipts in advance from	自下列各方收取的預收款項		
– SINOMACH	– 國機	47,541	–
Trade and other payables due to	欠付下列各方的貿易及		
	其他應付款項		
– Fellow subsidiaries	– 同系附屬公司	553,658	238,806

The directors of the Company confirm that all amounts due from/to related parties as at December 31, 2013 are all trading in nature.

34. 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) 上表所列關聯方交易包括香港聯交所證券上市規則(「上市規則」)第14A章所定義的關連交易或持續關連交易。上市規則第14A章所規定的披露詳情載於截至2013年12月31日止年度年報的「董事會報告」部分。

(b) 國機及同系附屬公司的結欠餘額

2013	2012
2013年	2012年
RMB'000	RMB'000
人民幣千元	人民幣千元

本公司董事確認於2013年12月31日之所有應收／欠付關聯方款項均屬貿易性質。

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34. 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 December 31, 2013, there was no material outstanding contribution to post-employment benefit plans. Details of the defined contribution retirement plans are set out in note 28(b).

(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 years ended December 31, 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.

34. 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12月31日，離職後福利計劃並無重大未支付供款。設定供款退休計劃的詳情載於附註28(b)。

(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12月31日止年度，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，與該等國有企業的交易屬本集團日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或擁有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。

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34. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

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

Apart from transactions mentioned above, the Group has transactions with other state-controlled banks, including but not limited to depositing and borrowing money. The directors are of the opinion that these related party transactions require disclosure as other state-controlled entities transactions as follows:

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income	利息收入	319,602	305,029
Interest expense	利息開支	6,771	9,875
Borrowings received	已收借貸	67,094	90,390
Borrowings repaid	已償還借貸	173,103	174,553
Net deposits	存款淨額	(3,501,307)	11,007,951

The balances due from/to other state-controlled entities transactions are as follows:

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank deposits	銀行存款	14,832,742	18,334,049
Borrowings	借貸	169,762	275,771

34. 重大關聯方交易 (續)

(d) 於中國與其他受國家控制實體 的交易 (續)

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。董事認為須作為其他受國家控制實體交易予以披露的該等關聯方交易如下：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income	利息收入	319,602	305,029
Interest expense	利息開支	6,771	9,875
Borrowings received	已收借貸	67,094	90,390
Borrowings repaid	已償還借貸	173,103	174,553
Net deposits	存款淨額	(3,501,307)	11,007,951

應收／欠付其他受國家控制實體交易款項的結餘如下：

		2013	2012
		2013年	2012年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank deposits	銀行存款	14,832,742	18,334,049
Borrowings	借貸	169,762	275,771

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34. 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, including amounts paid to the Company's directors as disclosed in note 9, and certain of the highest paid employees as disclosed in note 10, is as follows:

		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	13,384	15,413
Retirement scheme contributions	退休計劃供款	353	328
		13,737	15,741

35. PARENT AND ULTIMATE HOLDING COMPANY

The directors of the Company consider its parent and ultimate holding company to be SINOMACH, which is a state-owned enterprise established in the PRC. SINOMACH does not produce financial statements available for public use.

34. 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，包括附註9所披露支付予本公司董事及附註10所披露的支付予若干最高薪酬僱員的金額如下：

35. 母公司及最終控股公司

本公司董事認為，本公司的母公司及最終控股公司為國機，其為一家在中國成立的國有企業。國機並未提供可供公眾使用的財務報表。

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36. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING PERIOD BEGINNING JANUARY 1, 2013

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the accounting period beginning January 1, 2013 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

36. 已頒佈但於自2013年1月1日開始的會計期間尚未生效的修訂本、新訂準則及詮釋的可能影響

截至該等財務報表刊發日期，國際會計準則理事會已頒佈多項於自2013年1月1日開始的會計期間尚未生效，而該等財務報表亦未採用的修訂本、新訂準則及詮釋。下文所載者可能與本集團相關：

		Effective for accounting periods beginning on or after 於下列日期或 之後開始的會計 期間生效
IFRIC 21, <i>Levies</i>	國際財務報告詮釋委員會第21號，徵費	January 1, 2014 2014年1月1日
Amendments to IFRS 10, IFRS 12 and IAS 27, – <i>Investment entities</i>	國際財務報告準則第10號、 國際財務報告準則第12號及國際會計 準則第27號(修訂本)–投資實體	January 1, 2014 2014年1月1日
Amendments to IAS 32, <i>Financial instruments: Presentation – Offsetting financial assets and financial liabilities</i>	國際會計準則第32號(修訂本)，金融工具： 呈列 – 抵銷金融資產及金融負債	January 1, 2014 2014年1月1日
Amendments to IAS 36, <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i>	國際會計準則第36號(修訂本)， 資產減值 – 非金融資產之可收回金額披露	January 1, 2014 2014年1月1日
Amendments to IAS 39, <i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i>	國際會計準則第39號(修訂本)， 金融工具：確認及計量 – 衍生工具的 更替及對沖會計法的延續	January 1, 2014 2014年1月1日
IFRS 9, <i>Financial instruments (2009)</i>	國際財務報告準則第9號，金融工具(2009年)	January 1, 2015 2015年1月1日
IFRS 9, <i>Financial instruments (2010)</i>	國際財務報告準則第9號，金融工具(2010年)	January 1, 2015 2015年1月1日
Amendments to IFRS 9, <i>Financial instruments and IFRS 7 Financial instruments: Disclosures – Mandatory effective date and transition disclosures</i>	國際財務報告準則第9號，金融工具及國際財務 報告準則第7號金融工具：披露 – 強制生效日期 及交易披露(修訂本)	January 1, 2015 2015年1月1日

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36. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING PERIOD BEGINNING JANUARY 1, 2013 (CONTINUED)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

37. SUBSEQUENT EVENT

(a) Dividends distribution

On March 24, 2014, the directors of the Company have proposed a final dividend. Further details are disclosed in note 30(b).

36. 已頒佈但於自2013年1月1日開始的會計期間尚未生效的修訂本、新訂準則及詮釋的可能影響 (續)

本集團正對預期此等修訂、新訂準則及詮釋對首次應用期間造成的影響進行評估。迄今為止，本集團認為，採用該等修訂、新訂準則及詮釋對合併財務報表不會產生重大影響。

37. 期後事項

(a) 股息分派

於2014年3月24日，本公司董事提議分派末期股息。進一步詳情載於附註30(b)。

Glossary of Terms

詞匯表

“AGM”	the annual general meeting of the Company	「股東週年大會」	指	本公司股東週年大會
“Articles of Association”	the articles of association of the Company, adopted on February 14, 2011 and as amended from time to time	「章程」	指	本公司於2011年2月14日採納的章程（經不時修訂）
“Board”	the board of Directors of the Company	「董事會」	指	本公司董事會
“CG Code”	the Corporate Governance Code set out in Appendix 14 to the Listing Rules	「企業管治守則」	指	上市規則附錄14所載之企業管治守則
“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	「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
“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 1.00% equity interest in our Company as at the date of December 11, 2012	「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
“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	「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，並為本公司的全資附屬公司
“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	「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，並為本公司的全資附屬公司

Glossary of Terms

詞匯表

“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	「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，並為本公司的全資附屬公司
“CMEC Machinery & Electric”	CMEC Machinery & Electric Equipment Import & Export Co., Ltd.* (中設機電進出口有限公司), a wholly-owned subsidiary of our Company established in the PRC on January 16, 1995 with limited liability	「中設機電」	指 中設機電進出口有限公司，一家於1995年1月16日在中國成立的有限責任公司，並為本公司的全資附屬公司
“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	「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，並為本公司的全資附屬公司
“CNCEC”	China National Complete Engineering Corporation* (中國成套工程有限責任公司), a corporation established in the PRC on September 5, 1985, which is wholly-owned by SINOMACH, which entrusted the Company to manage its 100% equity interests pursuant to the Equity Custodian Agreement entered into by the SINOMACH and the Company on June 26, 2013	「中成套」	指 中國成套工程有限責任公司，一間於1985年9月5日在中國成立的公司，並由國機全資擁有。國機根據與本公司於2013年6月26日訂立的股權託管協議，委託本公司管理其100%股權
“CNEEC”	China National Electric Engineering Co., Ltd. (中國電力工程有限責任公司), a limited liability company established in the PRC in October 1979 and wholly-owned by SINOMACH, which entrusted the Company to manage its 100% equity interests pursuant to the Equity Custodian Agreement entered into by the SINOMACH and the Company on June 26, 2013	「中電工」	指 中國電力工程有限責任公司，一間於1979年10月在中國成立的公司，並由國機全資擁有。國機根據與本公司於2013年6月26日訂立的股權託管協議，委託本公司管理其100%股權

Glossary of Terms

詞匯表

<p>“Company”, “Our Company” or “CMEC”</p>	<p>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</p>	<p>「公司」、指 「本公司」 或「中國 機械工程」</p>	<p>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</p>
<p>“Companies Law”</p>	<p>Company Law in the PRC (中華人民共和國公司法), adopted by the Standing Committee of the National People’s Congress on October 27, 2005 and which became effective on January 1, 2006, as amended, supplemented or otherwise modified from time to time</p>	<p>「公司法」指</p>	<p>全國人民代表大會常務委員會於2005年10月27日採納並於2006年1月1日生效的中華人民共和國公司法（經不時修訂、增補或以其他形式修改）</p>
<p>“Controlling Shareholder”</p>	<p>has the meaning ascribed thereto under the Listing Rules</p>	<p>「控股股東」指</p>	<p>具有上市規則所賦予的涵義</p>
<p>“Core Sectors”</p>	<p>the core sectors of our International Engineering Contracting Business which are the power sector, transportation sector and telecommunications sector</p>	<p>「核心行業」指</p>	<p>我們的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</p>
<p>“developing countries”</p>	<p>according to the World Bank, developing countries can refer to the countries with low- and middle-income economies, which are those with a gross national income per capita of less than US\$12,275</p>	<p>「發展中 國家」指</p>	<p>根據世界銀行的資料，發展中國家可指經濟體收入處於低及中水平的國家，其人均國民總收入少於12,275美元</p>
<p>“Director(s)”</p>	<p>the director(s) of the Company</p>	<p>「董事」指</p>	<p>本公司董事</p>
<p>“Domestic Shares”</p>	<p>ordinary shares in our capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi</p>	<p>「內資股」指</p>	<p>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</p>

Glossary of Terms

詞匯表

“ENR”	Engineering News-Record magazine, a publication that provides news, analyses, commentary and data about the global construction industry and an independent third party	「ENR」	指	Engineering News-Record 雜誌，一本提供有關全球建造業消息、分析、評論及數據的刊物，為一名獨立第三方
“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	「EPC」或「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
“GDP”	gross domestic product (all references to GDP growth rates are to real as opposed to nominal growth rates of GDP)	「GDP」	指	國內生產總值（凡提述GDP增長率均指實際GDP增長率，而非名義GDP增長率）
“GE”	General Electric International, Inc. 通用電氣國際公司，acting through its GE Power & Water division, a corporation organized and existing under the laws of the State of Delaware, USA	「通用電氣」	指	通用電氣國際公司，透過其通用電氣發電和水處理部門行事，一家根據美國特拉華州法例組成及續存的公司
“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	「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
“Group”, “Our Group”, “we” or “us”	the Company and, except where the context otherwise requires, all its subsidiaries	「集團」、 「本集團」 或「我們」	指	本公司及除文義另有所指外，包括其所有附屬公司

Glossary of Terms

詞匯表

“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\$	「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
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administration Region	「港元」	指	港元，香港特別行政區法定貨幣
“IFRS”	International Financial Reporting Standards	「國際財務報告準則」	指	國際財務報告準則
“IMF”	International Monetary Fund	「IMF」	指	國際貨幣基金組織
“independent third party(ies)”	person(s) or company(ies) which is (are) independent of the directors, supervisors, controlling shareholder, substantial shareholder and the chief executive (such terms as defined in the Listing Rules) of the Company or any of its subsidiaries or an associate of any of them	「獨立第三方」	指	獨立於本公司及其附屬公司的任何董事、監事、控股股東、主要股東及行政總裁（定義見上市規則）或其任何各自的聯繫人的個人或公司
“INED(s)”	the independent non-executive Director(s) of our Company	「獨立非執行董事」	指	本公司獨立非執行董事
“International Engineering Contracting Business”	the international engineering contracting business conducted by our Group with a primary focus on EPC projects	「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
“Ipsos”	Ipsos Hong Kong Limited, an independent third party, is part of Ipsos SA and it conducts research on market profiles, market size, share and segmentation analyses, distribution and value analyses, competitor tracking and corporate intelligence; it is responsible for conducting a research on the industry information included in this annual report and providing the relevant data	「益普索」	指	益普索香港有限公司*，一名獨立第三方，為Ipsos SA的一部分，其開展市場概況、市場規模、份額及細分分析、分銷及價值分析、競爭對手追蹤及企業情報的研究；其對本年報內的行業數據展開調查並提供相關數據

Glossary of Terms

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“Ipsos Report”	a report prepared by Ipsos Hong Kong Limited, an independent third party, on the global infrastructure engineering industry and international trading industry in general, and the infrastructure engineering industry and international trading industry in the developing countries in particular, which was commissioned by us and issued on March 20, 2014	「益普索報告」	指	由我們委託獨立第三方益普索香港有限公司*於2014年3月20日刊發有關全球基建工程行業與國際貿易行業的整體情況(特別是有關發展中國家的基建工程行業與國際貿易行業)的報告
“ISA”	the United States Iran Sanctions Act, as amended (P.L. 104-172, August 5, 1996) (formerly the Iran and Libya Sanctions Act of 1996)	「伊朗制裁法」	指	美國的伊朗制裁法，經修訂(P.L. 104-172，1996年8月5日)(前稱1996年伊朗及利比亞制裁法)
“kV”	unit of electric potential, kilovolt. 1kV = 1,000 volts	「千伏」	指	電壓單位千伏。1千伏=1,000伏特
“kW”	unit of energy, kilowatt. 1 kW = 1,000 watts	「千瓦」	指	能源單位千瓦。1千瓦=1,000瓦特
“Listing”	listing of our H Shares on the Stock Exchange	「上市」	指	我們的H股在聯交所上市
“Listing Date”	December 21, 2012	「上市日期」	指	2012年12月21日
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time	「上市規則」	指	香港聯合交易所有限公司證券上市規則(經不時修訂)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules	「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
“MW”	unit of energy, megawatt. 1 MW = 1,000 kW. The installed capacity of power plants is generally expressed in MW	「兆瓦」	指	能源單位兆瓦。1兆瓦=1,000千瓦。發電廠裝機容量通常以兆瓦表示

Glossary of Terms

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“non-Core Sectors”	any sectors that do not fall within the Core Sectors of our International Engineering Contracting Business	「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
“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)	「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
“OFAC”	the Office of Foreign Assets Control of the US Department of the Treasury	「外國資產管制局」	指	美國財政部屬下外國資產管制局
“Other Businesses”	the other businesses conducted by our Group, other than the International Engineering Contracting Business and the Trading Business, which include, among others, logistic services, exhibition services, tendering agency services, export-import agency services, design services and other services	「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), 其中包括物流服務、展覽服務、招標代理服務、進出口代理服務、設計服務及其他服務
“PRC”	The People’s Republic of China	「中國」	指	中華人民共和國
“Prospectus”	the prospectus of the Company dated December 11, 2012	「招股章程」	指	本公司日期為2012年12月11日的招股章程
“RMB”or “Renminbi”	Renminbi yuan, the lawful currency of the PRC	「人民幣」	指	人民幣, 中國法定貨幣
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council of the PRC (中華人民共和國國務院國有資產監督管理委員會)	「國資委」	指	中華人民共和國國務院國有資產監督管理委員會
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time	「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)

Glossary of Terms

詞匯表

“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	「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
“Shareholder(s)”	holder(s) of our Share(s)	「股東」	指	我們股份的持有人
“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	「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
“SINOMACH Group”	SINOMACH and its subsidiaries, which excludes our Group	「國機集團」	指	國機及其附屬公司，不包括本集團
“Sinosure”	China Export & Credit Insurance Corporation (中國出口信用保險公司), a policy-oriented insurance company specializing in export credit insurance in the PRC and an independent third party	「中國信保」	指	中國出口信用保險公司，一家在中國專營出口信用保險的政策性保險公司和獨立第三方
“Supervisor(s)”	one (or all) of our Company’s supervisors	「監事」	指	本公司的一名(或全體)監事
“Supervisory Board”	the supervisory board of our Company	「監事會」	指	本公司監事會
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	指	香港聯合交易所有限公司
“SZSE”	Shenzhen Stock Exchange (深圳證券交易所), a self-regulated legal entity established on December 1, 1990 and supervised by the China Securities Regulatory Commission	「深圳證券交易所」	指	深圳證券交易所，成立於1990年12月1日的自我規管法定實體，受中國證券監督管理委員會監管
“Trading Business”	the international and domestic trading business conducted by our Group	「貿易業務」	指	本集團進行的國際和國內貿易業務

Glossary of Terms

詞匯表

“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction	「美國」	指	美利堅合眾國、其領土、其屬地及受其司法管轄的所有地區
“United States dollars” or “US dollars” or “US\$”	United States dollars, the lawful currency of the United States	「美元」	指	美元，美國的法定貨幣
“Zhongnan”	China Power Construction Engineering Consulting Central Southern Corporation* (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	「中南公司」	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本公司各自持有50%權益
“%”	per cent. or percentage	「%」	指	百分比
* Denotes English translation of the name of a Chinese company or entity or vice versa and is provided for identification purposes only.		* 指中國公司或實體名稱的英文譯名或相反情況，僅供識別。		

Corporate Information

公司資料

LEGAL NAME OF THE COMPANY

中國機械設備工程股份有限公司

ENGLISH NAME OF THE COMPANY

China Machinery Engineering Corporation*

BOARD OF DIRECTORS

Executive Directors

Mr. SUN Bai (*Chairman*)
Mr. ZHANG Chun (*President*)

Non-executive Directors

Mr. WANG Zhian
Mr. YU Benli
Mr. ZHANG Fusheng

Independent Non-executive Directors

Mr. LIU Li
Ms. LIU Hongyu
Mr. FANG Yongzhong
Mr. WU Tak Lung

SUPERVISORS

Mr. QUAN Huaqiang (*Chairman*)
(*Shareholder representative supervisor*)
Mr. QIAN Xiangdong (*Shareholder representative supervisor*)
Mr. BAI Ming (*Staff representative supervisor*)

JOINT COMPANY SECRETARIES

Mr. CHEN Minjian
Ms. TSANG Fung Chu

AUTHORIZED REPRESENTATIVES

Mr. ZHANG Chun
Mr. CHEN Minjian

* For Identification Purposes Only

本公司法定名稱

中國機械設備工程股份有限公司

本公司英文名稱

China Machinery Engineering Corporation*

董事會

執行董事

孫柏先生 (*董事長*)
張淳先生 (*總裁*)

非執行董事

王治安先生
余本禮先生
張福生先生

獨立非執行董事

劉力先生
劉紅宇女士
方永忠先生
吳德龍先生

監事

全華強先生 (*監事長*)
(*股東代表監事*)
錢向東先生 (*股東代表監事*)
白明先生 (*僱員代表監事*)

聯席公司秘書

陳民建先生
曾鳳珠女士

授權代表

張淳先生
陳民建先生

* 僅供識別

AUDIT COMMITTEE

Mr. LIU Li (*Chairman*)
Mr. WANG Zhian
Ms. LIU Hongyu

NOMINATION COMMITTEE

Mr. SUN Bai (*Chairman*)
Ms. LIU Hongyu
Mr. FANG Yongzhong

REMUNERATION COMMITTEE

Mr. FANG Yongzhong (*Chairman*)
Mr. SUN Bai
Mr. LIU Li

STRATEGY AND DEVELOPMENT COMMITTEE

Mr. SUN Bai (*Chairman*)
Mr. ZHANG Chun
Mr. YU Benli
Mr. LIU Li

OPERATION AND RISK MANAGEMENT COMMITTEE

Mr. ZHANG Chun (*Chairman*)
Mr. WANG Zhian
Mr. ZHANG Fusheng
Mr. FANG Yongzhong

AUDITORS

International Auditors
KPMG

PRC Auditors
Da Hua Certified Public Accountants

PRINCIPAL BANKS

Bank of China Limited
The Export – Import Bank of China
CITIC Bank
China Merchants Bank (Beijing Branch)
Bank of Communication (Beijing Dongdan Sub-branch)

審計委員會

劉力先生 (主席)
王治安先生
劉紅宇女士

提名委員會

孫柏先生 (主席)
劉紅宇女士
方永忠先生

薪酬委員會

方永忠先生 (主席)
孫柏先生
劉力先生

戰略與發展委員會

孫柏先生 (主席)
張淳先生
余本禮先生
劉力先生

經營與風險管理委員會

張淳先生 (主席)
王治安先生
張福生先生
方永忠先生

核數師

國際核數師
畢馬威會計師事務所

中國核數師
大華會計師事務所

主要往來銀行

中國銀行股份有限公司
中國進出口銀行
中信銀行
招商銀行 (北京分行)
交通銀行 (北京東單支行)

Corporate Information

公司資料

REGISTERED OFFICE AND HEAD OFFICE IN THE PRC

No. 178 Guang'anmenwai Street
Beijing, PRC

中國註冊辦事處及本部

中國北京市
廣安門外大街178號

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 804, 8/F, Tower 1
South Sea Centre
75 Mody Road
Tsimshatsui East
Kowloon, Hong Kong

香港主要營業地點

香港九龍
尖沙咀東
麼地道75號
南洋中心
第1座8樓804室

HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

香港H股股份過戶登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716室

LEGAL ADVISORS

As to Hong Kong Laws
Shearman & Sterling

As to PRC Laws
Jia Yuan Law Firm

法律顧問

關於香港法律
美國謝爾曼·思特靈律師事務所

關於中國法律
北京嘉源律師事務所

STOCK CODE

01829

股份代號

01829

INVESTOR INQUIRIES

Investor Hotline: 86 10 6331 2662
Fax No: 86 10 6332 1086

投資者諮詢

投資者熱線：86 10 6331 2662
傳真：86 10 6332 1086

COMPANY'S WEBSITE

www.cmec.com

公司網站

www.cmec.com



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