



ZMJ

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

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

(於中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號：00564

Interim Report
中期報告 **2016**





Corporate Profile 公司簡介

Zhengzhou Coal Mining Machinery Group Company Limited (the “**Company**” or “**ZMJ**”) was incorporated in the People’s Republic of China (the “**PRC**”) on 28 December 2008 as a joint stock company with limited liability. The Company’s A Shares were listed on the Shanghai Stock Exchange on 3 August 2010. The Company was listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 5 December 2012.

The Company is a leading comprehensive coal mining and excavating equipment manufacturer in the PRC. It focuses on the manufacturing and sales of hydraulic roof supports, and is the largest hydraulic roof support manufacturer in the PRC. The Company is also engaged in the trading of steel and other raw materials primarily through its subsidiaries. The Company’s established operating history, high quality products, strong research and development capabilities, advanced manufacturing processes and extensive sales and service network are the keys to its success and enable it to maintain its leading position in the PRC coal mining and excavating equipment market.

鄭州煤礦機械集團股份有限公司(「**本公司**」或「**公司**」或「**鄭煤機**»)於二零零八年十二月二十八日在中華人民共和國(「**中國**」)註冊成立為股份制有限責任公司。本公司的A股於二零一零年八月三日在上海證券交易所上市。本公司於二零一二年十二月五日在香港聯合交易所有限公司(「**聯交所**」)上市。

本公司為中國領先的煤炭綜採綜掘設備製造商，致力於生產及銷售液壓支架，是中國最大的液壓支架製造商。本公司亦透過附屬公司從事鋼鐵及其他原料貿易業務。本公司悠久的經營歷史、優質產品、強勁的研發能力、先進的製造流程及龐大的銷售及服務網絡乃是公司達到成功的關鍵，並使公司能夠維持在中國煤炭採掘設備市場的領導地位。

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Directors

Mr. Jiao Chengyao (*Chairman and Executive Director*)
Mr. Xiang Jiayu (*Vice Chairman and Executive Director*)
Mr. Wang Xinying (*Executive Director*)
Mr. Guo Haofeng (*Executive Director*)
Mr. Liu Qiang (*Executive Director*)
Ms. Liu Yao (*Independent Non-executive Director*)
Mr. Jiang Hua (*Independent Non-executive Director*)
Mr. Li Xudong (*Independent Non-executive Director*)
Mr. Wu Guangming (*Independent Non-executive Director*)

Supervisors

Mr. Li Chongqing
Mr. Zhang Zhiqiang
Mr. Zhou Rong
Mr. Liu Fuying
Mr. Ni Heping
Ms. Xu Mingkai
Mr. Jia Jingcheng (deceased in January 2016)
Mr. Zhang Jun (appointed on 26 February 2016)

Company Secretary

Mr. Zhang Haibin
Ms. Chan Yin Wah (*assistant to Company Secretary*)

Strategy Committee

Mr. Jiao Chengyao (*Chairman*)
Mr. Xiang Jiayu
Mr. Wang Xinying
Mr. Guo Haofeng
Mr. Wu Guangming

Audit Committee

Mr. Li Xudong (*Chairman*)
Ms. Liu Yao
Mr. Jiang Hua

Nomination Committee

Mr. Jiang Hua (*Chairman*)
Mr. Liu Qiang
Ms. Liu Yao

Remuneration and Assessment Committee

Mr. Wu Guangming (*Chairman*)
Ms. Liu Yao
Mr. Wang Xinying

董事

焦承堯先生(*董事長兼執行董事*)
向家雨先生(*副董事長兼執行董事*)
王新瑩先生(*執行董事*)
郭昊峰先生(*執行董事*)
劉強先生(*執行董事*)
劉堯女士(*獨立非執行董事*)
江華先生(*獨立非執行董事*)
李旭冬先生(*獨立非執行董事*)
吳光明先生(*獨立非執行董事*)

監事

李重慶先生
張志強先生
周榮先生
劉付營先生
倪和平先生
徐明凱女士
賈景程先生(於二零一六年一月去世)
張軍先生(於二零一六年二月二十六日獲委任)

公司秘書

張海斌先生
陳燕華女士(*公司秘書助理*)

戰略委員會

焦承堯先生(*主席*)
向家雨先生
王新瑩先生
郭昊峰先生
吳光明先生

審計委員會

李旭冬先生(*主席*)
劉堯女士
江華先生

提名委員會

江華先生(*主席*)
劉強先生
劉堯女士

薪酬與考核委員會

吳光明先生(*主席*)
劉堯女士
王新瑩先生

Authorized Representatives

Mr. Jiao Chengyao
Mr. Zhang Haibin

Legal Advisers

As to Hong Kong laws:
Clifford Chance

As to PRC law:
Zhong Lun Law Firm

Auditors

International auditors:
Deloitte Touche Tohmatsu
35th Floor, One Pacific Place
88 Queensway
Hong Kong

Domestic auditors:
BDO CHINA SHU LUN PAN
Certified Public Accountants LLP
4th Floor, Nanjing East Road No. 61, Shanghai, 200002

Principal Place of Business in Hong Kong

18/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong

Registered Office in the PRC

No. 167, 9th Street
Econ-Tech Development Zone, Zhengzhou
Henan Province
PRC

Headquarters in the PRC

No. 167, 9th Street
Econ-Tech Development Zone, Zhengzhou
Henan Province
PRC

Company's Website

www.zzmj.com

H Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
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Wanchai, Hong Kong

授權代表

焦承堯先生
張海斌先生

法律顧問

香港法律：
高偉紳律師行

中國法律：
中倫律師事務所

核數師

國際：
德勤•關黃陳方會計師行
香港
金鐘道88號
太古廣場一期35樓

境內：
立信會計師事務所(特殊普通合伙)
上海市南京東路61號4樓
郵編：200002

香港主要營業地點

香港灣仔皇后大道東28號金鐘匯中心18樓

中國註冊辦事處

中國
河南省
鄭州市經濟技術開發區
第九大街167號

中國總辦事處

中國
河南省
鄭州市經濟技術開發區
第九大街167號

公司網站

www.zzmj.com

H股股份登記處

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

A Share Registrar

Shanghai Branch of China
Securities Depository and Clearing Corporation Limited
36/F, China Insurance Building
No. 166 Lujiazui East Road, Pudong New District
Shanghai

Stock Code

H Share: 00564
A Share: 601717 (Shanghai Stock Exchange)

Principal Banks

Industrial and Commercial Bank of China
Jianshe Road Branch, Zhengzhou
No. 11 West Jianshe Road, Zhengzhou
Henan Province
PRC

Bank of China
Longxi Branch, Zhengzhou
No. 62 Huaihe Road, Zhengzhou
Henan Province
PRC

A股股份登記處

中國證券登記結算有限責任公司
上海分公司
上海市
浦東新區陸家嘴東路166號
中國保險大廈36樓

股份代碼

H股：00564
A股：601717(上海證券交易所)

主要往來銀行

中國工商銀行
鄭州市建設路支行
中國
河南省
鄭州市建設西路11號

中國銀行
鄭州市隴西支行
中國
河南省
鄭州市淮河路62號

Chairman's Statement

董事長報告書

Dear Shareholders,

Review of the First Half Year

1. Overall operation during the period under review

For the first half of 2016, the Company achieved the revenue of RMB1,764.38 million, representing a decrease of 23.7% as compared with the corresponding period of 2015. Net profit was RMB28.57 million, representing a decrease of 31.6% as compared with the corresponding period of 2015.

2. Major efforts made during the first half of 2016

In the first half of 2016, whilst the drop in coal production volume alleviated the imbalance of supply and demand to a certain extent, inadequate demand and excess production capacity persisted, contributing to the key problems of drastic drop in profit throughout the industry, tight funding available to industry players and difficulties in business operation in general.

According to the relevant statistics published by the National Bureau of Statistics of China, the National Development and Reform Commission of China and the China National Coal Association, during the period from January to June 2016, coal output in China was 1.63 billion tons, decreasing by 175 million tons or 9.7% year-on-year; sales volume of coal in China as a whole was 1.53 billion tons, dropping by 140.78 million tons or 8.4% year-on-year. As at the end of June 2016, coal inventory throughout the country was approximately 120 million tons, reflecting the persistent high level of inventory. The investment in fixed assets by the coal mining and processing industry in China amounted to RMB111 billion in the first half of 2016, representing a consecutive decrease since 2013 and a year-on-year decrease of 34.1%, which widened by 21.3 percentage points year-on-year and witnessed remarkable decrease in the investment. Profit margin in the coal industry fell substantially, with revenue from principal business of RMB1,022.21 billion for above-scale coal enterprises or a drop of 13%, and total profit of RMB9.79 billion or a drop of 38.5% during the 6-month period. More than 70% of the industry players recorded losses, and state-owned and state-controlled coal enterprises recorded losses.

In response to the exceptional challenges posed by such difficult external environment for operations and situation of the industry, the Company adhered to its annual goal of "securing collection of receivables while maintaining sales orders, uplifting efficiency for survival, adjusting structure for corporate transformation, and intensifying reforms while seeking innovation" and strove to surmount the immense difficulties facing its production operations, thereby narrowing the decrease in key economic benchmarks and essentially putting operational risks under control.

(1) For the international market, we achieved breakthroughs in our development of the high-end segment of the international market. In the first half of 2016, the Company secured sales orders placed by some American customers for the comprehensive sets of hydraulic roof supports products, signifying a ground-breaking progress where a Chinese coal mining machinery manufacturer taps the high-end segment of the American market for the first time ever. We also won the bid for and successfully completed a comprehensive surface upright post project in Australia. The new breakthrough in the international market represented endorsement of our products on the international high-end market.

各位股東：

上半年回顧

1、報告期內公司總體經營情況

2016年上半年公司實現營業收入1,764.38百萬元，較2015年同期下降23.7%；實現淨利潤28.57百萬元，較2015年同期下降31.6%。

2、2016年上半年主要工作

2016年上半年，全國煤炭產量下降，市場供需失衡矛盾有所緩解，但煤炭需求不足、產能過剩的矛盾依然存在，行業利潤大幅下降、企業資金緊張、經營困難等問題依然突出。

據國家統計局、國家發改委及中國煤炭工業協會公布的相關數據顯示，2016年1-6月，全國煤炭產量16.3億噸，同比減少1.75億噸，下降9.7%；全國煤炭銷量累計完成15.3億噸，同比減少14,078萬噸，下降8.4%。截止6月末，煤炭企業存煤約1.2億噸，庫存持續處於高位。投資明顯減少全國煤炭採選業固定資產投資自2013年以來連續下降，2016年上半年煤炭採選業固定資產投資1,110億元，同比下降34.1%，降幅比去年同期擴大21.3個百分點。煤炭行業利潤大幅下降，前6個月規模以上煤炭企業主營業務收入10,222.1億元，同比下降13%；利潤總額97.9億元，同比下降38.5%，行業虧損面仍在70%以上，國有及國有控股煤炭企業整體虧損。

面對異常嚴峻的外部經營環境和行業形勢，公司緊緊圍繞「回資金穩市場、提效率求生存、調結構促轉型、深改革謀創新」的年度方針目標，努力克服生產經營重重困難，主要經濟指標降幅有所收窄，經營風險基本可控。

(1) 國際市場方面，國際高端市場開發取得了突破性進展。2016年上半年，公司獲得美國客戶成套液壓支架訂單，這標誌著中國煤機製造實現了美國高端市場零的突破；中標澳大利亞成套工作面立柱項目並順利執行完成。在國際市場新的突破意味著公司產品獲得國際高端市場認可。

- (2) For the domestic market, firstly, we enhanced the management of receivables, by further fostering the implementation of netting off of accounts, legal means and full clearance initiative in order to strengthen the collection of debts. Secondly, we enhanced the management of and control over risks in placing purchase orders. While conducting risk assessment on those contracted projects in progress and achieving risk control via legal means vis-à-vis high-risk customers, we also conducted risk assessment on new projects and avoided participation in high-risk projects. Thirdly, we remained forward-looking in market development. By detailed analysis of regional markets, we formulated specific development plans through which we consolidated existing market and expanded into new markets. The new “manufacturing + service” sales modes comprising equipment leasing, equipment customization and professional service were gradually implemented and enhanced.
- (3) For the research and development of technology, the Company completed the research on the optimization of modular shape of hydraulic roof support and the research on the matching of equipment models for regional coal mines, and continued with fostering the research on and technology reserve for smart-control surface, smart-control liquid supply system and roof support system for new coal mining techniques. We further developed new design techniques and production processes to uplift product quality.
- (4) For structural adjustment, amidst the challenges facing the industry now, the Company strove to adjust its production structure and organizational arrangements, whereby resources were more efficiently utilized by more intensive production in terms of duration and venue. Ongoing efforts were made to foster the simulated corporate management mechanism in the internal production units of the Company, and explore proposals for reforming the systems and structures under which the internal production units will be operated.
- (5) For merger and transformation, the Company made a substantial move forward in the course of its industrial transformation, by proposing the acquisition of six companies engaged in the auto parts and components sector by way of issue of shares and payment in cash, as well as a fundraising activity. Upon completion of such acquisition, the Company will expand into the sector of manufacturing auto parts and components and will thus operate in two principal businesses, namely coal mining machinery and equipment together with auto parts and components. Such dual involvement will uplift the Company's profitability and enhance its core competitiveness. To date, the relevant application materials had been accepted by China Securities Regulatory Commission.
- (2) 國內市場方面，一是加強應收賬款管理，公司進一步深化開展「抹帳回款」、「法務回款」、「清零回款」等工作，加大回款力度。二是加強訂貨風險管控，一方面對在執行合同進行風險評估，對風險用戶通過法律渠道控制風險、另一方面對新增項目進行風險評估，對於高風險項目不參與投標。三是保持市場開發的前瞻性，細化分析區域市場，制定針對性的開發計劃，鞏固現有市場，開發新興市場，逐步實施並鞏固設備租賃營銷模式、設備定制與專業化服務的「製造+服務」新型營銷模式。
- (3) 技術研發方面，公司完成液壓支架模塊化架型優化研究、區域性煤礦設備選型配套的研究，並持續推進智能化工作面、智能化供液系統以及新型採煤工法支護系統的研究和技術儲備。進一步拓展新的設計手段和生產工藝，提升產品質量。
- (4) 結構調整方面，在當前嚴峻的行業形勢下，公司著力調整生產結構和組織方式，集中時間集中場地生產，提高資源效率。繼續深入推進內部生產單位模擬法人管理，探索內部生產單位公司制改制方案。
- (5) 併購轉型方面，公司產業轉型邁出實質性步伐，擬以發行股份及支付現金方式收購6家汽車零部件企業，並募集配套資金。該項目完成後，公司將進入汽車零部件製造領域，實現煤機裝備和汽車零部件雙主業驅動，有利於增強公司盈利能力、提升公司核心競爭力。目前，該項目申報材料已獲中國證監會受理。

Outlook:

Firstly, the Company will strenuously explore both the domestic and international markets and strengthen its management of and control over risks. It will solidify the traditional markets, focus on risk avoidance, work towards creating values for customers, and continue to explore a diversified array of sales modes. Efforts will be made to expand its quality clientele and uplift the quality of sales orders. On international front, the existing markets including Russia, Vietnam, India and Turkey will be solidified, while at the same time the Company will also expand into high-end markets including Australia and the United States by means of new sales orders. Further, careful risk assessment will continue to be conducted on evaluating the process of tender bidding and tender selection and pre-tender rating of customers will also be conducted. Internal risk control procedures will be strictly enforced in order to strictly control risks associated with new sales contracts.

前景展望：

第一，全力開拓國內國際市場，強化市場風險管控。穩固傳統市場，以防範風險為前提，立足為客戶創造價值，繼續探索多元化營銷模式。擴大優質客戶，提高訂貨質量。國際市場，鞏固俄羅斯、越南、印度、土耳其等已有市場，利用新簽訂單真正打入澳大利亞、美國等高端市場。繼續抓好招議標風險評價，做好招標前客戶評級，嚴格執行內部風險控制流程，嚴控新增訂貨合同風險。

Secondly, the Company will strengthen cash inflow and enhance the system of debt collection. Focus will be on the collection of receivables aged 2 to 3 years. In the course of strictly enforcing the duties of debt collection, a multifaceted, multi-dimensional system will be in place whereby senior management, middle management, developers, legal team and procurement team will participate. Meanwhile, the Company will carry on with the multiple approaches including full clearance initiative, netting off of accounts and legal means and also explore new approaches including lease back, in order to expand the channels for collection.

Thirdly, the Company will foster the adjustment of production structure and optimize industry planning. On the guiding principle of streamlined production, adjustments will be made to production arrangements and production structure. Aiming at efficiency improvement, the planning of intelligent oil-tank production lines and production lines for producing intelligent structural components will also continue. For the production of high-end roof support, the Company will leverage on new production processes and pay attention to details, with a view to uplifting and consolidating the production craftsmanship of ZMJ.

Fourthly, cost control will be stressed. Efforts will be made to expedite the integration of various bodies within the organization, optimize the structure of human resources, and rationalize staff costs. Stressing efficiency enhancement, the Company will extend the effective working hours as well as the working efficiency within the effective working hours. It will continue to foster the amoeba model of operation, whereby the costs and profit of each constituent unit will be evaluated, staff members' awareness of costs and profit will be enhanced, and in turn everyone will be trained to become an operator.

Fifthly, the Company will capitalize on the opportunity presented by the new round of intensified reform of state-owned industrial enterprises in Henan Province and work strenuously towards more intensified reform within the Company. Projects concerning material asset reorganization will proceed in compliance with laws and regulations, in order to foster the industrial transformation of the Company. Furthermore, the Company will work on the adjustments to the strategic deployment of its subsidiaries, strengthen risk control at subsidiary level, and minimize loopholes in a timely manner. Additionally, efforts will be made to probe a step forward towards the reform of internal bodies and functions to better address the needs under the latest trend on the market.

Jiao Chengyao

Chairman

第二，強化回款力度，健全回款體系。加強2-3年期應收賬款的回款，嚴格落實銷售回款考核責任，形成高層、中層、開發員、法務、採購多層次、立體化的回款體系。同時繼續推進銷售回款、抹帳回款、法務回款等回款方式，努力探索回租回款等新的回款方式，開拓回款渠道。

第三，推進生產結構調整，優化產業布局。以精益生產的指導思想，推進生產布局和生產結構的調整；以提高效率為目標，繼續推進油缸智能生產線和結構件智能生產線規劃進展。抓好高端支架的生產工作，憑藉新工藝，從細節入手，將鄭煤機生產製造工藝提升、固化。

第四，做好成本管控各項工作。加快機構合併改革，優化人力資源結構，降低人力資源成本。抓好工作效率的提升，提高有效工作時間和有效工作時間內的工作效率。繼續推進阿米巴經營，推進各單位成本利潤考核，強化各級人員的成本意識和利潤意識，使人人培養成為經營者。

第五，抓住河南省新一輪深化國有工業企業改革的機遇，積極推進公司深化改革工作。一是依法依規推進重大資產重組項目，促進公司產業轉型。二是推進子公司戰略布局調整，強化子公司風險管控，及時減少「出血點」。三是積極探索推進內部機構和職能改革，更加適應新的市場形勢需要。

焦承堯

董事長

Management Discussion and Analysis

管理層討論與分析

Review of the first half of the year

For the six months ended 30 June 2016, the Group achieved sales revenue of RMB1,764.38 million, representing a decrease of 23.70% from the corresponding period of last year. Net profit was RMB28.57 million, representing a decrease of 31.6% from the corresponding period of last year. Earnings per share was RMB0.03. As at 30 June 2016, the Group had no bank borrowing.

Management discussion and analysis

Overview

The Group is a leading comprehensive coal mining and excavating equipment manufacturer in the PRC. Our established operating history, high quality products, strong in-house research and development capabilities, advanced manufacturing processes and extensive sales and service network are the keys to our success and allow us to maintain our leading position in the PRC coal mining and excavating equipment market. The Group's products and businesses primarily include: (i) hydraulic roof supports; (ii) steel and other raw materials trading; (iii) spare parts; and (iv) other coal mining equipment.

Results of operations

The following table sets forth a summary, for the six months ended 30 June 2016 indicated, of our consolidated results of operations.

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB' million 人民幣百萬元	2015 二零一五年 RMB' million 人民幣百萬元
Revenue	收入	1,764.38	2,313.72
Cost of sales	銷售成本	(1,429.07)	(1,960.29)
Gross profit	毛利	335.31	353.43
Other income	其他收入	56.24	52.30
Other gains and losses	其他收益及虧損	(110.92)	(97.95)
Selling and distribution expenses	銷售及分銷開支	(73.86)	(79.90)
Administrative expenses	行政開支	(139.32)	(145.52)
Research and development expenses	研發開支	(35.42)	(42.11)
Share of profit of associates	應佔聯營公司溢利	1.23	18.70
Share of (loss) profit of joint ventures	應佔合營企業(虧損)溢利	(0.02)	0.02
Finance costs	融資成本	—	(2.83)
Profit before tax	所稅前溢利	33.24	56.14
Income tax expense	所得稅開支	(4.67)	(14.39)

上半年回顧

截至二零一六年六月三十日止六個月期間，本集團實現銷售收入人民幣1,764.38百萬元，較上年度同期下降23.70%；實現淨利潤人民幣28.57百萬元，較上年度同期下降31.6%；實現每股盈利人民幣0.03元。於二零一六年六月三十日，本集團無銀行貸款。

管理層討論與分析

概覽

作為中國領先的煤炭綜採掘設備製造商，本集團悠久的經營歷史、優質產品、強勁的研發能力、先進的製造流程及龐大的銷售及服務網絡乃是我們達到成功的關鍵，並使我們能夠維持在中國煤炭採掘設備市場的領導地位。本集團的產品及業務主要包括：(i)液壓支架、(ii)鋼鐵及其他原料貿易、(iii)配件與(iv)其他採煤設備。

經營業績

下表載列本集團於二零一六年六月三十日止六個月的合併經營業績摘要。

Management discussion and analysis (Continued)

管理層討論與分析(續)

Results of operations (Continued)

經營業績(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB' million 人民幣百萬元	2015 二零一五年 RMB' million 人民幣百萬元
Profit for the period	期內溢利	28.57	41.75
Other comprehensive income (expense)	其他全面收入(開支)		
Items that may be reclassified subsequently to profit or loss:	可能於其後重新分類至損益之項目：		
Fair value profit (loss) on available-for-sale financial assets	可供出售之金融資產公平值溢利(虧損)	—	5.16
Share of fair value loss on available-for-sale financial assets of an associate	應佔聯營公司可供出售之金融資產公平值虧損	—	(3.10)
Exchange differences arising on translation	換算產生之匯兌差額	0.14	(0.51)
Other comprehensive expense for the period, net of income tax	期內其他全面開支，扣除所得稅	0.14	1.55
Total comprehensive income for the period	期內全面收入總額	28.71	43.30
Profit for the period attributable to:	以下人士應佔期內溢利：		
Owners of the Company	本公司股東	42.22	58.84
Non-controlling interests	非控股權益	(13.65)	(17.09)
		28.57	41.75
Total comprehensive income for the period attributable to:	以下人士應佔期內全面收入總額：		
Owners of the Company	本公司股東	42.36	60.39
Non-controlling interests	非控股權益	(13.65)	(17.09)
		28.71	43.30
EARNINGS PER SHARE	每股盈利		
– Basic and diluted (RMB)	– 基本及攤薄(人民幣元)	0.03	0.04

Revenue

During the six months ended 30 June 2016, the Group's revenue decreased by 23.7% to RMB1,764.38 million from RMB2,313.72 million for the six months ended 30 June 2015, mainly because of the constantly shrinking demand from the domestic coal market in the first half of 2016, resulting in the decreased demand for the Group's products in the domestic market and thus causing the decline of revenue from the Group's hydraulic roof supports.

收入

本集團收入自截至二零一五年六月三十日止的人民幣2,313.72百萬元減少23.7%至截至二零一六年六月三十日止的人民幣1,764.38百萬元，主要是2016年上半年國內煤炭市場需求持續萎縮，令國內市場對集團產品需求有所減少導致集團液壓支架的收入下降所致。

Management discussion and analysis (Continued)

Cost of Sales

Because of the decrease of the Group's revenue, our cost of sales decreased by 27.1% from RMB1,960.29 million for the six months ended 30 June 2015 to RMB1,429.07 million for the six months ended 30 June 2016.

Gross Profit

In light of the above factors, our gross profit decreased by 5.1% from RMB353.43 million for the six months ended 30 June 2015 to RMB335.31 million for the six months ended 30 June 2016.

Because of the drop in the procurement costs of steel materials, our gross profit margin increased from 15.28% for the six months ended 30 June 2015 to 19.96% for the six months ended 30 June 2016.

Staff Costs and Remuneration Policy

Our staff costs decreased by 6.9% from RMB206.27 million for the six months ended 30 June 2015 to RMB192.14 million for six months ended 30 June 2016, primarily as a result of the decline of production. The staff remuneration of the Group comprises of basic salary and bonus payment, which is determined with reference to the operating results of the Group and results of performance assessment on the employees. The Group adheres to the orientation towards efficiency and results as well as the focus on top-tier staff. It also strives to ensure scientific and reasonable allocation of income.

Profit before Tax

In view of the combined effect of the above factors, our profit before tax decreased by 40.8% from RMB56.14 million for the six months ended 30 June 2015 to RMB33.24 million for the six months ended 30 June 2016.

Income Tax Expense

Our income tax expense decreased by 67.6% from RMB14.39 million for the six months ended 30 June 2015 to RMB4.67 million for the six months ended 30 June 2016, primarily because of the decrease of our taxable revenue. Our effective tax rate decreased from 25.63% for the six months ended 30 June 2015 to 14.04% for the six months ended 30 June 2016.

Profit for the Period

In view of the combined effect of the above factors, our profit for the period and the aggregate of comprehensive income decreased by 31.6% from RMB41.75 million for the six months ended 30 June 2015 to RMB28.57 million for the six months ended 30 June 2016.

管理層討論與分析(續)

銷售成本

由於本集團收入有所下降，本集團銷售成本由截至二零一五年六月三十日止的人民幣1,960.29百萬元減少27.1%至二零一六年六月三十日止的人民幣1,429.07百萬元。

毛利

受上述因素推動，本集團毛利由截至二零一五年六月三十日止的人民幣353.43百萬元減少5.1%至二零一六年六月三十日止的人民幣335.31百萬元。

由於鋼材採購成本的下降，本集團的毛利率由截至二零一五年六月三十日止的15.28%上升至二零一六年六月三十日止的19.96%。

員工成本及員工薪酬政策

本集團員工成本自截至二零一五年六月三十日止六個月的人民幣206.27百萬元降低6.9%至截至二零一六年六月三十日止六個月的人民幣192.14百萬元，主要由於生產減少。本集團員工薪酬由基本工資和獎勵工資兩部分組成，獎勵工資依據本集團業績及績效考核情況確定。本集團堅持以效益和業績為導向，堅持向一線員工傾斜，努力確保收入分配科學合理。

除稅前溢利

受前述因素之綜合影響，本集團的除稅前溢利自截至二零一五年六月三十日止六個月的人民幣56.14百萬元減少40.8%至截至二零一六年六月三十日止六個月的人民幣33.24百萬元。

所得稅開支

本集團的所得稅開支自截至二零一五年六月三十日止的人民幣14.39百萬元減少67.6%至截至二零一六年六月三十日止的人民幣4.67百萬元，主要是由於本集團應課稅收入減少。本集團實際所得稅率自截至二零一五年六月三十日止的25.63%下降至截至二零一六年六月三十日止的14.04%。

期內溢利

受前述因素之綜合影響，本集團期內溢利及全面收入總額自截至二零一五年六月三十日止的人民幣41.75百萬元下降31.6%至截至二零一六年六月三十日止的人民幣28.57百萬元。

Management discussion and analysis (Continued)

管理層討論與分析(續)

Cash Flows and Capital Expenditures

As at 30 June 2016, the Group had RMB3,153.47 million in cash and cash equivalents. The Group's cash and cash equivalents primarily consist of cash and bank deposits.

現金流及資本支出

於二零一六年六月三十日，本集團擁有現金及現金等價物人民幣3,153.47百萬元。本集團現金及現金等價物主要包括現金及銀行存款。

		2016 二零一六年 RMB' million 人民幣百萬元	2015 二零一五年 RMB' million 人民幣百萬元
Net cash (used in) from operating activities	經營活動(所用)所得現金淨額	322.97	317.93
Net cash (used in) from investing activities	投資活動(所用)所得現金淨額	1,100.28	(870.69)
Net cash (used in) from financing activities	融資活動(所用)所得現金淨額	(6.86)	(5.39)
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	1,416.39	(558.15)
Effect of foreign exchange rate changes	匯率變動之影響	12.19	1.75
Classified as held for sale	分類為持作出售	(1.33)	-
Cash and cash equivalents at the beginning of period	期初的現金及現金等價物	1,726.22	1,821.66
Cash and cash equivalents at the end of period	期末的現金及現金等價物	3,153.47	1,265.26

Operating Activities

Net cash from operating activities for the six months ended 30 June 2016 was RMB322.97 million, primarily from the deduction from or addition to profit before tax of the following items: (i) a decrease in inventory of RMB147.44 million; (ii) a decrease in trade and other payables of RMB232.25 million; and (iii) decrease in trade and other receivables of RMB186.35 million.

經營活動

截至二零一六年六月三十日止六個月，經營活動所得現金淨額為人民幣322.97百萬元，主要是從稅前利潤人民幣中扣減或增加以下項目所產生：(i)存貨減少147.44百萬元；(ii)貿易及其他應付款項減少人民幣232.25百萬元；(iii)貿易及其他應收款項減少人民幣186.35百萬元。

Investing Activities

Net cash used in investing activities for the six months ended 30 June 2016 was RMB1,100.28 million, comprising primarily of: (i) payment of RMB250.00 million for the purchase of short-term structured bank deposits; (ii) receipt of proceeds of RMB1,020.00 million from the disposal of short-term structured bank deposits; (iii) payment for pledged bank deposits of RMB262.18 million, for the issuance of bank notes that we used to purchase raw materials; and (iv) withdrawal of pledged bank deposits of RMB287.39 million.

投資活動

截至二零一六年六月三十日止六個月，投資活動所用現金淨額為人民幣1,100.28百萬元，主要包括：(i)因購買短期結構性銀行存款而支付款項人民幣250.00百萬元；(ii)因出售短期結構性銀行存款而收取所得款項人民幣1,020.00百萬元；(iii)支付已抵押銀行存款人民幣262.18百萬元，藉以發出用作購買原料的銀行票據；及(iv)提取已抵押銀行存款人民幣287.39百萬元。

Financing Activities

Net cash used in financing activities for the six months ended 30 June 2016 was RMB6.86 million, consisting primarily of payment of dividends of RMB6.86 million.

融資活動

截至二零一六年六月三十日止六個月，融資活動所用現金淨額為人民幣6.86百萬元，主要為支付股息人民幣6.86百萬元。

Management discussion and analysis (Continued)

Capital Expenditures

The Group incurred capital expenditures of RMB56.56 million during the six months ended 30 June 2016, for purchase of property, plant and equipment, intangible assets and lease prepayments.

Commitments and Contingent Liabilities

Capital Commitments

As at 30 June 2016, our capital commitments consisted of capital commitments that had been authorized and contracted for in the amount of RMB2,255.08 million.

Contingent Liabilities

The Group has endorsed and derecognized certain bills receivable for the settlement of trade and other payables with full recourse. In the opinion of the directors of the Company, the risk of the default in payment of the endorsed bills receivable is low because all endorsed bills receivable are issued and guaranteed by the reputable PRC banks. As at 30 June 2016, the maximum exposure to the Group that may result from the default of these endorsed and derecognized bills receivable was RMB769.87 million.

Working Capital and Indebtedness

The following table sets forth details of our current assets and liabilities as at 30 June 2016 (in RMB millions):

		2016.06.30 二零一六年 六月三十日 RMB millions 人民幣百萬元	2015.12.31 二零一五年 十二月三十一日 RMB millions 人民幣百萬元
CURRENT ASSETS	流動資產		
Prepaid lease payments	預付土地租賃款項	7.41	8.68
Inventories	存貨	966.02	1,175.83
Loan receivables from an associate	應收聯營公司貸款	80.00	80.00
Trade and other receivables	貿易及其他應收款項	3,686.12	4,054.92
Finance lease receivables	應收融資租賃款	75.68	25.99
Long-term receivable within one year	一年內長期應收賬款	106.81	105.06
Held for trade investment	持作買賣投資	25.55	-
Other financial assets	其它金融資產	293.00	1,063.00
Tax recoverable	可收回稅項	1.82	1.37
Pledged bank deposits	已抵押銀行存款	252.87	278.08
Bank balances and cash	銀行結餘及現金	3,153.47	2,011.23
		8,648.75	8,804.16
Assets classified as held for sale	分類為持作出售的資產	269.76	-
Total Current Assets	流動資產總額	8,918.51	8,804.16

管理層討論與分析(續)

資本支出

截至二零一六年六月三十日止，本集團用於購買物業、廠房及設備、無形資產以及預付租賃費的資本支出為人民幣56.56百萬元。

承擔及或然負債

資本承擔

截至二零一六年六月三十日止，本集團承擔包括已授權且已訂約的資本承擔人民幣2,255.08百萬元。

或然負債

本集團以背書及終止確認若干應收票據之方式結算具全面追索之貿易及其他應付款項。本集團董事認為，由於所有背書之應收票據乃由聲譽良好之中國銀行發出及提供擔保，故欠付背書之應收票據之風險不大。於二零一六年六月三十日，本集團可能因欠付該等背書及取消確認之應收票據而須承擔之最大風險為769.87百萬元。

營運資金及負債

下表載列於二零一六年六月三十日本集團流動資產及負債詳情(單位：人民幣百萬元)：

Management discussion and analysis (Continued)

管理層討論與分析(續)

Commitments and Contingent Liabilities (Continued)

承擔及或然負債(續)

Working Capital and Indebtedness (Continued)

營運資金及負債(續)

		2016.06.30 二零一六年 六月三十日 RMB millions 人民幣百萬元	2015.12.31 二零一五年 十二月三十一日 RMB millions 人民幣百萬元
CURRENT LIABILITIES	流動負債		
Trade and other payables	貿易及其他應付款項	1,763.06	2,193.74
Advances from customers	客戶按金	300.12	198.89
Tax liabilities	稅項負債	15.28	19.61
		2,078.46	2,412.24
Liabilities associated with assets classified as held for sale	與分類為持作出售的資產相關的負債	240.76	–
		2,319.22	2,412.24
Net Current Assets	流動資產淨值	6,599.29	6,391.92

The Group's net current assets increased slightly from RMB6,391.92 million as at 31 December 2015 to RMB6,599.29 million as at 30 June 2016, primarily because of the increase in advance receipts and the effect of the classification of assets/liabilities held for sale to current assets and liabilities.

本集團流動資產淨額自二零一五年十二月三十一日的人民幣6,391.92百萬元略增至二零一六年六月三十日的人民幣6,599.29百萬元主要是由於預收款項增加及分類至流動資產和負債的持有待售的資產／負債的影響。

As at 30 June 2016, the Group had no outstanding borrowings.

於二零一六年六月三十日，本集團無未償還借款。

Capital Adequacy Ratio

資本充足比率

		2016.06.30 二零一六年 六月三十日	2015.12.31 二零一五年 十二月三十一日
Gearing ratio	資產負債比率	0%	0%

Gearing ratio is calculated by dividing the total interest-bearing liabilities at the end of the period by total equity at the end of the period and multiplying by 100%. In our case, interest-bearing liabilities include only our interest-bearing borrowings.

資產負債比率乃按期末計息負債總額除以期末權益總額，再乘100%計算。就我們的情況，計息負債僅包括我們的計息借貸。

Since the group do not have any interest-bearing liability on 30 June 2016, its gearing ratio is 0.

於二零一六年六月三十日，本集團無未償還計息負債，故資產負債比率為0。

Management discussion and analysis (Continued)

Capital Expenditures (Continued)

Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The capital structure of the Group consists of debts, which includes the borrowings and equity attributable to owners of the Company, comprising share capital, share premium and other reserves. The management reviews the capital structure on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the raising of new debt or the repayment of existing debts.

Currency Risk

The primary economic environment in which the Company and its principal subsidiaries operate is the PRC and their functional currency is RMB. The Group collects most of its revenue in RMB and incurs most of its expenditures in RMB. However, the Group is exposed to the foreign currency risk between USD/RMB, EUR/RMB and HKD/RMB as certain transactions of the Group are denominated in foreign currencies. The Group currently does not have any foreign currency hedging policy but the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

管理層討論與分析(續)

承擔及或然負債(續)

資本風險管理

本集團管理其資本，以確保本集團內的實體將可繼續持續經營，而股東亦可透過優化債務及權益結餘取得最大回報。本集團的資本結構包括債務，包括借貸以及本公司擁有人應佔權益，當中包括股本、股份溢價及其他儲備。管理層每年審閱資本架構。作為該項審閱的其中一環，管理層會考慮資本成本及與每類資本有關的風險。根據管理層的建議，本集團將透過支付利息、發行新股、籌措新債務或償還現有債務平衡其整體資本架構。

貨幣風險

本公司及其主要附屬公司營運的主要經濟環境為中國，而其功能貨幣為人民幣。本集團以人民幣為單位收取大部分收入，並且以人民幣為單位產生大部分支出。然而，本集團承擔美元／人民幣及歐元／人民幣及港元／人民幣的外匯風險，由於本集團的若干交易仍以外幣列值。本集團現時並無外匯對沖政策，但管理層密切監控外匯風險，並將於有需要時考慮對沖重大外匯風險。

Directors, Supervisors and Chief Executives

董事、監事及最高行政人員

Change in information of Directors, Supervisors and Chief Executives

Update on Biographical Information of Directors

Pursuant to Rule 13.51(B) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules of the Stock Exchange**”), the update on the biographical details of the Directors of the Company are as follows:

- Mr. Wang Xinying was appointed as a director of Luoyang LYC Bearing Co., Ltd. with effect from 29 June 2016 and was appointed as a chairman of Luoyang LYC Bearing Co., Ltd. with effect from 30 June 2016.

Change of Supervisors

The Company received a notice in January 2016 that Mr. Jia Jingcheng had passed away. As considered and approved by the staff representative assembly, Mr. Zhang Jun was appointed as a supervisor of the Company with effect from 26 February 2016.

Save as disclosed above, for the six months ended 30 June 2016 (the “**Review Period**”), there is no change in information of directors, supervisors and chief executives of the Company.

Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**the Listing Rules of the Stock Exchange**”) as its code of conduct regarding securities transactions by the directors and the supervisors. After specific enquiry had been made with all the directors and supervisors, the directors and supervisors have confirmed their compliance with the Model Code during the Review Period.

董事、監事及最高行政人員資料變化

董事更新之個人資料

根據香港聯合交易所有限公司證券上市規則(「**聯交所上市規則**」)第13.51(B)條，本公司董事更新之個人資料如下：

- 王新瑩先生於二零一六年六月二十九日獲委任為洛陽LYC軸承有限公司董事，並於二零一六年六月三十日獲委任為洛陽LYC軸承有限公司董事長。

監事變更

本公司於二零一六年一月接獲賈景程先生去世消息。經職工代表大會審議表決，張軍先生於二零一六年二月二十六日獲委任為本公司監事。

除上文所披露外，本公司於截至二零一六年六月三十日止六個月期間(「**回顧期間**」)概無董事、監事、最高行政人員資料變化。

董事、監事進行證券交易的標準守則

本公司已採納香港聯合交易所有限公司證券上市規則(「**聯交所上市規則**」)附錄十所載《上市發行人董事進行證券交易的標準守則》(「**標準守則**」)，作為公司有關董事、監事證券交易的行為守則。經向所有董事和監事查詢，其已確認，於回顧期間，彼等一直遵守標準守則。

Directors', Supervisors' and Chief Executives' Interests and Short Positions in Securities of the Company and its Associated Corporations

To the best knowledge of the directors, as at 30 June 2016, the directors, the supervisors and chief executives of the Company had interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in the Securities and Futures Ordinance (the "SFO") of Hong Kong) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under relevant provisions of the SFO); or were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein (including interests and short positions which they are taken or deemed to have under relevant provisions of the SFO); or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies under the Listing Rules are as follows:

董事、監事及最高行政人員於本公司及其相聯法團的證券中之權益及淡倉

據董事所知，於二零一六年六月三十日，本公司各董事、監事及本公司最高行政人員於本公司或其任何相聯法團(定義見香港《證券及期貨條例》)的股份、相關股份及債券中擁有任何根據《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及淡倉(包括彼根據《證券及期貨條例》的有關條文而被當作或視作擁有的權益及淡倉)，或根據《證券及期貨條例》第352條須載入該條例所述的登記冊的權益及淡倉(包括彼根據《證券及期貨條例》的有關條文而被當作或視作擁有的權益及淡倉)，或根據上市規則內上市公司董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉如下：

Name	Director/ Supervisor/ Chief Executive	Capacity/ Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of shares % 佔有關股本 類別的概約 百分比%	Approximate percentage of the total number of shares % 佔股份總數 的概約 百分比%	Long position/ Short position/ Lending pool 好倉/淡倉/ 可供借出 的股份
姓名	董事/監事/ 最高行政人員	身份/權益性質	股份類別	股份數目			
Jiao Chengyao 焦承堯	Director 董事	Beneficial owner 實益擁有人	A share A股	2,901,964	0.21	0.18	Long position 好倉
Xiang Jiayu 向家雨	Director 董事	Beneficial owner 實益擁有人	A share A股	1,895,120	0.14	0.12	Long position 好倉
Wang Xinying 王新瑩	Director 董事	Beneficial owner 實益擁有人	A share A股	1,895,040	0.14	0.12	Long position 好倉
Guo Haofeng 郭昊峰	Director 董事	Beneficial owner 實益擁有人	A share A股	2,226,720	0.16	0.14	Long position 好倉
Liu Qiang 劉強	Director 董事	Beneficial owner 實益擁有人	A share A股	11,500	0.00	0.00	Long position 好倉
Zhang Zhiqiang 張志強	Supervisor 監事	Beneficial owner 實益擁有人	A share A股	600	0.00	0.00	Long position 好倉
Ni Heping 倪和平	Supervisor 監事	Beneficial owner 實益擁有人	A share A股	2,217,200	0.16	0.14	Long position 好倉
Xu Mingkai 徐明凱	Supervisor 監事	Beneficial owner 實益擁有人	A share A股	16,000	0.00	0.00	Long position 好倉

Directors', Supervisors' and Chief Executives' Interests and Short Positions in Securities of the Company and its Associated Corporations (Continued)

董事、監事及最高行政人員於本公司及其相聯法團的證券中之權益及淡倉(續)

Name	Director/ Supervisor/ Chief Executive	Capacity/ Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of shares % 佔有關股本 類別的概約 百分比%	Approximate percentage of the total number of shares % 佔股份總數 的概約 百分比%	Long position/ Short position/ Lending pool 好倉/淡倉/ 可供借出 的股份
姓名	董事/監事/ 最高行政人員	身份/權益性質	股份類別	股份數目			
Zhou Rong 周榮	Supervisor 監事	Beneficial owner 實益擁有人	A share A股	40,000	0.00	0.00	Long position 好倉
Liu Fuying 劉付營	Supervisor 監事	Beneficial owner 實益擁有人	A share A股	599,060	0.04	0.04	Long position 好倉
Fu Zugang 付祖岡	Chief Executive 最高行政人員	Beneficial owner 實益擁有人	A share A股	2,526,720	0.18	0.16	Long position 好倉
		Interest of spouse 配偶的權益	A share A股	200,000	0.01	0.01	Long position 好倉
Gao Youjin 高有進	Chief Executive 最高行政人員	Beneficial owner 實益擁有人	A share A股	2,380,000	0.17	0.15	Long position 好倉
Zhang Minglin 張命林	Chief Executive 最高行政人員	Beneficial owner 實益擁有人	A share A股	1,895,040	0.14	0.12	Long position 好倉
Wang Yongqiang 王永強	Chief Executive 最高行政人員	Beneficial owner 實益擁有人	A share A股	54,500	0.00	0.00	Long position 好倉
Guo Desheng 郭德生	Chief Executive 最高行政人員	Beneficial owner 實益擁有人	A share A股	2,012,500	0.15	0.12	Long position 好倉

Save as disclosed above, as at 30 June 2016, none of the directors, the supervisors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in the SFO of Hong Kong) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed to have); or were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies under the Listing Rules of the Stock Exchange.

除上文所披露者外，於二零一六年六月三十日，本公司各董事、監事或本公司最高行政人員概無於本公司或任何相聯法團(定義見香港《證券及期貨條例》)的股份、相關股份或債券中，擁有任何根據《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(包括彼等視為擁有的權益或淡倉)，或根據《證券及期貨條例》第352條須載入該條例所述的登記冊的權益或淡倉，或根據聯交所上市規則內上市公司董事進行證券交易的標準守則須知會本公司和聯交所的權益或淡倉。

Independent Non-executive Directors

The Company had appointed enough number of independent non-executive directors with appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rules of the Stock Exchange. As at 30 June 2016, the Company has appointed four independent non-executive directors, namely Ms. Liu Yao, Mr. Jiang Hua, Mr. Li Xudong and Mr. Wu Guangming.

Structure and Number of Shareholders

Details of the shareholders as recorded in the register of shareholders of the Company as at 30 June 2016 are as follows:

Holders of A shares	A股股東	66,999
Holders of H shares	H股股東	102
Total number of shareholders		股東總數
		67,101

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 30 June 2016, so far as the directors were aware, the following shareholders (other than the directors, supervisors or chief executives) had interests or short positions in any shares and the underlying shares of the Company which were required to be notified to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company:

獨立非執行董事

本公司已根據聯交所上市規則的規定委任足夠數目、並具備適當的專業資格、或具備適當的會計或相關財務管理專長的獨立非執行董事。於二零一六年六月三十日，本公司共委任四名獨立非執行董事，分別為劉堯女士、江華先生、李旭冬先生及吳光明先生。

股東結構及股東人數

於二零一六年六月三十日，本公司股東名冊所記錄的股東詳情如下：

主要股東於本公司所持股份、相關股份之權益及淡倉

據董事所知，於二零一六年六月三十日，下列股東（董事、監事或最高行政人員除外）於本公司的任何股份及相關股份中，擁有根據《證券及期貨條例》第XV部第2及3分部須知會本公司的權益或淡倉，或根據《證券及期貨條例》第336條須記入本公司備存的登記冊的權益或淡倉：

Name	Capacity/ Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of shares % 佔有關股本 類別的概約 百分比%	Approximate percentage of the total number of shares % 佔股份總數 的概約 百分比%	Long position/ Short position/ Lending pool 好倉／淡倉／ 可供借出 的股份
姓名／名稱	身份／權益性質	股份類別	股份數目			
State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government ⁽¹⁾ 河南省人民政府國有資產監督管理委員會 ⁽¹⁾	Beneficial owner 實益擁有人	A share A股	521,087,800	37.82	32.14	Long position 好倉
Henan Machinery Investment Group Co., Ltd. ⁽¹⁾ 河南機械裝備投資集團有限責任公司 ⁽¹⁾	Beneficial owner 實益擁有人	A share A股	521,087,800	37.82	32.14	Long position 好倉

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (Continued)

主要股東於本公司所持股份、相關股份之權益及淡倉(續)

Name	Capacity/ Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of shares % 佔有關股本 類別的概約 百分比%	Approximate percentage of the total number of shares % 佔股份總數 的概約 百分比%	Long position/ Short position/ Lending pool 好倉/淡倉/ 可供借出 的股份
姓名/名稱	身份/權益性質	股份類別	股份數目			
National Council for Social Security Fund 全國社會保障基金理事會	Beneficial owner 實益擁有人	H share H股	23,709,400	9.75	1.46	Long position 好倉
CITIC Securities Company Limited ⁽²⁾	Interest of controlled corporation 受控制的法團的權益	H share H股	22,402,600	9.21	1.38	Long position 好倉
CITIC Securities International Company Limited ⁽²⁾	Interest of controlled corporation 受控制的法團的權益	H share H股	22,402,600	9.21	1.38	Long position 好倉
CSI Capital Management Limited ⁽²⁾	Beneficial owner 實益擁有人	H share H股	22,402,600	9.21	1.38	Long position 好倉

Notes:

附註：

- (1) Henan Machinery Investment Group Co., Ltd. directly held 521,087,800 shares in the A Shares of the Company. Henan Machinery Investment Group Co., Ltd. is a wholly-owned subsidiary of State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government. By virtue of the SFO, State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government is deemed to own 521,087,800 shares in the A Shares of the Company which were in the same block directly held by Henan Machinery Investment Group Co., Ltd..
- (2) CSI Capital Management Limited directly held 22,402,600 shares in the H shares of the Company. CSI Capital Management Limited was a wholly-owned subsidiary of CITIC Securities International Company Limited, which was wholly-owned by CITIC Securities Company Limited. By virtue of the SFO, CITIC Securities International Company Limited and CITIC Securities Company Limited were deemed to own 22,402,600 shares in the H shares of the Company which were in the same block directly held by CSI Capital Management Limited.

- (1) 河南機械裝備投資集團有限責任公司直接持有521,087,800股本公司A股。河南機械裝備投資集團有限責任公司為河南省人民政府國有資產監督管理委員會全資附屬公司。根據證券及期貨條例，河南省人民政府國有資產監督管理委員會被視作擁有由河南機械裝備投資集團有限責任公司直接持有同一批521,087,800股本公司A股。
- (2) CSI Capital Management Limited直接持有22,402,600股本公司H股。CSI Capital Management Limited為CITIC Securities International Company Limited全資附屬公司。CITIC Securities Company Limited全資擁有CITIC Securities International Company Limited。根據證券及期貨條例，CITIC Securities International Company Limited及CITIC Securities Company Limited被視作擁有由CSI Capital Management Limited直接持有同一批22,402,600股本公司H股。

Material Events 重要事項

Equity Interest

As at 30 June 2016, the aggregate share capital of the H share of the Company was RMB243,234,200, divided into 243,234,200 shares of RMB1.00 each. The aggregate share capital of the A share of the Company was RMB1,377,887,800, divided into 1,377,887,800 shares of RMB1.00 each.

Interim Dividend

The Board did not propose the payment of interim dividend for the six months ended 30 June 2016.

Corporate Governance

The Board is committed to maintaining a high standard of corporate governance practices. The Board believes that effective and reasonable corporate governance practices are essential to the development of the Group and can safeguard and enhance the interests of the shareholders.

The Company was listed on the Stock Exchange on 5 December 2012 (“**Listing Date**”). The Company has adopted the code provisions of the Corporate Governance Code (the “**CG Code**”) (the “**Code Provisions**”) contained in Appendix 14 of the Listing Rules of the Stock Exchange. During the period from 1 January 2016 and up to 30 June 2016 (the “**Review Period**”), the Code Provisions were applied to the Company, and the Company has complied with the applicable Code Provisions of the CG Code.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Review Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

股本權益

截至二零一六年六月三十日，本公司H股股本總數為人民幣243,234,200元，分為243,234,200股，每股面值人民幣1.00元的股份；本公司A股股本總數為人民幣1,377,887,800元，分為1,377,887,800股，每股面值人民幣1.00元的股份。

中期股息

本公司董事會並無建議派付截至二零一六年六月三十日止六個月之中期股息。

企業管治

本公司董事會致力維護高水平企業管治。董事會相信，有效及合理的企業管治常規對本集團之發展至關重要，同時可保障及提升股東權益。

本公司自二零一二年十二月五日（「**上市日期**」）在聯交所上市。本公司已採納聯交所上市規則附錄14所載企業管治守則（「**企業管治守則**」）之守則條文（「**守則條文**」）。自二零一六年一月一日起至二零一六年六月三十日止期間（「**回顧期間**」）守則條文適用於本公司。於回顧期間，本公司一直遵守企業管治守則的適用守則條文。

購買、出售或贖回本公司上市證券

本公司或其他任何附屬公司於回顧期間概無購買、出售或贖回本公司任何上市證券。

Material Events 重要事項

Acquisition and Disposal

On 24 March 2016, the Company entered into the Equity Transfer Agreement with Axle ATL Cayman Limited, ASIMCO (China) Limited (“**ASIMCO China**”), ASIMCO Technologies Hong Kong Limited (“**ASIMCO Hong Kong**”) and ASIMCO Technologies Limited, pursuant to which the Company proposed to acquire 100% interest in ASIMCO International Casting Co., Ltd. (Shanxi) and 8.07% interest in ASIMCO NVH Technologies Co., Ltd (Anhui) (“**ASIMCO NVH**”) from ASIMCO China by way of non-public issue of A shares; to acquire 14.93% and 77% interest in ASIMCO NVH respectively from ASIMCO China and ASIMCO Hong Kong by way of cash payment; to acquire 63% interest in ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd., 70% interest in ASIMCO Foundry (Yizheng) Co., Ltd. and 63% interest in ASIMCO Camshaft (Yizheng) Co., Ltd. from Axle ATL Cayman Limited by way of cash payment; and to acquire 100% interest in CACG LTD. I from ASIMCO Technologies Limited by way of cash payment. Implementation of the acquisition is subject to approval by regulators including the China Securities Regulatory Commission and the Ministry of Commerce of the PRC.

According to the resolution passed at the 14th meeting of the third session of the Board, the total proceeds from the fundraising pursuant to the material asset reorganization would be adjusted to no more than RMB550 million, being no more than 100% of the transaction price of the purchase of assets by way of issuance of shares (“**Consideration Shares**”) in the acquisition.

According to the resolution passed at the 15th meeting of the third session of the Board, the issue price of the Consideration Shares pursuant to the material asset reorganization would be adjusted to RMB5.9 per Share. The number of Consideration Shares would be adjusted correspondingly to 93,220,338 shares. The issue price of the shares involved in the fundraising pursuant to the material asset reorganization would be adjusted to not less than RMB5.9 per share. The adjustment of the issue price of the shares involved in the fundraising would be subject to the consideration and approval by the shareholders' general meeting of the Company.

Material Litigation and Arbitration

During the Review Period, the Company was neither involved in any material litigation or arbitration, nor any pending or may be brought up or accused of material litigation or claims.

Audit Committee

The audit committee has reviewed the accounting standards and practices that the Company adopted, and discussed matters related to auditing, internal control and financial reporting. The audit committee has reviewed the unaudited condensed consolidated interim financial information for the six months ended 30 June 2016 and this interim report of the Company.

收購與處置

2016年3月24日，本公司與Axle ATL Cayman Limited、亞新科(中國)投資有限公司、亞新科工業技術香港有限公司及ASIMCO Technologies Limited簽署了股權轉讓協議，本公司擬以非公開發行A股股票的方式向亞新科(中國)投資有限公司購買亞新科國際鑄造(山西)有限公司100%股權及亞新科噪聲與振動技術(安徽)有限公司8.07%股權；擬以支付現金的方式向亞新科(中國)投資有限公司購買亞新科噪聲與振動技術(安徽)有限公司14.93%股權；擬以支付現金的方式向亞新科工業技術香港有限公司購買亞新科噪聲與振動技術(安徽)有限公司77%股權；擬以支付現金的方式向Axle ATL Cayman Limited購買儀征亞新科雙環活套環有限公司63%股權、儀征亞新科鑄造有限公司70%股權、亞新科凸輪軸(儀征)有限公司63%股權；擬以支付現金方式向ASIMCO Technologies Limited購買CACG LTD. I 100%股權。本次收購尚需取得中國證監會及中國商務部等監管部門的審批同意後，方可實施。

根據本公司第三屆董事會第十四次會議決議，重大資產重組募集配套資金總額調整為不超過人民幣55,000.00萬元，不超過收購事項中以發行股份方式購買資產的交易價格的100%。

根據本公司第三屆董事會第十五次會議決議，重大資產重組代價股份的發行價格調整為5.9元/股，代價股份的數量相應調整為93,220,338股。重大資產重組募集配套資金涉及股份的發行價格調整為不低於5.9元/股。其中募集配套資金涉及股份的發行價格調整事項尚需本公司股東大會審議通過。

重大訴訟及仲裁

於回顧期間，本公司概無涉及任何重大訴訟或仲裁，亦無任何尚未了結或可能提出或被控的重大訴訟或索償。

審計委員會

審計委員會已審閱本公司所採納的會計準則及慣例，並討論有關審計、內部監控及財務申報事項。審計委員會已審閱本公司截至二零一六年六月三十日止六個月未經審核簡明合併中期財務資料及本中期報告。

Report on Review of Condensed Consolidated Financial Statements

簡明綜合財務報表審閱報告

Deloitte.
德勤

To the Board of Directors of Zhengzhou Coal Mining Machinery Group Company Limited

(Incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of Zhengzhou Coal Mining Machinery Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 24 to 48, which comprise the condensed consolidated statement of financial position as of 30 June 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

致鄭州煤礦機械集團股份有限公司董事會

(在中華人民共和國註冊成立的股份有限公司)

引言

吾等已審閱列載於第24至48頁的鄭州煤礦機械集團股份有限公司(「貴公司」)及其附屬公司(合稱「貴集團」)的簡明綜合財務報表，其中包括於二零一六年六月三十日的簡明綜合財務狀況表及截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表以及若干附註解釋。香港聯合交易所有限公司證券上市規則規定，編製中期財務資料的報告必須符合上市規則有關條文及國際會計準則理事會頒佈的國際會計準則第34號「中期財務報告」(「國際會計準則第34號」)。貴公司董事須負責根據國際會計準則第34號編製及列報該等簡明綜合財務報表。吾等的責任是根據吾等的審閱對該等簡明綜合財務報表作出結論，並按照吾等協定的應聘條款，僅向全體董事會報告，而不作其他用途。吾等概不就本報告的內容，對任何其他人士負責或承擔任何責任。

審閱範圍

吾等已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體之獨立核數師執行中期財務資料審閱」進行審閱。該等簡明綜合財務報表的審閱工作包括主要向負責財務及會計事務之人員作出查詢，並應用分析及其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍小，故吾等不能保證吾等會知悉於審核中可能發現的所有重大事項。因此，吾等不會發表審核意見。

Report on Review of Condensed Consolidated Financial Statements 簡明綜合財務報表審閱報告

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
26 August 2016

結論

根據吾等的審閱，吾等並無發現任何事項，令吾等相信簡明綜合財務報表在所有重大方面未有根據國際會計準則第34號編製。

德勤•關黃陳方會計師行
執業會計師

香港
二零一六年八月二十六日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
	NOTES 附註		
Revenue	收入	1,764,378	2,313,715
Cost of sales	銷售成本	(1,429,071)	(1,960,291)
Gross profit	毛利	335,307	353,424
Other income	其他收入	56,235	52,295
Other gains and losses	其他收益及虧損	(110,919)	(97,948)
Selling and distribution expenses	銷售及分銷開支	(73,855)	(79,897)
Administrative expenses	行政開支	(139,317)	(145,515)
Research and development expenses	研發開支	(35,415)	(42,108)
Share of profit of associates	應佔聯營公司溢利	1,226	18,700
Share of (loss) profit of joint ventures	應佔合營企業(虧損)溢利	(20)	19
Finance costs	融資成本	-	(2,827)
Profit before tax	除稅前溢利	33,242	56,143
Income tax expense	所得稅開支	(4,670)	(14,390)
Profit for the period	期內溢利	28,572	41,753
Other comprehensive income (expense)	其他全面收入(開支)		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可能於其後重新分類至損益之項目：</i>		
Fair value gain on available-for-sale financial assets	可供出售之金融資產公平值收益	-	5,164
Share of fair value loss on available-for-sale financial assets of an associate	應佔聯營公司可供出售之金融資產公平值虧損	-	(3,099)
Exchange differences arising on translation	換算產生之匯兌差額	133	(515)
Other comprehensive income for the period, net of income tax	期內其他全面收入，扣除所得稅	133	1,550
Total comprehensive income for the period	期內全面收入總額	28,705	43,303
Profit for the period attributable to:	以下人士應佔期內溢利：		
Owners of the Company	本公司股東	42,218	58,845
Non-controlling interests	非控股權益	(13,646)	(17,092)
		28,572	41,753
Total comprehensive income for the period attributable to:	以下人士應佔期內全面收入總額：		
Owners of the Company	本公司股東	42,351	60,395
Non-controlling interests	非控股權益	(13,646)	(17,092)
		28,705	43,303
EARNINGS PER SHARE	每股盈利		
- Basic and diluted (RMB)	- 基本及攤薄(人民幣元)	0.03	0.04

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2016 於二零一六年六月三十日

			At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
	NOTES 附註			
ASSETS	資產			
Non-current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	1,463,926	1,607,658
Prepaid lease payments	預付土地租賃款項	13	321,454	381,013
Investment properties	投資物業		46,393	47,187
Intangible assets	無形資產		3,049	4,330
Investments in associates	於聯營公司之投資	14	425,663	420,424
Investments in joint ventures	於合營企業之投資		-	2,383
Available-for-sale investments	可供出售之投資		23,880	31,174
Deferred tax assets	遞延稅項資產		183,106	171,830
Debt investment	債務投資	15	398,283	390,027
Finance lease receivables	融資租賃應收款項		91,198	58,096
Long-term receivables	長期應收款項		86,432	131,206
			3,043,384	3,245,328
Current Assets	流動資產			
Prepaid lease payments	預付土地租賃款項	13	7,405	8,681
Inventories	存貨		966,023	1,175,829
Loan receivables from an associate	應收聯營公司貸款		80,000	80,000
Trade and other receivables	貿易及其他應收款項	16	3,686,124	4,054,923
Finance lease receivables	融資租賃應收款項		75,678	25,992
Long-term receivables within one year	一年內的長期應收款項		106,814	105,059
Financial asset at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產	17	25,549	-
Other financial assets	其他金融資產	18	293,000	1,063,000
Tax recoverable	可收回稅項		1,816	1,374
Pledged bank deposits	已抵押銀行存款	19	252,873	278,080
Bank balances and cash	銀行結餘及現金	19	3,153,472	2,011,221
			8,648,754	8,804,159
Assets classified as held for sale	分類為持作出售資產	20	269,754	-
			8,918,508	8,804,159

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2016 於二零一六年六月三十日

	NOTES 附註	At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)	
EQUITY AND LIABILITIES	權益及負債			
Current Liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	1,763,056	2,193,738
Advances from customers	客戶按金		300,121	198,888
Tax liabilities	稅項負債		15,280	19,618
			2,078,457	2,412,244
Liabilities associated with assets classified as held for sale	與分類為持作出售 資產相關的負債	20	240,762	–
			2,319,219	2,412,244
Net Current Assets	流動資產淨值		6,599,289	6,391,915
Total Assets Less Current Liabilities	總資產減流動負債		9,642,673	9,637,243
Capital and Reserves	股本及儲備			
Share capital	股本	22	1,621,122	1,621,122
Share premium	股份溢價		3,409,354	3,409,354
Reserves	儲備		4,501,478	4,472,096
Total equity attributable to owners of the Company	本公司股東應佔權益總額		9,531,954	9,502,572
Non-controlling interests	非控股權益		106,241	119,887
Total Equity	權益總額		9,638,195	9,622,459
Non-current Liability	非流動負債			
Other non-current liabilities	其他非流動負債		4,478	14,784

The condensed consolidated financial statements on pages 24 to 48 were approved and authorised for issue by the Board of Directors on 26 August 2016 and are signed on its behalf by:

第24至48頁的簡明綜合財務報表已由董事會於二零一六年八月二十六日審批及授權刊發，並由下列董事代表簽署：

DIRECTOR
董事
Jiao Chengyao
焦承堯

DIRECTOR
董事
Xiang Jiayu
向家雨

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

		Share capital	Share premium	Revaluation reserve	Statutory surplus reserve	Translation reserve	Other reserves	Retained earnings	Attributable to owners of the Company	Non-controlling interests	Total
		股本	股份溢價	重估儲備	法定盈餘儲備	匯兌儲備	其他儲備	保留盈利	擁有人應佔	非控股權益	合計
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
					(note a)		(note b)		(附註b)		
					(附註a)		(附註b)				
At 1 January 2016 (audited)	於二零一六年一月一日(經審核)	1,621,122	3,409,354	-	525,072	(1,885)	77,902	3,871,007	9,502,572	119,887	9,622,459
Profit for the period (unaudited)	期內溢利(未經審核)	-	-	-	-	-	-	42,218	42,218	(13,646)	28,572
Other comprehensive income for the period (unaudited)	期內其他全面收入(未經審核)	-	-	-	-	133	-	-	133	-	133
Total comprehensive income for the period (unaudited)	期內全面收入總額(未經審核)	-	-	-	-	133	-	42,218	42,351	(13,646)	28,705
Dividends (unaudited) (note 10)	股息(未經審核)(附註10)	-	-	-	-	-	-	(12,969)	(12,969)	-	(12,969)
At 30 June 2016 (unaudited)	於二零一六年六月三十日(未經審核)	1,621,122	3,409,354	-	525,072	(1,752)	77,902	3,900,256	9,531,954	106,241	9,638,195
At 1 January 2015 (audited)	於二零一五年一月一日(經審核)	1,621,122	3,409,354	(65,734)	520,096	(810)	52,902	3,895,388	9,432,318	151,476	9,583,794
Profit for the period (unaudited)	期內溢利(未經審核)	-	-	-	-	-	-	58,845	58,845	(17,092)	41,753
Other comprehensive income for the period (unaudited)	期內其他全面收入(未經審核)	-	-	2,065	-	(515)	-	-	1,550	-	1,550
Total comprehensive income for the period (unaudited)	期內全面收入總額(未經審核)	-	-	2,065	-	(515)	-	58,845	60,395	(17,092)	43,303
Contribution from the ultimate controlling party of the Company (unaudited)	本公司最終控股方之出資(未經審核)	-	-	-	-	-	25,000	-	25,000	-	25,000
Dividends (unaudited) (note 10)	股息(未經審核)(附註10)	-	-	-	-	-	-	(61,603)	(61,603)	-	(61,603)
At 30 June 2015 (unaudited)	於二零一五年六月三十日(未經審核)	1,621,122	3,409,354	(63,669)	520,096	(1,325)	77,902	3,892,630	9,456,110	134,384	9,590,494

Note a: In accordance with the Company Law of PRC and the Articles of Association of the Company and all subsidiaries established in the PRC, the Company and these subsidiaries are required to transfer 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory surplus reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the Company and these subsidiaries.

Note b: The other reserves mainly represent the contribution from the State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government, the ultimate controlling party of the Company, and is recognised as contribution from the ultimate controlling party of the Company.

附註a: 根據中國公司法及本公司及其所有中國附屬公司的章程細則,本公司及該等附屬公司需要將法定財務報表所呈報的除稅後溢利撥出10%至法定盈餘儲備,直至法定盈餘儲備已達相關公司的註冊資本50%為止。進行轉撥必須在向權益持有人分派股息前進行。法定盈餘儲備可用於彌補以前年度的虧損,擴充現有營運或轉為本公司及該等附屬公司的額外資本。

附註b: 其他儲備指本公司的最終控制方河南省政府國有資產監督管理委員會的出資,並確認為本公司最終控股方之出資。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
OPERATING ACTIVITIES	經營業務		
Profit before tax	除稅前溢利	33,242	56,143
Adjustments for:	調整：		
Finance costs	融資成本	-	2,827
Interest income on bank deposits, long-term receivables and finance lease receivables	銀行存款、長期應收款項及融資租賃應收款項之利息收入	(47,032)	(44,027)
Interest income on debt security	債務證券之利息收入	(5,892)	(5,515)
Share of profit of associates	應佔聯營公司溢利	(1,226)	(18,700)
Share of loss (profit) of joint ventures	應佔合營企業虧損(溢利)	20	(19)
Gain on disposal of an associate	出售一間聯營公司之收益	(26)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	88,408	84,316
Depreciation of investments properties	投資物業折舊	794	200
Amortisation of intangible assets	無形資產之攤銷	1,225	1,368
Release of prepaid lease payments	預付土地租賃款項撥回	4,412	4,411
Allowance provided for doubtful debts	呆賬撥備	149,281	91,164
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(520)	(1,073)
Impairment loss of investments classified as available-for-sale measured at fair value	分類為按公平值計量之可供出售之投資減值虧損	7,294	-
Gain from changes in fair value of financial asset at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產之公平值變動收益	(25,549)	-
Effect of foreign exchange rate changes	匯率變動之影響	(20,445)	(1,750)
Operating cash flows before movements in working capital	營運資金變動前之營運現金流量	183,986	169,345
Decrease in inventories	存貨減少	147,438	321,219
Decrease (increase) in trade and other receivables	貿易及其他應收款項減少(增加)	186,350	(61,762)
Increase in long-term receivables and finance lease receivables	長期應收款項和融資租賃應收款項增加	(39,769)	-
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少)增加	(232,253)	100,849
Increase (decrease) in advances from customers	客戶按金增加(減少)	101,964	(189,648)
Cash generated from operations	經營業務所得現金	347,716	340,003
Income tax paid	已付所得稅	(24,745)	(22,075)
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額	322,971	317,928

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
INVESTING ACTIVITIES	投資活動		
Interest income on bank deposits, long-term receivables and finance lease receivables	銀行存款、長期應收款項及融資租賃應收款項之利息收入	47,032	44,027
Interest received on debt investment	債務證券之利息收入	5,892	5,518
Dividends received from associates	已收聯營公司股息	950	10,200
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	1,425	2,932
Proceeds on disposal of an associate	出售一間聯營公司之收益	3,782	–
Purchases of property, plant and equipment	購置物業、廠房及設備	(38,911)	(42,478)
Purchases of other intangible assets	購置其他無形資產	(102)	(79)
Purchase of other financial assets	購置其他金融資產	(250,000)	(1,555,000)
Proceeds on disposal of other financial assets	出售其他金融資產所得款項	1,020,000	555,000
Withdrawal of loan receivables from an associate	提取應收聯營公司貸款	–	50,000
Payments for loan receivables from an associate	應收聯營公司貸款之付款	–	(50,000)
Placement of bank deposits with original maturity over three months	存放原到期日三個月以上的銀行存款	–	(300,380)
Withdrawal of bank deposits with original maturity over three months	提取原到期日三個月以上的銀行存款	285,000	443,357
Payment of pledged bank deposits	支付已抵押銀行存款	(262,183)	(221,715)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	287,390	187,928
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資活動所得(所用)現金淨額	1,100,275	(870,690)
FINANCING ACTIVITIES	融資活動		
Contribution from the parent of the Company	本公司母公司出資	–	25,000
Proceeds from new borrowings raised	新籌借貸所得款項	–	5,000
Interest paid	已付利息	–	(2,827)
Dividends paid	已付股息	(6,854)	(32,559)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額	(6,854)	(5,386)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加(減少)淨額	1,416,392	(558,148)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	於期初之現金及現金等價物	1,726,221	1,821,657
EFFECT OF FOREIGN EXCHANGE RATE CHANGES CLASSIFIED AS HELD FOR SALE (note 20)	匯率變動之影響分類為持作出售(附註20)	12,189 (1,330)	1,750 –
CASH AND CASH EQUIVALENTS AT 30 June, represented by bank balances and cash (note 19)	於六月三十日之現金及現金等價物, 代表銀行結餘及現金(附註19)	3,153,472	1,265,259

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

1. General

Zhengzhou Coal Mining Machinery Group Company Limited (the "Company") was established in the People's Republic of China (the "PRC") on 28 December 2008 as a joint stock company with limited liability under the Company Law of the PRC after a reorganisation of Zhengzhou Coal Mining Machinery Company, a state owned enterprise in the PRC. On October 28 2015, 32.14% of the Company's total issued share capital held by the State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government ("Henan SASAC") were transferred to Henan Machinery Investment Group, a wholly-owned subsidiary of Henan SASAC. In the opinion of the directors of the Company, upon completion of the share transfer, the parent of the Company is Henan Machinery Investment Group and its ultimate controlling party is Henan SASAC of the PRC Government.

On 3 August 2010, the Company completed its initial public offering and listing of 140,000,000 A shares on the Shanghai Stock Exchange under the stock code 601717.SS. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 5 December 2012.

The respective addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section of the interim report. The principal activities of the Company and its subsidiaries (collectively the Group) are manufacturing of coal mining machinery and trading of steel and other raw materials.

The condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company and its principal subsidiaries.

2. Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting issued by the International Accounting Standards Board (the "IASB") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015.

1. 一般資料

鄭州煤礦機械集團股份有限公司(「本公司」)於中國國有企業鄭州煤礦機械集團有限責任公司重組後，根據中國公司法於二零零八年十二月二十八日在中華人民共和國(「中國」)成立為股份有限公司。於二零一五年十月二十八日，由河南省國有資產監督管理委員會(「河南國資委」)持有之本公司已發行股本總額的32.14%轉讓予河南省國資委之全資附屬公司河南機械投資集團。本公司董事認為，在股份轉讓完成後，本公司母公司為河南機械投資集團，其最終控制方是中國政府轄下之河南國資委。

於二零一零年八月三日，本公司完成140,000,000股A股首次公開發售並在上海證券交易所上市(股份代號601717.SS)。本公司於二零一二年十二月五日在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司相關註冊辦事處地址及主要營業地點於中報「公司資料」一節披露。本公司及其附屬公司(合稱「本集團」)的主要業務為生產煤炭開採機械及買賣鋼材及其他原材料。

簡明綜合財務報表以人民幣(「人民幣」)呈列，與本公司及其主要附屬公司之功能貨幣相同。

2. 編製基準

簡明綜合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」)頒佈的國際會計準則第34號(「國際會計準則」)中期財務報告及香港聯合交易所有限公司證券上市規則附錄16之適用披露規定編製。

3. 主要會計政策

簡明綜合財務報表按歷史成本法編製，惟按公平價值計量之若干金融工具(按適用情況)除外。

除下文所述外，截至二零一六年六月三十日止六個月之簡明綜合財務報表所用的會計政策及計算方法，與編製本集團截至二零一五年十二月三十一日止年度之年度財務報表所用者一致。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

3. Principal accounting policies (Continued)

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liability of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with IAS 39 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the current interim period, the Group has applied, for the first time, certain amendments to International Financial Reporting Standards ("IFRSs") issued by the IASB that are mandatorily effective for the current interim period.

The application of these amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

4. Segment information

The Group has only one operating segment which is the manufacture of coal mining machinery and the Group's operating result before tax are reviewed regularly by the Group's chief operating decision maker to make decisions about resources allocation and performance assessment.

3. 主要會計政策(續)

持作出售的非流動資產

假若主要藉着銷售交易而不是持續使用以收回賬面值，則非流動資產及出售組別乃分類為持作出售。該資產(或出售組別)必須在對於出售該資產(或出售組別)而言屬於一般及慣常的條款下，可供隨即以現狀出售，而有關出售很可能發生，方視為符合上述條件。管理層須堅定履行該項出售，預期該項出售由分類當日起一年合資格確認為已完成的出售事項。

當本集團堅定履行一項涉及失去附屬公司控制權的出售計劃，該附屬公司的所有資產及負債乃於符合以上所述準則時分類為持作出售，而不論本集團是否將於該間前附屬公司出售后保留非控股權益。

出售后，除非保留權益繼續是聯營公司或合營企業，而需使用權益法進行會計處理後，否則本集團一律根據國際會計準則第39號對任何聯營公司或合營企業保留權益進行會計處理。

分類為持作出售的非流動資產(及出售組別)乃按賬面值與公平值減銷售成本之較低者計量。

於本中期間，本集團首次應用由國際會計準則理事會頒佈且已於本中期間強制生效的一項新註釋及國際財務報告準則(「國際財務報告準則」)的若干修訂。

於本中期間應用上述國際財務報告準則的修訂並無對此等簡明綜合財務報表所呈報的金額及/或此等簡明綜合財務報表所載的披露資料有任何重大影響。

4. 分部資料

本集團只有一個經營分部，即生產煤機設備。本集團的除稅前溢利定期由本集團的主要經營決策人所覆核，以就資源分配及表現評估作出決策。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

5. Other income

5. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Government grants (Note)	政府補助(附註)	3,311	2,753
Interest income on bank deposits, long-term receivables and finance lease receivables	銀行存款、長期應收款項和融資租賃應收款項之利息收入	47,032	44,027
Interest income on debt investment	債務投資利息收入	5,892	5,515
		56,235	52,295

Note: Government grants mainly represent unconditional government grants received from the local government for compensation of research and development expenses incurred.

附註：政府補助主要指就補償所產生研究和開發費用而自地方政府獲取的無條件政府補助。

6. Other gains and losses

6. 其他收益及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	520	1,073
Gain on disposal of an associate	出售一間聯營公司之收益	26	-
Net foreign exchange gains (losses)	匯兌淨收益(虧損)	20,445	(9,795)
Allowance for doubtful debts	呆賬撥備	(149,281)	(91,164)
Impairment loss on available-for-sale investments measured at fair value	按公平值計量之可供出售之投資減值虧損	(7,294)	-
Gain from changes in fair value of financial asset at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產之公平值變動收益	25,549	-
Others	其他	(884)	1,938
		(110,919)	(97,948)

7. Finance cost

7. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Interest on bank borrowings	銀行貸款之利息	-	2,827

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

8. Income tax expense

8. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current tax:	即期稅項：		
– PRC enterprise income tax	– 中國企業所得稅	21,434	25,677
Over provision in prior years	以前年度之超額撥備		
– PRC enterprise income tax	– 中國企業所得稅	(1,929)	(1,348)
Deferred tax – current period	遞延稅項－本期間	(14,835)	(9,939)
		4,670	14,390

9. Profit for the period

9. 期內溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Depreciation for property, plant and equipment	物業、廠房及設備折舊	88,408	84,316
Depreciation for investment properties	投資物業折舊	794	200
Amortisation of intangible assets	無形資產攤銷	1,225	1,368
Release of prepaid lease payments	預付土地租賃款項撥回	4,412	4,411
		94,839	90,295
Employee benefits expenses (including directors):	僱員福利開支(包括董事)：		
– Salaries and other benefits	– 工資及其他福利	168,267	180,757
– Retirement benefit scheme contributions	– 退休福利計劃供款	23,875	25,516
		192,142	206,273
Cost of inventories recognised as an expense	確認為開支之存貨成本	1,429,071	1,960,291

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

10. Dividends

10. 股息

	Six months ended 30 June 截至六月三十日止六個月	
	2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Dividends recognised as distribution during the period: 期內確認分派以下股息：		
– 2015 Final (RMB0.008 per share) 二零一五年末期 (每股人民幣0.008元)	12,969	–
– 2014 Final (RMB0.038 per share) 二零一四年末期 (每股人民幣0.038元)	–	61,603

During the current interim period, a final dividend of RMB0.008 per share (final dividend in respect of the year ended 31 December 2014 of RMB0.038 per share) in respect of the year ended 31 December 2015 was declared to the owners of the Company. The aggregate amount of the final dividend declared in the interim period amounted to RMB12,969,000. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

於本中期期間內，本公司向股東宣派截至二零一五年十二月三十一日止年度的末期股息每股人民幣0.008元（二零一四年十二月三十一日止年度的末期股息為每股人民幣0.038元），中期期間宣派的末期股息總額為人民幣12,969,000元。本公司董事已決定不會就中期期間派付股息。

11. Earnings per share

11. 每股盈利

The calculation of basic and diluted earnings per share for each of the six months ended 30 June 2016 and 30 June 2015 is based on the following data:

截至二零一六年六月三十日及二零一五年六月三十日止各六個月，每股基本及攤薄盈利按以下數據計算：

	Six months ended 30 June 截至六月三十日止六個月	
	2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Earning for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company) 就每股基本及攤薄盈利而言之 盈利(本公司股東應佔期內溢利)	42,218	58,845
Number of ordinary shares for the purpose of basic earnings per share 就每股基本盈利而言之 普通股數目	1,621,122,000	1,621,122,000

The diluted earnings per share is same as basic earnings per share for the six months ended 30 June 2016 and 2015 as the Company did not have any dilutive potential ordinary shares in issue during both periods.

於截至二零一六年六月三十日及二零一五年六月三十日止各六個月，每股攤薄盈利與每股基本盈利相等，且本公司於兩期間並無任何已發行具潛在攤薄作用的普通股。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

12. Movements in property, plant and equipment

12. 物業、廠房及設備變動

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 車輛 RMB'000 人民幣千元	Other equipment 其他設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本						
At 1 January 2015 (audited)	於二零一五年 一月一日(經審核)	1,070,254	1,021,209	47,780	91,756	117,194	2,348,193
Additions	添置	783	8,439	1,661	1,969	44,685	57,537
Transfer	轉撥	65,020	14,412	-	-	(79,432)	-
Disposals	處置	(2,304)	(31,080)	(11,360)	(6,626)	-	(51,370)
At 31 December 2015 (audited)	於二零一五年 十二月三十一日(經審核)	1,133,753	1,012,980	38,081	87,099	82,447	2,354,360
Additions	添置	7,851	27,453	540	1,054	19,560	56,458
Transfer	轉撥	56,184	-	-	-	(56,184)	-
Disposals	處置	-	(3,401)	(694)	(493)	-	(4,588)
Reclassified as held for sale	重新分類為持作出售	(93,913)	(41,124)	(2,650)	(6,370)	-	(144,057)
At 30 June 2016 (unaudited)	於二零一六年 六月三十日(未經審核)	1,103,875	995,908	35,277	81,290	45,823	2,262,173
ACCUMULATED DEPRECIATION	累計折舊						
At 1 January 2015 (audited)	於二零一五年 一月一日(經審核)	131,565	399,840	32,468	57,220	-	621,093
Provided for the period	期間撥備	37,860	114,822	5,382	14,713	-	172,777
Elimination on disposals	處置時對銷	(1,287)	(29,606)	(9,860)	(6,415)	-	(47,168)
At 31 December 2015 (audited)	於二零一五年 十二月三十一日(經審核)	168,138	485,056	27,990	65,518	-	746,702
Provided for the period	期間撥備	26,497	52,385	2,279	7,247	-	88,408
Elimination on disposals	處置時對銷	-	(2,549)	(644)	(490)	-	(3,683)
Reclassified as held for sale	重新分類為持作出售	(13,261)	(19,853)	(31)	(35)	-	(33,180)
At 30 June 2016 (unaudited)	於二零一六年 六月三十日(未經審核)	181,374	515,039	29,594	72,240	-	798,247
CARRYING VALUES	賬面值						
At 31 December 2015 (audited)	於二零一五年 十二月三十一日(經審核)	965,615	527,924	10,091	21,581	82,447	1,607,658
At 30 June 2016 (unaudited)	於二零一六年 六月三十日(未經審核)	922,501	480,869	5,683	9,050	45,823	1,463,926

All the buildings are located in the PRC. The Group was in process of obtaining the relevant property ownership certificates for buildings with a net book value of RMB31,194,000 as at 30 June 2016 (31 December 2015: RMB127,367,000). In the opinion of the directors of the Company, the relevant property ownership certificates can be obtained in due time without incurring significant costs.

所有樓宇均座落在中國境內。本集團仍待獲取於二零一六年六月三十日賬面淨值為人民幣31,194,000元(二零一五年十二月三十一日：人民幣127,367,000元)的樓宇相關物業所有權證。本公司董事認為，可適時取得相關物業所有權證，而不會產生重大成本。

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13. Prepaid lease payments

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Analysed for the reporting purpose as:	就呈報目的分析如下：		
Current portion	流動部分	7,405	8,681
Non-current portion	非流動部分	321,454	381,013
		328,859	389,694

The prepaid lease payments are all in respect of land use rights located in the PRC.

預付土地租賃款項均為有關位於中國的土地使用權。

14. Investments in associates

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Cost of investments in unlisted associates	於非上市聯營公司之投資成本	390,392	394,392
Share of post-acquisition profits and other comprehensive income, net of dividends received	分佔收購後溢利及其他全面收入，扣除已收股息	35,271	26,032
		425,663	420,424

14. 於聯營公司之投資

15. Debt investment

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Debt investments	債務投資	398,283	390,027

15. 債務投資

On 26 March 2014, the Company entered into the subscription agreement with Sun Hung Kai & Co. (BVI) Limited and Sun Hung Kai & Co. Limited, pursuant to which, the Company agreed to subscribe for the notes in the principal amount of USD60,000,000, with a coupon rate of 3.0% per annum, semi-annually payable in arrears. The notes will expire on 28 December 2017.

於二零一四年三月二十六日，本公司與Sun Hung Kai & Co. (BVI) Limited及Sun Hung Kai & Co. Limited訂立認購協議，據此，本公司同意認購本金額為60,000,000美元的票據，年票息率為3.0%，每半年以後付方式支付。票據將於二零一七年十二月二十八日屆滿。

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16. Trade and other receivables

16. 貿易及其他應收款項

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Bills receivable	應收票據	578,825	1,004,413
Trade receivables	貿易應收款項	4,080,622	3,989,715
Less: allowance for doubtful debts	減：呆賬撥備	(1,168,185)	(1,032,712)
		3,491,262	3,961,416
Prepayments to suppliers	向供應商預付款項	160,018	52,329
Deposits	訂金	8,803	6,919
Other tax recoverable	其他可收回稅項	13,312	20,985
Staff advances	僱員墊款	2,839	4,896
Dividend receivable from an associate	應收聯營公司股息	-	950
Others	其他	19,366	16,213
Less: allowance for doubtful debts	減：呆賬撥備	(9,476)	(8,785)
		194,862	93,507
Total trade and other receivables	貿易及其他應收款項合計	3,686,124	4,054,923

The Group generally allows a credit period of 180 days to its customers. The credit period provided to a customer can vary significantly based on a number of factors, including the Group's relationship with the customer, the customer's credit profile and payment history, total contract value and market conditions. The following is an aged analysis of bills receivable and trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of each reporting period:

本集團一般給予客戶之信貸期為180天。給予客戶間之信貸期可能因多項因素而有明顯差異，包括該本集團與客戶之關係，客戶之信用狀況與付款記錄，合約總值和市況。以下為各報告期末按照發票日期呈列的應收票據及貿易應收款項扣除呆帳準備後的賬齡分析。

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 180 days	180天以內	1,417,266	2,078,089
Over 180 days but within 1 year	超過180天但1年內	1,139,648	1,083,649
Over 1 year but within 2 years	超過1年但2年內	654,687	509,190
Over 2 years within 3 years	超過2年但3年內	279,661	290,488
		3,491,262	3,961,416

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17. Financial asset at fair value through profit or loss

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Forward foreign exchange contracts	遠期外匯合約	25,549	-

During the current period, the Company entered into a currency forward contract to buy USD232,469,000 at a rate of USD 1: RMB6.58 on 3 January 2017. The currency forward contract was not designated as a hedging instrument.

17. 以公允價值計量且其變動計入當期損益的金融資產

於本期間，本公司訂立貨幣遠期合約於2017年1月3日以1美元兌人民幣6.58元匯率購買232,469,000美元。貨幣遠期合約未被指定為對沖工具。

18. Other financial assets

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Structured deposit	結構性存款	293,000	1,063,000

Other financial assets as at 30 June 2016 represented the structured deposits with banks in the PRC carrying variable expected interest rate ranging from 2.70% to 3.90% per annum (2015: 3.20% to 3.65% per annum) and maturity period of three or six months (2015: three or six months).

18. 其他金融資產

於二零一六年六月三十日的其他金融資產指於中國的銀行的結構性存款，預期浮動年利率介乎2.70%至3.90%(二零一五年：年利率3.20%至3.65%)及於三個月或六個月到期(二零一五年：三個月或六個月)。

19. Bank balances and cash/pledged bank deposits

Bank balances and cash of the Group comprise cash and short-term bank deposits. The bank balances carry interest at market rates which range from 0.3% to 3.15% per annum (unaudited) as at 30 June 2016 (31 December 2015: 0.39% to 3.15% per annum).

19. 銀行結餘及現金／已抵押銀行存款

本集團銀行結餘及現金包括現金及短期銀行存款。銀行結餘按市場利率計息，於二零一六年六月三十日，年利率介乎0.3%至3.15%(未經審核)(二零一五年十二月三十一日：年利率0.39%至3.15%)。

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19. Bank balances and cash/pledged bank deposits

(Continued)

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Cash	現金	457	120
Bank deposits with original maturity within three months or less	原到期日為3個月或以下之銀行存款	3,153,015	1,726,101
Cash and cash equivalents	現金及現金等價物	3,153,472	1,726,221
Bank deposits with original maturity over three months	原到期日為3個月以上之銀行存款	-	285,000
Bank balances and cash	銀行結餘及現金	3,153,472	2,011,221

Pledged bank deposits represent deposits pledged to banks to secure bank acceptance bills and letters of guarantee and are therefore classified as current assets. The pledged bank deposits carry interest at market rates which range from 0.3% to 3.15% per annum as at 30 June 2016 (31 December 2015: 0.39% to 3.15% per annum).

19. 銀行結餘及現金／已抵押銀行存款

(續)

已抵押銀行存款為銀行承兌匯票及保函之保證金，因此被分類為流動資產。已抵押銀行存款按市場利率計息，於二零一六年六月三十日，年利率介乎0.3%至3.15%（二零一五年十二月三十一日：年利率0.39%至3.15%）。

20. Classified as held for sale

During the current period, the directors of the Company initiated an active program to disposal of its 35.4% equity interest in Huainan ZMJ Shun Li Machinery Co., Ltd ("ZMJ Shun Li"), a non-wholly owned subsidiary of the Group. On 20 July 2016 the Group and Huainan Li Cheng Mining Machinery Co., Ltd ("Huainan Li Cheng") entered into an equity transfer agreement, pursuant to which the Company agreed to transfer and Huainan Li Cheng agreed to acquire 35.4% equity interest in ZMJ Shun Li at a total consideration of approximately RMB22,490,000. Upon completion of the equity transfer, ZMJ Shun Li will cease to be a subsidiary of the Group and the Company will retain 22.6% equity interest in ZMJ Shun Li and accounted for as interest in an associate. The assets and liabilities of ZMJ Shun Li have been classified as held for sale and are separately presented in the condensed consolidated statement of financial position. Details of the equity transfer are set out in the Company's announcement dated 21 July 2016.

The fair value (after deduction of costs to sell) of the consideration are expected to exceed the net carrying amount of the relevant assets and liabilities and, accordingly, no impairment loss has been recognised.

Up to the date of the report, the equity transfer has not been completed.

20. 分類為持作出售

於本期間，本公司董事開展計劃，以出售其於本集團非全資附屬公司淮南鄭煤機舜立機械有限公司（「鄭煤機舜立」）的35.4%股本權益。於二零一六年七月二十日，本集團與淮南立成煤礦設備有限公司（「淮南立成」）訂立股權轉讓協議，據此，本公司同意轉讓，而淮南立成同意收購鄭煤機舜立的35.4%股本權益，總代價為人民幣約22,490,000元。於完成股權轉讓後，鄭煤機舜立將不再為本集團的附屬公司，而本公司仍將持有鄭煤機舜立的22.6%股本權益，並作為於聯營公司中權益入賬。鄭煤機舜立的資產及負債已分類為持作出售，並於簡明綜合財務狀況表中個別呈列。股權轉讓詳情載列於本公司日期為二零一六年七月二十一日的公告。

代價的公平值（經扣除出售成本）預期將超過相關資產及負債的賬面淨值，因此並無確認減值虧損。

到報告日期為止，股權轉讓尚未完成。

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20. Classified as held for sale (Continued)

Major classes of assets and liabilities of the ZMJ Shun Li as at the end of the current interim period are as follow:

20. 分類為持作出售(續)

鄭煤機舜立於本中期末的主要資產及負債類別如下：

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)
Property, plant and equipment	物業、廠房及設備	110,877
Prepaid lease payments	預付租賃款項	56,423
Inventories	存貨	62,368
Trade and other receivable	貿易及其他應收款項	32,218
Investments in joint ventures	於合營企業之投資	2,362
Bank balances and cash	銀行結餘及現金	1,330
Other assets	其他資產	4,176
Assets classified as held for sale	分類為持作出售資產	269,754
Trade and other payable	貿易及其他應付款項	229,525
Advances from customers	客戶按金	731
Other liabilities	其他負債	10,506
Liabilities associated with assets classified as held for sale	與分類為持作出售資產有關的負債	240,762

21. Trade and other payables

21. 貿易及其他應付款項

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Bills payable (Note i)	應付票據(附註i)	468,703	698,336
Trade payables (Note i)	貿易應付款項(附註i)	1,107,728	1,188,824
		1,576,431	1,887,160
Dividends payable	應付股息	6,115	-
Salary and bonus payables	應付工資與獎金	66,615	68,304
Amount due to a non-controlling shareholder of a subsidiary (Note ii)	應付一家附屬公司一名非控股股東款項(附註ii)	-	107,711
Deposits (Note iii)	訂金(附註iii)	25,513	28,294
Deferred income to be recognised within one year (Note iv)	一年內確認之遞延收入(附註iv)	7,664	9,528
Other tax payable	其他應付稅項	19,039	18,301
Accruals and other payables (Note v)	預提及其他應付款項(附註v)	61,679	74,440
		1,763,056	2,193,738

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21. Trade and other payables (Continued)

- i) Trade payable and bills payable comprise amounts outstanding for trade purchase. Payment terms with suppliers are mainly on credit within 90 days from the time when the goods are received from suppliers. The following is an aged analysis of bills payables and trade payables presented based on invoice date at the end of each reporting period:

		At 30 June 2016	At 31 December 2015
		二零一六年 六月三十日	二零一五年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Within 90 days	90天內	541,950	878,996
Over 90 days but within 1 year	超過90天但1年內	788,789	724,600
Over 1 year	超過1年	245,692	283,564
		1,576,431	1,887,160

- ii) The balance represents the amount due to a non-controlling shareholder of ZMJ Shun Li Machinery. The amount is unsecured, interest-free and repayable on demand and was reclassified to liabilities associated as held for sale at 30 June 2016.
- iii) Deposits represent the deposits received from suppliers for purchasing equipment, construction and other services.
- iv) Deferred income to be recognised within one year represents the government subsidies received by the Group towards certain research projects. The amount has been treated as deferred income and will be transferred to income for the relevant projects.
- v) Accruals and other payables mainly consist of payables for the acquisition of property, plant and equipment, rental payables and payables for other services.
- ii) 該結餘指應付鄭煤機舜立機械一名非控股股東之款項。該款項為無抵押、免息且須按要求償還，並於二零一六年六月三十日重新分類為與持作出售有關的負債。
- iii) 訂金指從供應商所收到購買設備、建設及其他服務之訂金。
- iv) 將於一年內確認之遞延收入指本集團就若干研究項目所收取政府補助。該款項被視作遞延收入且將轉撥至相關項目之收入。
- v) 預提及其他應付款項主要包括用於購置物業、廠房及設備之應付款項、應付租金及其他服務之應付款項。

21. 貿易及其他應付款項(續)

- i) 貿易應付款項及應付票據包括有關貿易採購之尚未償付金額。向供應商付款之期限基本為自收到供應商貨物起計90日內掛賬。以下為於各報告期末按發票日期呈列的應付票據及貿易應付款項的賬齡分析：

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22. Share capital

22. 股本

	Listed A Shares 上市A股		Listed H Shares 上市H股		Total 總計		
	Number of share 股份數目	Amount 金額	Number of share 股份數目	Amount 金額	Number of share 股份數目	Amount 金額	
	'000 千股	RMB'000 人民幣千元	'000 千股	RMB'000 人民幣千元	'000 千股	RMB'000 人民幣千元	
At 1 January 2015, 31 December 2015 and 30 June 2016	於二零一五年一月一日、 二零一五年十二月三十一日 及二零一六年六月三十日	1,377,888	1,377,888	243,234	243,234	1,621,122	1,621,122

Except for the currency in which dividends are paid, H Shares and A Shares rank pari passu in all respects with each other.

除所派股息之貨幣外，H股及A股在各方面均享有同等地位。

23. Capital commitments

23. 資本承諾

	At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)	
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided	已簽約但未撥備之有關收購物業、廠房及設備之資本開支	55,082	31,272
Capital expenditure in respect of acquisition equity interests from third entities contracted for but not provided (note 27)	已簽約但未撥備之向第三方收購權益之資本開支(附註27)	2,200,000	-
	2,255,082	31,272	

24. Related party transactions

24. 關聯方交易

In the opinion of the directors of the Company, the parent of the Company is Henan SASAC of the PRC government and that the Group is subject to the control of the PRC government. In accordance with IAS 24, entities that are controlled, jointly controlled or significantly influenced by the PRC government ("PRC government related entities") are regarded as related parties of the Group. Due to the complex ownership structure, the PRC government may hold indirect interests in many companies. Some of these interests may, in themselves or when combined with other indirect interests, be controlling interests which may not be known to the Group. Nevertheless, the Group represented that the following captures the material related parties taking into account the exemption under IAS 24.

本公司董事認為，本公司之母公司為中國政府河南省國資委，而本集團受中國政府控制。根據國際會計準則第24號，受中國政府控制、共同控制或重大影響之實體（「中國政府相關實體」）被視為本集團之關聯方。鑒於複雜之擁有權結構，中國政府可於多家公司持有間接權益。若干該等權益當中或當其與其他間接權益合併時，可能出現屬本集團未知悉之控股權益。然而，本集團表述，計及國際會計準則第24號之豁免，下文載列有關重大關聯方。

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For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

24. Related party transactions (Continued)

(1) The Group and Henan SASAC

The Group has transactions with entities controlled, jointly controlled or significantly influenced by Henan SASAC ("Henan SASAC related entities") and the transactions details are as follow:

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Sales of finished goods	銷售產成品	22,687	157,811
Purchase of raw materials	採購原料	197,312	190,911

For the six months ended 30 June 2016, revenue from Henan SASAC related entities accounted for 1.19% of total revenue (30 June 2015: 6.82%). Purchases from Henan SASAC related entities for the same period accounted for 13% of total cost of sales (30 June 2015: 9.74%).

The directors are of the opinion that the above transactions with Henan SASAC related entities were conducted in the ordinary course of business.

The details of outstanding balances with Henan SASAC and Henan SASAC related entities are set as follow:

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Amount due from Henan SASAC related entities	應收河南省國資委相關實體之款項	17,819	11,573
Amount due to Henan SASAC	應付河南省國資委之款項	2,459	2,459

Except for the amount due to Henan SASAC which is non-trade in nature unsecured, interest-free and repayable on demand, all the amounts due from Henan SASAC related entities are from trade sales or purchases. The outstanding balances with Henan SASAC and Henan SASAC related entities have been included in note 16 and note 21, respectively.

24. 關聯方交易(續)

(1) 本集團及河南省國資委

本集團與受河南省國資委控制、共同控制或重大影響之實體(「河南省國資委相關實體」)有交易往來，該等交易之詳情如下：

截至二零一六年六月三十日止六個月，來自河南省國資委相關實體之收益佔總收益1.19%(二零一五年六月三十日：6.82%)。同期，來自河南省國資委相關實體之採購額佔總銷售成本13%(二零一五年六月三十日：9.74%)。

董事認為上述與河南省國資委相關實體之交易乃於日常業務過程中進行。

涉及河南省國資委及河南省國資委相關實體之未償還結餘詳情載列如下：

除應付河南省國資委之款項為非貿易性質無抵押、免息及須按要求償還外，應收河南省國資委相關實體之所有款項均來自貿易銷售或採購。與河南省國資委及河南省國資委相關實體之未償還結餘分別於附註16及附註21闡述。

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24. Related party transactions (Continued)

(2) The Group and other PRC government related entities

Apart from the significant transactions with Henan SASAC related entities set out above, during the six months ended 30 June 2016 and 30 June 2015, the Group's transactions with other PRC government related entities are collectively significant as a large portion of its sales of goods, purchases of materials, most of bank deposits, borrowings, other general banking facilities and the relevant interest income earned and expenses incurred during the six months ended 30 June 2016 and 30 June 2015 are transacted with banks owned/controlled by the PRC government.

In the opinion of the directors of the Company, the transactions with PRC government related entities are activities in the ordinary course of the Group's business and entered into under normal commercial terms and conditions, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and those entities are government related. The Group has also established its approval process for sales of goods and purchases of materials and its financing policy for borrowings, such approval process and financing policy do not depend on whether the counterparties are government related entities or not.

(3) The Group and its associates and joint ventures

The Group had the following significant transactions with its associates and joint ventures during the six months ended 30 June 2016 and 30 June 2015:

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Trade Sales	貿易銷售		
Associates	聯營公司	17,663	71,692
Joint ventures	合營企業	688	4,569
		18,351	76,261
Trade Purchases	貿易採購		
Associates	聯營公司	65,626	54,163
Joint ventures	合營企業	632	3,909
		66,258	58,072

24. 關聯方交易 (續)

(2) 本集團與其他中國政府相關實體

除上文所載與河南省國資委相關實體進行之重大交易外，於截至二零一六年六月三十日及二零一五年六月三十日止六個月，本集團與其他中國政府相關實體進行之交易全部均屬重大，因其於截至二零一六年六月三十日及二零一五年六月三十日止六個月之大部分貨品銷售、物料採購、大部分銀行存款、借貸、其他一般銀行融資以及已賺取相關利息收入及已產生開支均涉及與中國政府所擁有／控制的銀行進行之交易。

本公司董事認為，該等與中國政府相關實體進行之交易乃本集團之日常業務活動，並按一般商業條款及條件訂立，而本集團進行該等交易並無因本集團與該等實體屬政府相關機構而受到重大或不當影響。本集團亦就貨品銷售及物料採購設立批核程序，並就借貸設定融資政策，該等批核程序及融資政策並不取決於交易對手是否屬中國政府相關實體。

(3) 本集團與其聯營公司及合營企業

於截至二零一六年六月三十日及二零一五年六月三十日止六個月，本集團曾與其聯營公司及合營企業進行下列重要交易：

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For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

24. Related party transactions (Continued)

(3) The Group and its associates and joint ventures (Continued)

The Group had the following outstanding balances with its associates and joint ventures at the end of each reporting period:

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Amounts due from:	應收下列各方款項：		
Associates	聯營公司	253,356	284,995
Joint ventures	合營企業	1,256	1,310
		254,612	286,305
Amounts due to:	應付下列各方款項：		
Associates	聯營公司	44,742	47,862
Joint ventures	合營企業	2,985	1,581
		47,727	49,443

Except for amount due from an associate of RMB80,000,000 which is non-trade in nature, all amounts due from or due to associates and joint ventures are from trade sales and purchase.

The outstanding balances with the Group's associates and joint ventures have been included in trade and other receivables, long-term receivables within one year, long-term receivables, trade and other payables, assets/liabilities associated with assets classified as held for sale respectively.

24. 關聯方交易(續)

(3) 本集團與其聯營公司及合營企業 (續)

於各報告期末，本集團與其聯營公司及合營企業有以下未償還結餘：

除屬非貿易性質之人民幣 80,000,000 元應收聯營公司款項外，所有應收或應付聯營公司及合營企業之款項均來自貿易銷售及採購。

與本集團聯營公司及合營企業之未償還結餘已分別計入貿易及其他應收款項、一年內到期的長期應收款項、長期應收款項、貿易及其他應付款項以及分類為持作出售的資產相關的資產／負債內。

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For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

24. Related party transactions (Continued)

(4) Remuneration of key management personnel

The remuneration of directors and other members of key management were as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Short-term benefits	短期福利	4,079	5,165
Post-employment benefits	退休福利	1,040	765
		5,119	5,930

The remuneration of key management personnel is determined with reference of the performance to individuals and market trends.

24. 關聯方交易(續)

(4) 主要管理人員酬金

董事及其他主要管理人員之酬金如下：

主要管理人員之酬金乃根據個人表現與市場趨勢釐定。

25. Fair value measurements of financial instruments

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

25. 金融工具公平值計量

本集團部分金融資產及金融負債於各報告期末按公平值計量。下表所載資料說明該等金融資產及金融負債公平值之釐定方式(尤其是所用之估值方法及輸入數據)，以及根據公平值計量輸入數據可觀察程度對公平值計量分級的公平值層級(一至三級)。

- 第一級公平值計量是指相同資產或負債在活躍市場所報價格(未經調整)；
- 第二級公平值計量是指就資產或負債直接(即作為價格)或間接(即從價格衍生)可觀察之輸入數據(包括於第一級內之報價除外)；及
- 第三級公平值計量是指資產或負債輸入數據並非根據可觀察市場數據(不可觀察輸入數據)的估值技巧中衍生。

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For the six months ended 30 June 2016 截至二零一六年六月三十日止六個月

25. Fair value measurements of financial instruments

(Continued)

25. 金融工具公平值計量(續)

Financial assets 金融資產	Fair value as at 30 June 2016 於二零一六年 六月三十日之公平值	Fair value hierarchy 公平值等級	Valuation technique and key input 估值方法及 重要輸入數據
Listed AFS investments	Listed equity securities in Hong Kong – Coal industry – RMB21,999,000 (2015: RMB29,293,000)	Level 1	Quoted bid prices in an active market
上市可供出售投資	於香港的上市股本證券 – 煤炭行業 – 人民幣21,999,000元 (二零一五年：人民幣29,293,000元)	第一級	於活躍市場所報之買盤價
Financial asset at fair value through profit or loss	Forward foreign exchange contracts – RMB25,549,000	Level 2	Discounted cash flow. Future cash flows are estimated base on forward exchange rate (from observable forward exchange rate at the end of the reporting date) and contracted forward rate, discounted at a rate that reflects the credit risk of various counterparties
以公允價值計量且其變動計入當期損益的金融資產	遠期外匯合約 – 人民幣25,549,000元	第二級	已折現現金流量。未來現金流的估算乃根據遠期匯率(來自報告期末的可觀察遠期匯率)及合約遠期利率，再按可反映多個對手方的信貸風險的利率折現

There were no transfers between Level 1 and 2 in the period.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

期內第一級與第二級之間並無轉撥。

並非根據經常性基準按公平值計量之金融資產及金融負債之公平值

董事認為，於簡明綜合財務報表內按攤銷成本記錄之金融資產及金融負債的賬面值與其公平值相若。

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26. Contingent liabilities

During the period, the Group has endorsed and derecognised certain bills receivable for the settlement of trade and other payables. In the opinion of the directors of the Company, the risk of the default in payment of the endorsed and derecognized bills receivable is low because all endorsed and derecognized bills receivable are issued and guaranteed by the reputable PRC banks. The maximum exposure to the Group that may result from the default of these endorsed and derecognised bills receivable at the end of each of reporting period are as follows:

		At 30 June 2016 二零一六年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Outstanding endorsed bills receivable with recourse	具追索權之尚未償還已 背書應收票據	769,871	461,205

27. Other matters

As disclosed in the Company's circular dated on 22 May 2016, the Company has entered into an equity transfer agreement with independent third parties, namely Axle ATL Cayman Limited, ASIMCO Technologies Hong Kong Limited, ASIMCO Technologies Limited and ASIMCO (China) Limited ("the Sellers"), pursuant to which the Company conditionally agreed to acquire from the Sellers the interests of six entities in the auto-parts industry with notional consideration of RMB2,200,000,000, payable in form of US dollars amount to RMB1,650,000,000 at exchange rate stated in the agreement and issuance of the Company's share for remaining portion. Up to the date of the report, the transaction was in the process of obtaining approval from China Securities Regulatory Commission and Ministry of Commerce of China. Please refer to the Company's circular dated on 22 May 2016 for details.

26. 或然負債

於期間，本集團以背書及終止確認若干應收票據之方式結算貿易及其他應付款項。本公司董事認為，由於所有背書及終止確認之應收票據乃由聲譽良好之中國銀行發出及提供擔保，故欠付背書及終止確認之應收票據之風險不大。於各報告期末，本集團可能因欠付該等背書及終止確認之應收票據而須承擔之最大風險如下：

27. 其他事項

誠如本公司日期為二零一六年五月二十二日的通函所披露，本公司與Axle ATL Cayman Limited、亞新科工業技術香港有限公司、ASIMCO Technologies Limited及亞新科(中國)投資有限公司等多個獨立第三方(「賣方」)訂立股權轉讓協議，據此本公司有條件同意向賣方收購汽車零部件行業當中六個實體的權益，代價約為人民幣2,200,000,000元，依協議所述的匯率折算成人民幣1,650,000,000元的美元支付，剩餘部分本公司以發行代價股份支付。直至本報告日期，交易處於向中國證監會及中國商務部取得批准的過程當中。有關詳情請參閱本公司日期為二零一六年五月二十二日的通函。



ZMJ

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司