

2017年報

ANNUAL REPORT

協合新能源集團有限公司
CONCORD NEW ENERGY GROUP LIMITED



CONTENTS

目錄

| | | |
|---|-----|----------------|
| Corporate Information | 2 | 公司資料 |
| Chairman's Statement | 4 | 主席致詞 |
| Management Discussion and Analysis | 7 | 管理層討論及分析 |
| Biographical Details of Directors and Senior Management | 44 | 董事及高層管理人員的個人資料 |
| Report of the Directors | 49 | 董事會報告 |
| Corporate Governance Report | 65 | 企業管治報告 |
| Environmental, Social and Governmental Report | 78 | 環境、社會及管治報告 |
| Independent Auditor's Report | 131 | 獨立核數師報告 |
| Consolidated Statement of Profit or Loss | 140 | 綜合損益表 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 141 | 綜合損益及其他全面收益表 |
| Consolidated Statement of Financial Position | 142 | 綜合資產負債表 |
| Consolidated Statement of Changes in Equity | 144 | 綜合權益變動表 |
| Consolidated Statement of Cash Flows | 146 | 綜合現金流量表 |
| Notes to the Consolidated Financial Statements | 148 | 綜合財務報表附註 |
| Five Year Financial Summary | 316 | 五年財務概要 |

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive directors

Mr. Liu Shunxing (*Chairman*)
Ms. Liu Jianhong (*Vice Chairperson*)
Mr. Yu Weizhou (*Chief Executive Officer*)
Mr. Niu Wenhui
Mr. Gui Kai
Dr. Shang Li

Non-executive director

Mr. Wu Shaohua

Independent non-executive directors

Dr. Wong Yau Kar, David, GBS, BBS, JP
Mr. Yap Fat Suan, Henry
Dr. Jesse Zhixi Fang
Ms. Huang Jian

COMPANY SECRETARY

Mr. Chan Kam Kwan, Jason

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

FINANCIAL INSTITUTIONS

Industrial and Commercial Bank of China
China Development Bank
Bank of China
International Finance Corporation
China Everbright Bank
Agricultural Bank of China
Hua Xia Bank
ICBC Financial Leasing
Huaneng Tiancheng Financial Leasing Co., Ltd.
Everbright Financial Leasing Co., Ltd.
State Grid International Leasing Company Ltd.
Citic Financial Leasing Co., Ltd.

董事會

執行董事

劉順興先生(*主席*)
劉建紅女士(*副主席*)
余維洲先生(*行政總裁*)
牛文輝先生
桂凱先生
尚笠博士

非執行董事

吳韶華先生

獨立非執行董事

黃友嘉博士, GBS, BBS, JP
葉發旋先生
方之熙博士
黃簡女士

公司秘書

陳錦坤先生

核數師

德勤•關黃陳方會計師行
執業會計師

金融機構

中國工商銀行
國家開發銀行
中國銀行
國際金融公司
光大銀行
中國農業銀行
華夏銀行
工銀金融租賃
華能天成融資租賃有限公司
光大金融租賃股份有限公司
國網國際融資租賃有限公司
中信金融租賃有限公司

CORPORATE INFORMATION

公司資料

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WEBSITE

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香港股份過戶登記分處

卓佳登捷時有限公司
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www.cnegroup.com
www.irasia.com/listco/hk/concordnewenergy/

CHAIRMAN'S STATEMENT

主席致詞

Dear Shareholders,

The year 2017 was an extraordinary year for the Group. It was also a critical year in the development history of the Group.

During the Year, the Group implemented a strategic transformation, and successfully established itself into a renewable energy power generation company. At the early stage of entering the renewable energy industry, EPC business has been the core business of the Group. Through several years of accumulation in capital and installed capacity and with the enhancement of financing capabilities, the Group has now successfully accomplished its strategic adjustment, and become a renewable energy operator with power generation business as its main business. In 2017, power generation output attributable to the Group increased steadily by 17.79% over the previous year. In particular, the power generation from the Group's wholly-owned and holding wind power plants represented a significant increase of 310.85% over the previous year. The proportion of revenue from power generation business to the Group's revenue increased significantly to 69.27%.

During the Year, the Group continued to implement the strategy to restructure its assets, further improving the structure of its power generation assets. Due to the estimate of increased solar power curtailment in some regions, the Group sold the 200MW solar power plant located in Yulin, Shaanxi Province during the Year. The proceeds from the sale are used to invest in the wind power projects in the southern China where power curtailment is not implemented. We noticed that in most southern China, wind power plants are able to achieve relatively sound net cash inflows despite of the default of existing renewable energy subsidies. During the Year, the total installed capacity of newly commissioned power plants was 439MW, all of which are wholly-owned by the Group. In particular, 384MW installed capacity comes from wind power plants located in the southern China with no power curtailment. As at the end of the Year, the installed capacity attributable

尊敬的各位股東：

2017年，是集團極不平凡的一年，也是本集團發展史上的關鍵之年。

這一年，集團堅定實施戰略轉型，已成功轉型為可再生能源發電企業。本集團自進入可再生能源早期，將EPC作為主營業務，通過多年之財務積累及裝機容量積累及融資能力之提升，現在已成功實現戰略調整，成為以發電業務為主營業務的可再生能源運營企業。2017年，集團權益發電量穩定增長，較去年增長17.79%；其中，集團獨資及控股風電廠發電量較去年大幅增長310.85%，發電業務收入佔比大幅增加，佔集團收入的69.27%。

這一年，集團繼續貫徹資產結構調整之策略，發電資產結構進一步優化。因判斷部分地區太陽能發電限電會加劇，本年度，集團出售了位於陝西榆林的200MW太陽能發電廠，所得資金用於投資南方不限電地區的風電項目。我們看到，在中國南方的大部分地區，在現有可再生能源補貼拖欠的情況下，風電廠依然可以實現較好的淨現金流入。本年度，集團新投產電廠總裝機容量439MW，全部為獨資項目，其中風電廠裝機容量384MW，全部位於南方不限電區域。截至本年末，集團權益裝機容量1,806MW，其中獨

CHAIRMAN'S STATEMENT

主席致詞

to the Group was 1,806MW, with proportion of installed capacity of its wholly-owned and holding power plants increased to 63.12%. Among those wholly-owned and holding power plants, the installed capacity of wind power plants accounted for 73.49%, meaning the assets structure of the Group has been improved with better quality of assets.

During the Year, the Group insisted on the strategy to lower the Levelized Cost Of Electricity ("LCOE"). In particular, we actively tracked and timely applied new technologies, new wind turbine types, and new processes in the construction of the Group's invested projects and built high-quality, high-efficiency power plants at low costs. We also promoted the application of energy internet in the production of power plants, implemented refined management and minimized required manpower, thus reducing the cost of power generation. The application of POWER+ system has improved the level of operation and maintenance, and increased equipment availability and power generation output. The newly commissioned power plants of the Group in 2017 have significantly reduced the LCOE, and so did the established power plants.

During the Year, the Group vigorously developed energy internet application technologies and actively created intelligent operation and maintenance. On 24 February, the Group released "POWER+1.0", an advanced energy internet cloud platform in the industry, which has been thoroughly applied in all of its wholly-owned wind farms and solar power plants, and is playing a significant role in operation decisions, accurate operation and maintenance, error prediction, and equipment defect diagnosis of power plants. The "POWER+" product also received industry recognitions. It won the "Best Product Breakthrough of the Year" at the 2nd China International Energy Internet Summit, and the "Energy Internet Cloud Platform Innovation Award of the Year" at the 2nd Energy Internet "the Belt and Road" decision-maker summit. The Group's operation and maintenance company was also awarded the first prize of the "Top Ten Wind Power Operation and Maintenance Enterprises in 2017".

資及控股電廠的權益裝機容量比例提高到了63.12%。在獨資及控股電廠中，風電廠裝機容量比例佔73.49%。集團資產結構得到改善，資產品質進一步提高。

這一年，集團堅定執行降低度電成本策略。在項目投資建設中積極跟蹤並及時應用新技術、新機型、新工藝，建設優質、高效低成本的電廠；電廠生產領域全面推廣能源互聯網應用，推行精細化管理，少人或無人值守，降低發電成本；通過應用POWER+系統提高運維水準，提高設備可利用率，提升發電量。集團2017年新投運的電廠，度電成本均大幅降低，存量電廠的度電成本也有所下降。

這一年，集團大力發展能源互聯網應用技術，積極打造智慧運維。本集團於2月24日，發佈了行業領先的能源互聯網雲平臺「POWER+1.0」，目前已經在集團所有獨資的風電場和光伏電站中進行深入應用，在電廠運營決策、電廠精準運維、故障預測、設備缺陷診斷等方面均發揮了巨大作用。「POWER+」產品亦獲得了行業的認可，在第二屆中國國際能源互聯網峰會上，榮獲「年度最佳產品突破獎」；在第二屆能源互聯網「一帶一路」決策者高峰論壇上，斬獲「年度能源互聯網雲平臺創新獎」。集團所屬運維公司也被評為中國「2017年度十佳風電運維企業」第一名。

CHAIRMAN'S STATEMENT

主席致詞

After a year of efforts, the operation of the Group's main businesses has become more efficient, its asset quality has become much healthier, its overall capability has become much stronger, all contributing to a much greater growth momentum.

We firmly believe that technological advancement will continue to drive up the commercial value of renewable energy power generation in the future. There is still a lot of room for the advancement of the renewable energy technologies, meaning that there will be continuous reduction in the cost of power generation and renewable energies will have more competitive advantage. Following the arrival of the grid parity era, the pace of renewable energy replacing traditional fossil energy will accelerate with the increasing popularity of renewable energies. This field, undoubtedly, will have enormous development potential in the future.

With the continuous heightening of electricity power system reform in China, the electricity trading market will eventually be established and the day of grid parity for renewable energies will not be far. In order to take a place in the future development, lowering the LCOE in power plants is our only choice. Since achieving the lowest LCOE will continue to be the Group's core competitiveness, the Group will unremittingly endeavour to reduce LCOE and improve its competitiveness by every possible means, to meet the challenges in the coming era of grid parity for renewable energies. The Group will continue to increase its investment in the area of energy internet and establish a world-class team by attracting talents. We will also continue to promote the development and applications of the "POWER+" products, and advance the industrial revolution in power plant operations through technological means.

We believe 2018 will be a year of leapfrog development for the Group. By seizing the favorable opportunities at this moment, all our employees will significantly contribute to the increase of installed capacity of wind power, lowering LCOE and expanding the internet applications, with an objective to build a world-class renewable energy power generation enterprise, thus providing the society with more clean energies and contributing more to an improved ecological environment with better environmental quality.

經過一年的努力，集團的主營業務更順暢，資產質量更健康，綜合實力更強，發展後勁更足。

關於未來，我們堅信，技術進步會繼續推動著可再生能源發電商業價值的提升。可再生能源技術進步的空間仍然巨大，發電成本將會持續下降，使可再生能源的競爭力日益提高。隨著平價上網時代的到來，可再生能源代替傳統化石能源的步伐將越來越快，可再生能源將會比傳統化石能源更受青睞，這一領域未來具有毋庸置疑廣闊的發展空間。

在中國，電力體制改革會繼續深入推進，電力交易市場最終將得以設立，可再生能源平價上網時代已為時不遠。若想在未來的發展中謀取一席之地，降低電廠度電成本是我們唯一的選擇。集團將繼續把度電成本最低作為集團核心競爭力，持之以恆，千方百計，努力降低度電成本，提升競爭力，以應對可再生能源平價上網時代的到來。集團會繼續加大在能源互聯網領域的投入，吸引人才，組建國際一流的隊伍，繼續推進「POWER+」產品的研發和應用，以技術手段推進電廠運行領域的產業革命。

我們相信，2018年將是集團跨越式發展的一年，集團全體員工將抓住目前有利的發展機遇，大幅增加風電裝機容量，降低度電成本，拓展互聯網應用，打造國際一流的可再生能源發電企業，為社會提供更多的清潔能源，為改善生態與環境品質，做出更多、更大的貢獻。

I. OPERATING ENVIRONMENT

In 2017, the operating environment was conducive to the Group's strategic transformation and development. The world continued to prize renewable energies and environmental protection with great concerns. With wind power and solar power still the cleanest energies and popular around the world, various countries introduced measures beneficial to the development of new energies, promoting the rapid development of wind and solar power industries. During the year, the Chinese government pushed forward with energy conservation and emissions reduction to counter the construction of traditional fuel fossil power, such as coal power, generation plants, in a bid to encourage the development of renewable energies. As China's economy develops steadily, the total amount of energy consumption grows faster. China's GDP for 2017 was 6.9% higher year-on-year. China's total electricity consumption for the year was 6.3077 trillion kWh, representing year-on-year growth of 6.6%, 1.6 percentage points higher than the growth of last year. China's wind power and solar power generation machine numbers continued to rise steadily whereas distributed solar power development in the country showed explosive growth. The newly installed grid-connected wind power capacity was 15.03GW, while the total installed grid-connected capacity reached 164GW, representing a year-on-year increase of 10.5%. The newly installed solar power generation capacity was 53.06GW, of which, the newly installed solar power generation capacity from centralised power stations was 33.62GW, representing a year-on-year increase of 11%, while that of distributed power stations was 19.44GW, representing a year-on-year increase of 3.7 times. As of 31 December, the national installed solar power capacity reached 130GW.

一、經營環境

2017年，經營環境有利於本集團的戰略轉型及發展。可再生能源和環境保護仍為世界所關注和重視。風電、太陽能作為最為清潔的能源，仍受到全球青睞，各國紛紛出臺了鼓勵新能源發展的措施，促進了風電、太陽能產業的快速發展。本年度，中國政府繼續大力推動節能減排，縮減火電等傳統化石能源電廠建設規模，鼓勵可再生能源發展。中國經濟穩定發展，能源消耗总量增速加快，2017年中國GDP比上年增長6.9%，中國全社會用電量63,077億千瓦時，同比增長6.6%，較去年提高1.6個百分點。中國風電和太陽能發電裝機繼續保持穩步增長勢頭，分佈式太陽能呈爆炸式增長。新增風電併網容量1,503萬千瓦，累計併網容量達到1.64億千瓦，同比增長10.5%。新增太陽能發電裝機5,306萬千瓦，其中，集中式電站3,362萬千瓦，同比增加11%；分佈式太陽能1,944萬千瓦，同比增長3.7倍。到12月底，全國太陽能發電裝機達到1.30億千瓦。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

I. OPERATING ENVIRONMENT (CONTINUED)

In 2017, the operating environment of renewable energy in China displayed the following characteristics:

(1) Macro-economic Policies Pushing Forward the Sustainable Development of Wind Power and Solar Power Generation

In the year, the Chinese government continued to give strong support to the development of renewable energy and proposed a non-fossil energy consumption proportion target at 14.3% for 2017, representing 1% increase from last year. During the year, the Chinese government launched a series of policies aimed at resolving problems relating to wind power and solar power curtailment, including: a power generation priority plan to protect the existing clean energies in the national development plan such as wind power and solar energy, a policy that required coal power capacity be eliminated, ceased and suspended, thereby providing priority for connecting renewable energy power generation to power grids and pushing forward with measures for clean heating supply to northern China in winter, thus generating development room for clean energies and effectively alleviate the curtailment of wind power and solar power. Additionally, the power consumption growth in society for 2017 has provided a beneficial condition for the alleviation of renewable energy curtailment.

一、經營環境(續)

本年度，中國可再生能源的經營環境存在以下特徵：

(一) 宏觀政策推動風電和太陽能發電可持續發展

本年度，中國政府繼續大力扶持可再生能源的發展，提出2017年中國的非化石能源消費比重達到14.3%的目標，比上年增長1%。同時中國政府推出了一系列政策著重解決風電、太陽能限電問題，包括對國家規劃內的既有風電、太陽能等清潔能源發電通過優先發電計劃予以重點保障；通過淘汰、停建、緩建煤電產能，優先保障可再生能源發電上網和推進北方地區冬季清潔供暖等措施，為清潔能源發展騰空間，有效緩解棄風、棄光狀況。同時全社會用電量的增長也為緩解可再生能源限電提供了有利條件。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

I. OPERATING ENVIRONMENT (CONTINUED)

(2) Rapid Improvement in Renewable Energy Technology

In the year, renewable energy technology continued its rapid development. The efficiencies of renewable energy facilities have been increasing year by year. The longer wind turbine blade, higher turbine towers, heightened wind energy conversion efficiency, and the better low-wind speed performance, with largely bolstered turbine quality and operating stability. In respect of solar power generation, both the conversion efficiency of PV modules and solar thermal power and energy storage technology have improved. These factors make it possible to increase the development of wind and solar resources. The purchase cost of wind turbines and the price of solar power modules have both decreased as compared with the same period in the previous year.

Advancement in renewable energy power generation technology constantly drove down the Levelized Cost Of Electricity (“LCOE”) and enhanced the competitiveness of renewable energy commercialisation and operations. In the age of grid parity, the advantages of renewable energy development are increasingly evident.

一、經營環境(續)

(二) 可再生能源技術快速進步

本年度，可再生能源技術繼續保持快速進步，設備效率逐年提升。風電方面，風機槳葉更長，塔筒更高，風能的轉化效率更高，低風速性能更好，風機品質提升、運行穩定；在太陽能發電方面，電池組件的轉化效率不斷提高，光熱發電、儲能技術亦在不斷進步。以上因素使得可開發風光資源增加，推動風機採購成本、太陽能發電組件價格和電池價格均比上年同期下降。

可再生能源發電技術進步，使度電成本持續下降，增加了其商業化運營的競爭力，在平價上網時代，可再生能源的競爭優勢將越來越明顯。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

I. OPERATING ENVIRONMENT (CONTINUED)

(3) General Reduction in Wind Power and Solar Power Curtailment Rates in Northern China in 2017

According to the statistics for 2017 released by the National Bureau of Energy, China's wind power curtailment rate stood at 12%, a year-on-year decline of 5.2 percentage points, and the situations have mostly improved for areas with high wind power curtailment rates. The solar power curtailment rate stood at 6%, a year-on-year decrease of 4.3 percentage points. Solar power popularity has increased in areas with severe curtailment, like Xinjiang and Gansu. In 2017, China's average of wind hours available reached 1,948 hours, a year-on-year increase of 203 hours.

(4) Sweeping Power System Reform Heightened

In 2017, China's power system reform deepened in all areas. The incremental power distribution network reform was carried out in an orderly manner, and the national mixed ownership reform has been introduced to the construction of power distribution networks. As domestic electricity markets emerged, electricity transaction centres in 18 provinces ran pilot schemes for power sale reform. Except for Tibet, all provincial electricity transmission tariff proposals were all approved, an initial scientific mechanism was established for provincial electricity transmission tariffs. The verification work for cross-provincial and cross-district power transmission tariffs were fully started, paving the way for future national transactions. The power system reform will be conducive to the rapid development of renewable energy. Market transaction means can increase the competitiveness of renewable energies in the era of grid parity, so as to solve the fundamental problems encountered in the development of renewable energy.

一、經營環境(續)

(三) 2017年北方限電地區棄風棄光率普遍下降

根據中國國家能源局數據，2017年，全國風電棄風率12%，比上年同期下降了5.2個百分點，大部分棄風限電嚴重地區的形勢均有所好轉。全國太陽能棄光率6%，比上年同期下降了4.3個百分點。新疆、甘肅等棄光嚴重區域的形勢得到改善。2017年，全國風電平均利用小時數1,948小時，較上年同期增加203小時。

(四) 電力體制改革全面、深入推進

2017年，中國電力體制改革全面深入推進。增量配電網改革有序進行，混合所有制改革被引入增量配電網建設。電力市場化交易得到發展，18個省級電力交易中心開展了售電側改革試點。除西藏外的省級電網輸配電價已全部批復，初步建立科學的省級電網輸配電價形成機制。跨省跨區電網輸電價格的核定工作全面啟動，為未來全國性的交易鋪平道路。電力體制改革將有利於可再生能源的快速發展，利用市場化的手段提高可再生能源在平價上網時代的競爭力，從而解決可再生能源發展遇到的根本性問題。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

I. OPERATING ENVIRONMENT (CONTINUED)

(5) Further Promote Green Power Certificates and Carbon Market Development

In 2017, the Renewable Energy Green Power Certificate ("Green Licence") policy was implemented. Renewable energy power generation companies can choose to undergo green power certification and enter the market, in order to make up for the government's issue that renewable energy subsidies are not timely issued. At present, the Green Licence trading is still a voluntary subscription trading scheme. It can be foreseen that in the future, the compulsory restriction system will be promoted for emission companies.

In December 2017, the National Development and Reform Commission of the People's Republic of China formally issued the "National Carbon Emission Trading Market Development Plan (Power Generation Industry)". This indicates that China has officially commenced the construction of a nationwide carbon emissions trading system. With the construction of a nationwide carbon emissions trading market, certified voluntary emission reduction of Chinese Certified Emission Reduction (CCER) and other trading products will gradually be allowed for trading.

Green Licence trading and carbon market transactions will become a supplement for renewable energy prices, providing strong support for grid parity of renewable energy power generation.

一、經營環境(續)

(五) 進一步推進綠色電力證書和碳市場的發展

2017年，可再生能源綠色電力證書(簡稱「綠證」)政策得到實施。可再生能源發電企業可以選擇進行綠色電力認證並進入市場交易，以此來彌補政府可再生能源補貼發放不及時的問題。目前，綠證交易仍為自願認購交易制度，可以預見未來會對排放企業推進強制約束制度。

2017年12月，中國國家發改委正式發佈了「全國碳排放交易市場建設方案(發電行業)」，這標誌著中國已正式啟動全國碳排放交易體系建設，隨著全國碳排放權交易市場的建設，核證自願減排量(CCER)及其他交易產品將逐步開放交易。

綠證交易及碳市場交易將成為可再生能源電價補貼的補充，可為可再生能源發電迎接未來的平價上網提供有力的支撐。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

I. OPERATING ENVIRONMENT (CONTINUED)

(6) Continuance of Stable Financing Environment

In 2017, China's monetary policy remained sound and neutral and financing costs for renewable energy projects increased slightly, yet still remained at relatively low levels. The support from the financial system for the renewable energy industry remained unchanged.

II. BUSINESS REVIEW

In 2017, the Group continued to implement a strategic transformation and increase investment in power plants, successfully transformed itself into a renewable energy power generation company. The installed capacity of the Group's power plants increased significantly, and the operating power plants recorded remarkable growth in power generation capacities. The proportion of power generation business revenue and profit also increased considerably. Concurrently, the Group continued to reduce the scale of its external the Engineering, Procurement and Construction (EPC) business, actively adjusted the structure of its power generation assets, reduced its installed capacity in curtailed regions, and optimised the quality of its assets.

Regarding its power generation business, the Group aimed to reduce LCOE. Through such measures as the adoption of the latest wind turbine, multiple times of optimisation of designs, and acceleration of project construction, the Group effectively controlled the power generation costs of its new power plants and strived to reduce LCOE for new construction projects. Through the application of the Group's self-developed energy internet product, the "POWER+" system in its power plants, it realised dynamic remote monitoring, reduced the failure rates and enhanced the operation and maintenance of the power plants, effectively ensured safe operation of power plants, largely increased the power generation efficiency and reduced LCOE for established power plants.

一、經營環境(續)

(六) 繼續維持較為穩定的融資環境

2017年，中國貨幣政策保持穩健中性，可再生能源融資成本略有上升，但依然繼續維持較低水準。金融系統對可再生能源行業的支持力度不減。

二、業務回顧

2017年，本集團繼續堅定實施戰略轉型，加大電廠投資力度，成功轉型為可再生能源發電企業。集團電廠裝機容量大幅增長，營運電廠發電量亦大幅增長，發電業務收入及利潤佔比大幅增加。同時集團繼續縮減對外工程諮詢、設計、設備成套供應和建設(EPC)業務規模，積極調整發電資產結構，優化資產質量，減少限電地區裝機容量。

針對發電業務，集團以降低度電成本為目標，通過採用最新機型、多次優化設計、加快項目建設等措施，有效控制新建電廠造價，致力降低新建項目度電成本；通過全面推進集團自主研發的能源互聯網產品「POWER+」系統在集團電廠的應用，實現動態遠程監控，降低電廠故障率，提升電廠運維水準，有效保證電廠安全運行，大幅提高電廠發電效率，降低存量電廠的度電成本。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

During the year, the Group performed goodwill impairment review due to significant reduction in its external EPC business. The Group also conducted a comprehensive assessment of its historical accounts receivable and made provision of RMB104,792,000 (2016: RMB32,960,000) for the goodwill impairment and accounts receivable written-off, and recognised the previous years' EPC business settlement loss of RMB84,339,000.

During the reporting period, the Group's revenue amounted to RMB1,035,967,000 (2016: RMB1,785,166,000), decreased by 41.97% as compared with the same period last year; profit attributable to equity holders of the Group amounted to RMB200,036,000 (2016: RMB457,815,000), decreased by 56.31% as compared with the same period last year. The basic earnings per share were RMB2.33 cents (2016: RMB5.32 cents); and the fully diluted earnings per share were RMB2.33 cents (2016: RMB5.30 cents).

As at the end of the year, the net assets of the Group amounted to RMB5,255,146,000 (31 December 2016: RMB5,225,750,000) and its net assets per share RMB0.61 (2016: RMB0.58).

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production

In the current year, the Group focuses on safe production and strives to enhance the efficiency of its power plants. With the application of the "POWER+" system independently developed by the Group, the Group increased the amount of its power generated and reduced LCOE.

二、業務回顧(續)

本年度，集團因對外EPC業務大幅度縮減而進行商譽減值，同時集團對歷史應收賬款進行全面評估，本集團計提商譽減值及應收賬款核銷和撥備人民幣104,792,000元(2016年：人民幣32,960,000元)，同時確認以前年度EPC業務結算虧損人民幣84,339,000元。

本年度，集團共實現收入人民幣1,035,967,000元(2016年：人民幣1,785,166,000元)，較去年同期下降41.97%；集團權益持有人應佔溢利人民幣200,036,000元(2016年：人民幣457,815,000元)，較去年同期下降56.31%；每股基本盈利為人民幣2.33分(2016年：人民幣5.32分)；每股全面攤薄盈利為人民幣2.33分(2016年：人民幣5.30分)。

截至本年末，集團資產淨值人民幣5,255,146,000元(2016年12月31日：人民幣5,225,750,000元)，每股淨資產為人民幣0.61元(2016年：人民幣0.58元)。

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定

本年度，集團注重安全生產、努力提升電廠效益，借助集團自主研發的「POWER+」系統的應用，提高發電量，降低度電成本。

II. BUSINESS REVIEW (CONTINUED)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

i. *Attributable Power Generation Output Growth; Significant Increase in Power Generation of Wholly-owned Wind Power Projects*

In 2017, power generation output attributable to the Group increased steadily, an increase of 17.79% over the previous year. The Group's wholly-owned and holding wind power plants showed significant increase of 310.85% in power generation compared to last year. Mainly owing to the sale of its Shaanxi Solar Power Plant, the Group's wholly-owned and holding solar power plants saw a substantial decrease in its installed operating capacity and a decline in its solar power generation. During the year, the Group's share of power generation from its joint ventures and joint ownership enterprises grew by 6.07% over the previous year, benefiting from reduced curtailment and improved operating efficiency. Power generation output attributable to the Group's wind power plants increased by 6.04% over the previous year whereas that of solar power rose by 7.66% from last year.

二、業務回顧(續)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

1、權益發電量增長，獨資風電項目發電量大幅增加

2017年度，集團權益發電量穩定增長，較去年增長17.79%。其中，集團獨資及控股風電廠發電量較去年大幅增長310.85%，獨資及控股太陽能發電廠主要因出售陝西太陽能電廠導致運營裝機容量大幅下降，太陽能發電量下降。本年度，受益於限電緩減及營運效率改善，集團合營及聯營電廠權益發電量較去年增長6.07%。其中，風力發電廠權益發電量較去年增長6.04%；太陽能發電廠權益發電量較去年增長7.66%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

二、業務回顧(續)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

i. Attributable Power Generation Output Growth; Significant Increase in Power Generation of Wholly-owned Wind Power Projects (CONTINUED)

1、權益發電量增長，獨資風電項目發電量大幅增加(續)

| | | Attributable Power Generation Output (GWh) 權益發電量(吉瓦時) | | | The Group's Wholly-owned and Holding Power Plants 其中：獨資、控股電廠 | | |
|--|---------------|--|-----------------|--------------------|---|---------------|--------------------|
| Business Segments and Regions 業務板塊及區域 | | The Group's Invested Power Plants 集團持有股權的電廠 | | | | | |
| | | 2017 2017年 | 2016 2016年 | Change rate 變化率 | 2017 2017年 | 2016 2016年 | Change rate 變化率 |
| Wind Power Generation | 風電發電量 | 1,997.17 | 1,335.39 | 49.56% | 783.22 | 190.63 | 310.85% |
| Including: | 其中： | | | | | | |
| Northeastern China | 東北區域 | 269.73 | 245.56 | 9.84% | — | — | — |
| Northern China | 華北區域 | 430.02 | 374.06 | 14.96% | — | — | — |
| Northwestern China | 西北區域 | 126.29 | 90.84 | 39.02% | — | — | — |
| Eastern China | 華東區域 | 457.47 | 288.71 | 58.46% | 217.90 | 33.56 | 549.28% |
| Central Southern China | 中南區域 | 563.59 | 324.84 | 73.50% | 415.26 | 145.70 | 185.02% |
| Southwestern China | 西南區域 | 150.06 | 11.38 | 1218.39% | 150.06 | 11.38 | 1218.39% |
| Solar Power Generation | 太陽能發電量 | 450.29 | 742.41 | -39.35% | 432.16 | 725.57 | -40.44% |
| Including: | 其中： | | | | | | |
| Northern China | 華北區域 | 25.64 | 12.03 | 113.17% | 12.57 | — | — |
| Northwestern China | 西北區域 | 63.89 | 376.00 | -83.01% | 63.89 | 376.00 | -83.01% |
| Eastern China | 華東區域 | 59.31 | 56.42 | 5.13% | 54.26 | 51.60 | 5.14% |
| Southwestern China | 西南區域 | 285.59 | 275.78 | 3.56% | 285.59 | 275.78 | 3.56% |
| Overseas Regions | 海外區域 | 15.85 | 22.18 | -28.56% | 15.85 | 22.18 | -28.56% |
| Total | 合計 | 2,447.46 | 2,077.80 | 17.79% | 1,215.38 | 916.20 | 32.65% |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

ii. High Power Generation Efficiency in Wholly-owned Power Plants; Significant Improvement in Jointly-owned Power Plants

By fully advancing the application of the "POWER+" system, the operational indicators of the Group's invested power plants have significantly improved.

In 2017, benefitting from the new high-quality wind power projects, reduced power curtailment and improved operational efficiency, the weighted average available hours of the wind power plants invested by the Group have increased significantly to 1,921 hours. The weighted average available hours of wholly-owned and holding wind power plants was 2,072 hours, significantly higher than the national average. The weighted average available hours of solar power plants invested by the Group was 1,367 hours, whereas that of the Group's wholly-owned and holding solar power plants was 1,313 hours.

二、業務回顧(續)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

2、獨資電廠發電效率高，合聯營電廠顯著改善

通過全面推進「POWER+」系統應用，集團投資的電廠運營指標有了顯著提高。

2017年度，受益於新增優質風電項目和限電改善及營運效率提升，集團投資持有股權的風電廠加權平均利用小時數顯著提升，達到1,921小時。其中，獨資及控股風電廠加權平均利用小時數為2,072小時，顯著高於全國平均水平。集團投資持有股權的太陽能電廠加權平均利用小時數為1,367小時，其中，獨資及控股太陽能電廠加權平均利用小時數為1,313小時。

Weighted Average Available Hours of Power Plants (Hour)
電廠加權平均利用小時(小時)

| Business Segments 業務板塊 | The Group's Invested Power Plants 集團持有股權的電廠 | | | The Group's Wholly-owned and Holding Power Plants 其中：獨資、控股電廠 | | |
|---|--|---------------|--------------------|---|---------------|--------------------|
| | 2017 2017年 | 2016 2016年 | Change rate 變化率 | 2017 2017年 | 2016 2016年 | Change rate 變化率 |
| Average Available Hours of Wind Power 風電平均利用小時 | 1,921 | 1,692 | 13.53% | 2,072 | 1,785 | 16.09% |
| Average Available Hours of Solar Power 太陽能平均利用小時 | 1,367 | 1,432 | -4.54% | 1,313 | 1,422 | -7.66% |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

ii. High Power Generation Efficiency in Wholly-owned Power Plants; Significant Improvement in Jointly-owned Power Plants (CONTINUED)

In 2017, by improving the Group's operation and maintenance level and the promotion and application of the "POWER+" system, the availability of the wind turbines in the Group's invested wind power plants continued to increase, reaching 97.19%, of which the availability of the wind turbines in its wholly-owned and holding wind power plants was 98.53%. The availability of the solar power plants invested by the Group was 98.73% whereas that of the Group's wholly-owned and holding solar power plants was 98.50%.

二、業務回顧(續)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

2、 獨資電廠發電效率高，合聯營電廠顯著改善(續)

2017年度，通過提高運維水平及「POWER+」系統的推廣應用，集團投資持有股權的風電廠機組可利用率持續提升，達到97.19%，其中獨資及控股風電廠機組可利用率為98.53%。集團投資持有股權的太陽能發電廠可利用率98.73%，其中獨資及控股太陽能電廠可利用率為98.50%。

Availability of Wind Turbines and Solar Power Plants (%)

風電機組可利用率、
太陽能電廠可利用率(%)

| Business Segments 業務板塊 | The Group's Invested Power Plants 集團持有股權的電廠 | | | The Group's Wholly-owned and Holding Power Plants 其中：獨資、控股電廠 | | |
|---|--|---------------|--------------------|---|---------------|--------------------|
| | 2017 2017年 | 2016 2016年 | Change rate 變化率 | 2017 2017年 | 2016 2016年 | Change rate 變化率 |
| Availability of Wind Turbines 風電機組可利用率 | 97.19% | 96.14% | 1.05% | 98.53% | 98.34% | 0.20% |
| Availability of Solar Power Plants 太陽能電廠可利用率 | 98.73% | 98.89% | -0.16% | 98.50% | 98.65% | -0.14% |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

ii. High Power Generation Efficiency in Wholly-owned Power Plants; Significant Improvement in Jointly-owned Power Plants (CONTINUED)

In 2017, the average wind power curtailment rate of the wind power plants invested by the Group was 9.10%, which was lower than the national average. The average solar power curtailment rate of the solar power plants invested by the Group was 7.49%. The Group's wholly-owned and holding wind power projects abounded in southern China, which were areas with no power curtailment. These projects were not influenced by power curtailment problems.

二、業務回顧(續)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

2、 獨資電廠發電效率高，合聯營電廠顯著改善(續)

2017年，集團投資持有股權的風電廠平均棄風率9.10%，低於全國平均水平。集團投資持有股權的太陽能電廠平均棄光率7.49%。獨資及控股風電項目均位於南方不限電地區，基本不受限電影響。

Solar and Wind Power Curtailment Rates
of Power Plants (%)
電廠棄風棄光率(%)

| Business Segments 業務板塊 | The Group's Invested Power Plants 集團持有股權的電廠 | | | The Group's Wholly-owned and Holding Power Plants 其中：獨資、控股電廠 | | |
|--|--|---------------|--------------------|---|---------------|--------------------|
| | 2017 2017年 | 2016 2016年 | Change rate 變化率 | 2017 2017年 | 2016 2016年 | Change rate 變化率 |
| Wind Power Curtailment Rate 風電棄風率 | 9.10% | 19.31% | -10.21% | 0.19% | 0.50% | -0.31% |
| Solar Power Curtailment Rate 太陽能棄光率 | 7.49% | 9.44% | -1.95% | 8.31% | 9.88% | -1.57% |

II. BUSINESS REVIEW (CONTINUED)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

iii. Average Feed-in Tariffs Decreased Slightly; Tariffs of Wholly-owned Projects Maintained at Relatively High Levels

In 2017, impacted by the decreasing tariffs for power transactions, the weighted average feed-in tariff rate of wind power plants invested by the Group decreased slightly to RMB0.5582/kWh (including VAT) (2016: RMB0.5636/kWh). For solar power plants, the rate was RMB0.9698/kWh (including VAT) (2016: RMB0.9703/kWh). The weighted average feed-in tariff rate of wind power from wind power plants wholly-owned and holding by the Group was RMB0.5830/kWh (including VAT) (2016: RMB0.6074/kWh). For solar power plants, the rate was RMB0.9357/kWh (including VAT) (2016: RMB0.9509/kWh).

In 2017, the traded power of the Group's wholly-owned and holding power plants amounted to 171.29 million kWh, accounting for 14.09%. Traded wind power reached 63.74 million kWh, which accounted for 8.14% of wholly-owned and holding wind power generation and the average reduction in wind power tariffs was RMB0.0275/kWh; traded solar power amounted to 107.55 million kWh, accounting for 24.89% of wholly-owned and holding solar power generation, and the average reduction in solar power tariffs is RMB0.079/kWh.

二、業務回顧(續)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

3、平均上網電價略有下降，獨資項目電價維持較高水平

2017年，受交易電量電價下浮影響，集團投資持有股權的風電廠加權平均上網電價輕微下滑，為人民幣0.5582元/千瓦時(含增值稅)(2016年：人民幣0.5636元/千瓦時)，太陽能發電加權平均上網電價人民幣0.9698元/千瓦時(含增值稅)(2016年：人民幣0.9703元/千瓦時)。其中，集團獨資及控股電廠風電加權平均上網電價人民幣0.5830元/千瓦時(含增值稅)(2016年：人民幣0.6074元/千瓦時)，太陽能發電加權平均上網電價人民幣0.9357元/千瓦時(含增值稅)(2016年：人民幣0.9509元/千瓦時)。

2017年，集團獨資及控股電廠交易電量為17,129萬千瓦時，佔比為14.09%，其中，風電交易電量6,374萬千瓦時，佔獨資及控股風電發電量的8.14%，風電電價平均降幅為人民幣0.0275元/千瓦時；光伏交易電量10,755萬千瓦時，佔獨資及控股光伏發電量的24.89%，光伏電價平均降幅為人民幣0.079元/千瓦時。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

iv. Income of Wholly-owned Power Plants Increased; Efficiency of Jointly-owned Power Plants Improved

In 2017, the Group's wholly-owned and holding power plants achieved a total income of RMB717,548,000 (2016: RMB674,032,000), an increase of 6.46% over the same period last year, accounting for 69.27% of the Group's revenue (the same period of 2016: 37.75%).

During the year, the Group's wholly-owned and holding power plants achieved a total net profit of RMB233,871,000, and the Group shared net profits totalling RMB127,186,000 from its joint ventures and jointly-owned enterprises.

In the current year, the Group adjusted the assets structure of its power plants and sold the Shaanxi Yulin Solar Power Plant, which was subject to the risk of power curtailment. As a result, the installed capacity, revenue and net profit of the Group's wholly-owned solar power plants declined.

二、業務回顧(續)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

4、獨資電廠收入增加，合聯營電廠效益改善

2017年，集團獨資及控股電廠共實現收入人民幣717,548,000元(2016年：人民幣674,032,000元)，較去年同期增長6.46%，佔集團收入的69.27%(2016年同期：37.75%)。

本年度，集團獨資及控股電廠共實現淨利潤人民幣233,871,000元，集團分享聯營公司及合營企業淨利潤人民幣127,186,000元。

本年度，集團進行電廠資產結構調整，出售存在限電風險的陝西榆林太陽能電廠，導致本年度獨資太陽能發電廠裝機容量下降，收入和淨利潤下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

二、業務回顧(續)

(1) Significantly Increased Power Generation Output, Improved Power Plant Efficiency, and Stable and Safe Production (CONTINUED)

(一) 發電業務大幅提升，電廠效率提高、安全生產穩定(續)

iv. Income of Wholly-owned Power Plants Increased; Efficiency of Jointly-owned Power Plants Improved (CONTINUED)

4、獨資電廠收入增加，合聯營電廠效益改善(續)

Revenue and Net Profit of Power Plants (RMB)

電廠收入及淨利潤(人民幣：元)

| | | 2017 2017年 | 2016 2016年 | Change rate 變化率 |
|--|------------|--------------------|--------------------|-----------------------|
| Revenues of Wholly-owned and Holding Power Plants | 獨資及控股電廠收入 | 717,548,000 | 674,032,000 | 6.46% |
| Including: | 其中： | | | |
| Wind Power | 風電 | 366,295,000 | 88,100,000 | 315.77% |
| Solar Power | 太陽能 | 351,253,000 | 585,932,000 | -40.05% |
| Net Profit of Wholly-owned and Holding Power Plants | 獨資及控股電廠淨利潤 | 233,871,000 | 252,345,000 | -7.32% |
| Including: | 其中： | | | |
| Wind Power | 風電 | 145,630,000 | 27,079,000 | 437.79% |
| Solar Power | 太陽能 | 88,241,000 | 225,266,000 | -60.83% |
| Net Profit of Jointly-invested Power Plants | 合聯營電廠淨利潤 | 127,186,000 | 92,811,000 | 37.04% |
| Including: | 其中： | | | |
| Wind Power | 風電 | 121,222,000 | 86,894,000 | 39.51% |
| Solar Power | 太陽能 | 5,964,000 | 5,917,000 | 0.79% |

(2) Investment and Construction of Power Plants

(二) 電廠投資與建設

In 2017, the Group increased the construction scale of its wholly-owned power plants. The invested power plants were mainly high-quality wind power plants in regions with no power curtailment in southern China. The Group's installed capacity increased and assets quality improved significantly. This year, the Group effectively controlled the construction costs of new power plants, increased the amount of power generation, adopted the latest wind turbine, optimised designs and accelerated project construction, whereby the Group achieved its goals of reducing LCOE, and readied itself for the arrival of the era of grid parity.

2017年，集團加大獨資電廠建設規模，所投資電廠主要為南方不限電區域的優質風電廠，集團裝機容量增長，資產質量大幅改善。本年度，集團通過採用最新機型、優化設計、加快項目建設等措施，有效控制新建電廠造價，提高發電量，達到了降低度電成本的目標，為迎接平價上網時代的到來做好了準備。

II. BUSINESS REVIEW (CONTINUED)

(2) Investment and Construction of Power Plants (CONTINUED)

i. Increase Scales of Power Plant Investment and Construction, Focus on investing Wholly-owned Wind Projects

During the year, the total installed capacity of the Group's invested power plants was 1,006 MW (2016: 816 MW), all of which were wholly-owned projects. Among them, 7 continued construction projects, with an installed capacity of 308 MW; 15 new construction projects were started with an installed capacity of 698 MW. They also included 19 wind power plants with an installed capacity of 951MW and 3 solar power plants with an installed capacity of 55MW.

During the year, the Group added a total of 11 wind power and solar power plants into operation, with a total installed capacity of 439 MW (2016: 470 MW), all of which were wholly-owned projects. They also included 8 wind power plants with an installed capacity of 384MW, all located in southern China with no power curtailment, and 3 solar power plants with an installed capacity of 55MW.

As of the end of the year, the Group owned shares in 64 grid-connected wind power and solar power plants with a total installed capacity of 2,718 MW (2016: 2,547 MW) and an attributable installed capacity of 1,806 MW. Among them, 46 were wind power plants with an installed capacity of 2,387 MW (2016: 2,053 MW), an attributable capacity of 1,493 MW, and 18 solar power plants with an installed capacity of 331 MW (2016: 494 MW) and an attributable installed capacity of 313 MW.

二、業務回顧(續)

(二) 電廠投資與建設(續)

1、電廠投資和建設規模增加，獨資風電項目成為集團投資重點

本年度，集團投資電廠的總建設裝機容量1,006MW(2016年：816MW)，全部為獨資項目。其中，續建項目7個，裝機容量308MW；新開工建設項目15個，裝機容量698MW。其中，風電廠19間，裝機容量951MW；太陽能電廠3間，裝機容量55MW。

本年度，集團共新增11間投產的風電和太陽能電廠，總裝機容量439MW(2016年：470MW)，全部為獨資項目。其中風電廠8間，裝機容量384MW，全部位於南方不限電區域；太陽能電廠3間，裝機容量55MW。

截至本年末，本集團持有64間併網發電之風電及太陽能電廠股權，總裝機容量2,718MW(2016年：2,547MW)，權益裝機容量1,806MW。其中風電廠46間，裝機容量2,387MW(2016年：2,053MW)，權益裝機容量1,493MW；太陽能電廠18間，裝機容量331MW(2016年：494MW)，權益裝機容量313MW。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

二、業務回顧(續)

(2) Investment and Construction of Power Plants (CONTINUED)

(二) 電廠投資與建設(續)

i. Increase Scales of Power Plant Investment and Construction, Focus on investing Wholly-owned Wind Projects (CONTINUED)

1、電廠投資和建設規模增加，獨資風電項目成為集團投資重點(續)

As of the end of the year, the Group had 33 wholly-owned and holding grid-connected wind power and solar power plants with a total installed capacity of 1,140MW. They also included 17 wind power plants with an installed capacity of 838MW and 16 solar power plants with an installed capacity of 302MW.

截至本年末，本集團獨資及控股持有33間併網發電之風電及太陽能電廠，總裝機容量1,140MW。其中風電廠17間，裝機容量838MW；太陽能電廠16間，裝機容量302MW。

The Attributable Installed Capacity of Power Plants (MW)
權益電廠裝機容量(MW)

| Business Segments and Regions 業務板塊及區域 | The Group's Invested Power Plants 集團持有股權的電廠 | | | The Group's Wholly-owned and Holding Power Plants 其中：獨資、控股電廠 | | |
|--|--|---------------|--------------------|---|---------------|--------------------|
| | 2017 2017年 | 2016 2016年 | Change rate 變化率 | 2017 2017年 | 2016 2016年 | Change rate 變化率 |
| Installed Wind Power Capacity 風電裝機容量 | 1,493 | 1,125 | 32.80% | 838 | 454 | 84.58% |
| Including: 其中： | | | | | | |
| Northeastern China 東北區域 | 162 | 162 | 0.00% | — | — | — |
| Northern China 華北區域 | 186 | 186 | 0.00% | — | — | — |
| Northwestern China 西北區域 | 103 | 103 | 0.00% | — | — | — |
| Eastern China 華東區域 | 248 | 215 | 15.31% | 130 | 82 | 58.54% |
| Central Southern China 中南區域 | 714 | 378 | 88.82% | 628 | 292 | 115.07% |
| Southwestern China 西南區域 | 80 | 80 | 0.00% | 80 | 80 | 0.00% |
| Installed Solar Power Capacity 太陽能裝機容量 | 313 | 476 | -34.27% | 302 | 465 | -35.06% |
| Including: 其中： | | | | | | |
| Northern China 華北區域 | 26 | 6 | 310.95% | 20 | — | — |
| Northwestern China 西北區域 | 9 | 227 | -96.04% | 9 | 227 | -96.04% |
| Eastern China 華東區域 | 44 | 44 | 0.00% | 40 | 40 | 0.00% |
| Southwestern China 西南區域 | 215 | 180 | 19.44% | 215 | 180 | 19.44% |
| Overseas Regions 海外區域 | 18 | 18 | 0.00% | 18 | 18 | 0.00% |
| Total 合計 | 1,806 | 1,601 | 12.86% | 1,140 | 919 | 24.02% |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(2) Investment and Construction of Power Plants (CONTINUED)

ii. *Pre-Development Focus on Regions without Power Curtailment, and Reserve Abundant Resources*

In 2017, the Group actively improved its development deployment, improved the development network and continued to enhance its development capabilities. In the areas without power curtailment in southern China, the Group maintained its competitive advantages in development, and developed projects through various means. At the same time, the Group is still increasing its resource reserves in order to maintain its sustainable development strength and prepare for the arrival of the era of grid parity.

In the “2017 Wind Power Development and Construction Plan” issued by the provincial energy bureaus, the Group has a total of 16 wind power projects (a total of 885 MW) listed in the annual development and construction plan, of which 14 wind power projects (a total of 735MW) have been approved. The Group also has approved/registered 2 solar projects (50MW in total). All of them were located in regions with good grid access conditions and without power curtailment.

二、業務回顧(續)

(二) 電廠投資與建設(續)

2、前期開發以非限電地區為主，資源儲備充沛

2017年，集團積極完善開發佈局，健全開發網絡，繼續提升集團的開發能力。在南方不限電地區開發方面，集團保持了競爭優勢，通過多種途徑開發項目。與此同時，集團仍在增加資源儲備，以保持持續發展實力，為應對平價上網時代的來臨做好準備。

在各省能源局印發的「2017年風電開發建設方案」中，本集團共有16個風電項目(共計885MW)列入年度開發建設方案名單，已有14個項目(共計735MW)獲得了核准，另外，本集團還有2個光伏項目(共計50MW)也獲得了核准/備案。全部位於電網接入條件較好、不限電的區域。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(2) Investment and Construction of Power Plants (CONTINUED)

ii. Pre-Development Focus on Regions without Curtailment, and Reserve Abundant Resources (CONTINUED)

During the year, the Group signed contracts for wind resource of 2,650MW and solar energy resource of 300MW. The Group closely followed the development of renewable energy technologies, utilises advanced equipment such as high anemometer towers and laser anemometers to continuously track and evaluate the wind resources it held, selected wind resources with the best economic benefits under the current technology and cost levels for development and construction. As of the end of the year, the Group's wind power resources reserve amounted to over 28GW and solar power resources reserve amounted to 8GW, which provided assurance for the Group's sustainable development.

(3) The Engineering, Procurement and Construction (EPC)

In order to implement its strategic transformation, in 2017, the Group actively reduced the scale of its external EPC business, resulting in a significant drop in revenue and profit from the EPC segment. During the year, the Group undertook 1 external EPC contracting project of 20MW. The project has been completed and put into production.

During the year, the Group's subsidiary Concord Power Consulting & Design (Beijing) Corp., Ltd. ("Design Company") has been publicly listed since 9 May, 2017 on the National Equities Exchange and Quotations, where it is known "Concord Power", with stock code 871484. Concord Power completed 202 wind (solar) resource assessments and technical advisory reports, 56 feasibility study reports, 25 microsite selection reports, 11 preliminary designs, 10 construction drawing designs and 10 record drawings.

二、業務回顧(續)

(二) 電廠投資與建設(續)

2、前期開發以非限電地區為主，資源儲備充沛(續)

本年度，集團共新簽約風資源2,650MW，新簽署太陽能資源300MW。集團緊密跟蹤可再生能源技術發展，利用高測風塔，激光測風儀等先進設備，對所持有風資源進行持續跟蹤和評估，優先選擇在現有技術和造價水平下經濟效益最好的風光資源進行開發和建設。截至本年末，本集團擁有風電資源儲備超過28GW，光資源儲備8GW，為集團的可持續發展提供了保障。

(三) 設計、設備供應及建設(EPC)

為執行集團的戰略轉型，2017年，集團主動縮減對外EPC業務規模，使得來自EPC板塊的收入和利潤均大幅下降。本年度，承接集團外部EPC總承包項目1個(20MW)，項目已建成投產。

本年度，本集團所屬之聚合電力工程設計(北京)股份有限公司(「設計公司」)已於2017年5月9日起在全國中小企業股份轉讓系統掛牌公開轉讓，順利登陸新三板市場，證券簡稱：聚合電力，股票代碼：871484。設計公司完成風(光)資源評估和技術諮詢報告202項，可行性研究報告56項，微觀選址報告25項，初步設計11項，施工圖設計10項，竣工圖設計10項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(3) The Engineering, Procurement and Construction (EPC) (CONTINUED)

During the year, the Group's affiliated design companies, equipment supply companies and engineering companies realised a total revenue of RMB235,817,000 (2016: RMB1,043,685,000).

(4) Other Businesses

While focusing on its core power generation business, the Group relied on its investments in the renewable energy industry to carry out energy internet business, operation and maintenance, and financial leasing services, applying emerging information technologies such as big data, internet of things, and artificial intelligence to such areas as investment, construction, operation and maintenance of its power plants, whereby achieving some results.

i. Research and Development of Energy Internet Technology

In 2017, the Group continued to vigorously develop its energy internet business, introduced talents, established a professional development team and increased product development and application efforts and achieved good results in the operation of the Group's power plants.

On 24 February, the Group released the industry-leading energy internet cloud platform "POWER+1.0", which has been applied in depth in all of the Group's wholly-owned wind power plants and solar power plants. It covers the Group's 19 wind power plants and 16 solar power stations (including US power stations) with a cumulative total installed capacity of 1,238 MW.

二、業務回顧(續)

(三) 設計、設備供應及建設(EPC)(續)

本年度，本集團所屬設計公司、設備成套供應公司、工程公司共實現收入人民幣235,817,000元(2016年：人民幣1,043,685,000元)。

(四) 其他業務

本集團專注核心發電業務的同時，以可再生能源產業投資為依託，圍繞發電主業開展能源互聯網業務、運行維護和融資租賃等服務業務，把大數據、物聯網、人工智能等新興信息技術，應用到電廠投資建設及運營維護領域來，並取得了一定成績。

1、能源互聯網技術研究與開發

2017年，集團繼續大力發展能源互聯網業務，引進優秀人才，組建專業開發團隊，加大了產品研發和應用力度，在集團電廠的運營中取得了很好的效果。

集團於2月24日，發佈了行業領先的能源互聯網雲平臺「POWER+1.0」，目前已經在集團所有的獨資的風電場和光伏電站中進行深入應用。覆蓋集團風電場19間，光伏電站16間(含美國電站)，累計總裝機容量1,238MW。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. BUSINESS REVIEW (CONTINUED)

(4) Other Businesses (CONTINUED)

i. Research and Development of Energy Internet Technology (CONTINUED)

In the wind power plants, through the diagnostic analysis by the “POWER+” platform of the operational data of the wind turbines, the sub-health status of multiple wind turbines with varying degrees of insufficient power was successfully diagnosed. Through online diagnosis and guidance to the on-site operation and maintenance personnel for early restoration, the power generation of these wind turbines increased more than 1% on average. In the solar power stations, the “POWER+”’s dust early-warning model and application of the inefficient string diagnosis algorithm guide on-site personnel in performing the solar power plant cleaning and handling abnormal power generation units in a cost-effective and timely manner; as a result, the power generation capacity is improved.

In 2017, the Group’s “POWER+” products also received industry recognitions. At the 2nd China International Energy Internet Summit held on April 27-28, “POWER+” products won the “Best Product Breakthrough of the Year”; at the 2nd Energy Internet “the Belt and Road” decision-maker summit held on 21-22 September, “POWER+” products won the “Energy Internet Cloud Platform Innovation Award of the Year”.

二、業務回顧(續)

(四) 其他業務(續)

1、能源互聯網技術研究與開發(續)

在風電場中，通過「POWER+」平臺對風機運行數據的診斷分析，成功診斷出多臺風機存在不同程度出力不足等亞健康狀況，通過在線診斷並指導現場運維人員進行及早修復，使發電量平均提升1%以上。在光伏電站中，通過「POWER+」的灰塵預警模型以及低效組串診斷算法應用，指導現場人員經濟高效的進行光伏電站清洗以及異常發電單元的及時處理，發電量得到提升。

2017年，集團「POWER+」產品亦獲得了行業的認可。在4月27-28日舉行的第二屆中國國際能源互聯網峰會上，「POWER+」產品榮獲「年度最佳產品突破獎」；在9月21-22日舉行的第二屆能源互聯網「一帶一路」決策者高峰論壇上，「POWER+」產品斬獲「年度能源互聯網雲平臺創新獎」。

II. BUSINESS REVIEW (CONTINUED)

(4) Other Businesses (CONTINUED)

ii. Operation and Maintenance of Power Plants

In 2017, the Group's subsidiary Beijing Century Concord Operation and Maintenance Co., Ltd. ("Concord O&M") took advantage of energy internet technology to operate intelligently and strived to become a leading domestic and internationally advanced professional operation and maintenance company. With the Group's "POWER+" products and advanced operation and maintenance, Concord O&M has become the only professional domestic company specialising in wind power and solar industry that offers products and services including consultation, operation, maintenance, overhaul, spare parts and assets management. The Group can provide services such as overall operation and maintenance, preventive testing, technical renovation and overhaul, wind power forecasting, etc., for power plants within or outside the Group. They included maintenance and inspection services for wind turbine manufacturers during the warranty period. By taking advantage of its "POWER+" products, the Group actively builds a cloud-based operation and maintenance model, which provides clients with centralised management, personalised and precise operation as well as maintenance services unattended or less-attended.

二、業務回顧(續)

(四) 其他業務(續)

2、電廠運行維護

2017年，集團所屬北京協合運維風電技術有限公司(「協合運維」)借助能源互聯網技術，進行智慧化運營，努力成為國內領先、國際一流的專業化運行維護公司。依託集團「POWER+」產品及先進的運營維護水平，已發展成為目前國內風電、光伏行業唯一一家集諮詢、運行、維護、檢修、備件、資產管理為一體的專業化公司。可為集團內外的電廠提供整體運維、預防性試驗、技改大修、風功率預測等服務，為風機廠商提供質保期內的維護工程和定檢服務，借助「POWER+」產品，積極打造雲端運維模式，為客戶提供集中化管理、少人或無人值守、個性化的、精準的運行和維修維護服務。

II. BUSINESS REVIEW (CONTINUED)

(4) Other Businesses (CONTINUED)

ii. Operation and Maintenance of Power Plants (CONTINUED)

During the year, Concord O&M successfully passed the new standard certification of the “Three-standard System”, which encompasses quality, health and environmental protection. On December 15, 2017, it obtained the TÜV wind turbine operation and maintenance capability certification from Germany. Concord O&M became the first third-party independent operation and maintenance company that has passed TÜV International certification.

During the year, Concord O&M was in charge of a total of 61 wind power and solar power plants’ overall operation and maintenance and signed 32 service contracts in areas such as scheduled inspection, preventive tests, technical renovation and overhaul and spare parts sales.

In 2017, Concord O&M actively expanded its operation and maintenance service business and received favourable comments from users and was awarded the first prize of the “Top Ten Wind Power Operation and Maintenance Enterprise of 2017”.

During the year, other business segments contributed RMB82,602,000 to the Group (2016: RMB67,449,000).

二、業務回顧(續)

(四) 其他業務(續)

2、電廠運行維護(續)

本年度，協合運維公司順利通過品質、健康、環境「三標」體系新標準認證。於2017年12月15日獲得德國TÜV風機運維能力認證證書。協合運維成為第一家通過TÜV國際認證的第三方獨立運維企業。

本年度，協合運維公司共承擔61間風電及太陽能電廠的整體運行維護業務；並簽訂了定檢服務合同、預防性試驗、技改大修、備件銷售等服務合同32個。

2017年，協合運維公司積極拓展運維服務業務，並獲得用戶的好評，榮獲「2017年度十佳風電運維企業」第一名。

本年度，其他業務板塊為集團貢獻收入人民幣82,602,000元(2016年：人民幣67,449,000元)。

III. ENVIRONMENTAL PROTECTION, COMPLIANCE AND SOCIAL RESPONSIBILITY

(1) Environmental Protection

In addition to financial performance, the Group believed that high-standard corporate social responsibility is of significance in building a positive relationship between an enterprise and society, motivating its employees and achieving sustainable return for the Group. The Group is committed to making positive contributions to the environment and communities where the Group operates and its stakeholders reside.

The Group's renewable energy power generation projects such as wind power and solar power generation ones, focus on the investments in environmental protection and the conservation of water and soil. Prior to the commencement of such projects, the approvals for the environmental protection and conservation of water and soil are required, while the projects are put into production, they are subject to the inspection and acceptance regarding the environmental protection and conservation of water and soil by the relevant government regulators. The Group also strives to maintain sustainable development for the environment as well as for the human race, and commits to its responsibilities for improving the energy structure, mitigating air pollution and reducing greenhouse gas emissions and haze.

This year, the electricity generation by the Group's invested wind power and solar power plants achieved larger proportion of reduction in carbon dioxide, sulphur dioxide, and nitrogen oxide emissions compared with conventional power plants. Compared with coal-fired thermal power, the Group has achieved standard coal and water conservation. The reduction in pollutants contributed to the reduction in PM10 and PM2.5 emissions and smog.

三、環境保護、合規及社會責任

(一) 環境保護

除財務表現外，本集團相信高標準之企業社會責任對建立良好企業及社會關係及激勵員工及為集團創造可持續之回報均至為重要。本集團致力於為集團業務經營及利益相關人士所在地區的環境及社群之可持續發展作出積極貢獻。

本集團所從事的風電和太陽能發電等可再生能源發電項目，注重環境保護和水土保持方面的投資，項目開工之前均需取得環境保護和水土保持方案的批復，項目投產之後獲得政府相關部門對環境保護和水土保持方面的驗收。本集團努力做到環境與人類的可持續發展，為改善能源結構、降低空氣污染和減少溫室氣體排放、減少霧霾作出積極貢獻。

本年度，集團投資的風力及太陽能發電廠所發電量與傳統電廠相比，相當於減少二氧化碳、二氧化硫、氮氧化物的排放，與燃煤的火電相比，相當於節約標煤和節約用水。污染物的減排為減少PM10、PM2.5，減少霧霾做出了貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

III. ENVIRONMENTAL PROTECTION, COMPLIANCE AND SOCIAL RESPONSIBILITY (CONTINUED) 三、環境保護、合規及社會責任(續)

(1) Environmental Protection (CONTINUED) (一) 環境保護(續)

Emissions Reduction by Power Plants

電廠減排量

| Emissions Reduction Indicators | 減排指標 | 2017 2017年 | Accumulated Amount 累計數 |
|---------------------------------|----------|---------------|---------------------------|
| CO2 (kilotons) | CO2 (千噸) | 3,480 | 20,160 |
| SO2 (tons) | SO2 (噸) | 36,928 | 203,446 |
| NOX (tons) | NOX (噸) | 3,276 | 18,029 |
| Standard Coal Saving (kilotons) | 節約標煤(千噸) | 1,250 | 6,910 |
| Water Saving (kilotons) | 節約用水(千噸) | 10,450 | 57,530 |

(2) Compliance (二) 合規

During the year, to the best of management's belief, the Group has complied with the relevant standards, laws and regulations that have a significant impact on its business, management and labour requirements.

於年內，據管理層所深知，本集團已遵守對其業務、管理、勞工規範等有重大影響之相關準則、法律及法規。

(3) Community Responsibility (三) 社區責任

The Group actively fulfilled its social responsibilities and devoted itself to public welfare undertakings, focusing on the development of public welfare undertakings such as poverty alleviation and education.

本集團積極履行社會責任，投身社會公益事業，重點在扶貧及教育領域積極開展公益事業。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

III. ENVIRONMENTAL PROTECTION, COMPLIANCE AND SOCIAL RESPONSIBILITY (CONTINUED)

(3) Community Responsibility (CONTINUED)

The Group actively implements poverty alleviation work in power plant investment areas, combines measures such as poverty alleviation through projects, and assists local poverty reduction and economic development through various means. In the project in Yushan, Hubei Province, the Group cooperated with the Bureau of Land and Resources of Xiangzhou District in conducting poverty alleviation work in Caohe Village, Chenghe Town, Xiangzhou District, and donated money to the village for the construction of the village's infrastructure and improvement of people's production and life. The Group's 20MW solar poverty alleviation project in Hebei Province helps 666 local people living in poverty by providing each person RMB3,000 per year and contributes RMB1.998 million to poverty relief funds each year.

To jointly facilitate national renewable energy education, the Group subsidised professional education in universities, donated education and public infrastructure where the projects are located, and actively participated in community activities. The Group has established a scholarship in the School of Renewable Energy, North China Electric Power University, to reward outstanding students with excellent conduct, to help students whose families suffer from financial difficulties to complete their studies, to reward students with outstanding performance in technological innovation, invention and manufacturing, to reward outstanding teachers and management staff, and to inspire outstanding undergraduates to further their studies. In total, 1,110 people have benefited from the scholarship. Yanyuan Century Concord Solar Co., Ltd., a subsidiary of the Group, provided a donation to a village elementary school at Beishan Village, Dahe Town, Yanyuan County, Liangshan Prefecture in Sichuan Province.

三、環境保護、合規及社會責任(續)

(三) 社區責任(續)

集團積極在電廠投資地區開展扶貧工作，結合項目扶貧等措施，通過多種途徑協助當地扶貧減困和發展經濟。在湖北峪山項目配合襄州區國土局對襄州區程河鎮曹河村進行扶貧工作，向該村捐贈善款，用於該村基礎設施建設和改善人民群眾生產、生活。集團河北省20MW光伏扶貧項目幫扶當地貧困人口666人，每人每年人民幣3,000元，每年提供扶貧款人民幣199.8萬元。

為共同促進國家可再生能源教育事業的發展，集團每年資助大學專業人才教育，捐助項目所在地區的教育及公共基礎設施，積極參與社區活動。集團在華北電力大學可再生能源學院設立獎學金，獎勵品學兼優的優秀學生、幫助家庭經濟困難學生完成學業、獎勵在科技創新、發明製造等方面有突出表現的學生、獎勵優秀的教師和管理人員、激勵優秀的本科生繼續深造，累計資助人數達到1,110人。集團旗下公司鹽源協合光伏發電有限公司向項目所在地四川省涼山州鹽源縣大河鄉北山村小學開展愛心捐贈活動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

III. ENVIRONMENTAL PROTECTION, COMPLIANCE AND SOCIAL RESPONSIBILITY (CONTINUED)

(4) Customer and Supplier Relationships

During the year, the Group maintained a good relationship with customers and suppliers and there was no major dispute.

The Group's 5 largest customers accounted for 55% of the Group's total sales for the year, including 19% from the largest customer. The largest customer is Yunnan Power Grid Co., Ltd.

The Group's 5 largest suppliers accounted for 70% of the Group's total procurement amount for the year, including 39% from the largest supplier. The largest supplier is Xinjiang Goldwind Science & Technology Co., Ltd. It supplies wind turbine equipment for some of the wind power projects invested or EPC contracted by the Group.

IV. HUMAN RESOURCES

(1) Corporate Employees

As of 31 December 2017, the Group had 1,312 full-time employees (31 December 2016: 1,183), 166 of whom worked at the Group's headquarters, 387 in project development and management, 66 in engineering consultancy, design, engineering procurement and construction (EPC) and 693 in operation and maintenance.

三、環境保護、合規及社會責任(續)

(四) 客戶及供應商關係

本年度，本集團與客戶及供應商維持良好關係，並無重大爭議。

本年度，本集團五大客戶之銷售額佔本年度之總銷售額55%，其中已包括最大客戶佔19%。最大客戶為雲南電網有限責任公司。

本年度，本集團五大供應商之採購額佔本年度之總採購額70%，其中已包括最大供應商佔39%。最大供應商為新疆金風科技股份有限公司，該公司為本集團投資或EPC承建之部分風電項目供應風電主機設備。

四、人力資源

(一) 企業員工

截至2017年12月31日，本集團擁有1,312名全職僱員(2016年12月31日：1,183名)，其中集團總部人員166人，項目開發、項目管理387人，設計、設備成套供應、建設(EPC)人員66人，運行維護693人。

IV. HUMAN RESOURCES (CONTINUED)

(2) Employees' Development

The Group always upholds its core values of "people-orientation, value creation, striving for excellence, and harmonious development". We respect and are grateful to every employee for their hard work in the new energy business and strive to provide them with a good working environment and a broad development platform so as to achieve the common development of employees and enterprises. Human resources are the main force of the Group's sustainable development. We have firmly established the concept of sustainable development which is people-oriented and fully coordinated. Aside from that, we established platforms, inspired positive energy, enhanced cohesion and built a happy enterprise.

The Group pays attention to the growth and development of its employees. It provides different career development paths and promotion channels for different positions and individual capabilities. Employees can choose management, technical and professional development channels.

(3) Employee's Training

In order to help the development and promotion of employees, different curricula are designed for the management, middle managers, backup management cadres, and new employees. Every year, a variety of training courses are conducted based on an annual training plan. In addition, the Group focuses on building an internal team of part-time instructors, developing training courses independently and is mainly responsible for the induction of new employee induction training.

四、人力資源(續)

(二) 員工發展

集團始終秉承「以人為本、創造價值、追求卓越、和諧發展」的核心價值觀。我們尊重並感恩每一位員工在新能源事業中的辛勤耕耘，並努力為其提供良好的工作環境和廣闊的發展平臺，從而實現員工與企業的共同發展。人力資源是本集團可持續發展的基礎，我們牢固樹立以人為本、全面協調、持續發展的理念，搭建平臺，激發正能量，增強凝聚力，建設幸福企業。

集團關注員工的成長和發展，針對不同的崗位和個人能力，提供不同的職業發展路徑和晉升通道。員工可選擇管理類、技術類及專業類發展通道。

(三) 員工培訓

為了幫助員工的發展與晉升，針對管理層、中層管理人員、後備管理幹部、新員工設計不同的課程體系，每年依據年度培訓計劃開展多樣化培訓課程。此外，集團注重搭建內部兼職講師隊伍，自主開發培訓課件，主要負責新員工入職培訓的授課工作。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

IV. HUMAN RESOURCES (CONTINUED)

(3) Employee's Training (CONTINUED)

In 2017, the Group organised more than 20 training sessions for its mid-level and senior level managers, backup talents and new employees totalling more than 200 participants. The training content covers modern management knowledge, professionalism, leadership, communication skills, execution capabilities, team building, etc. The average per capita training time of the Group's employees is 72 hours, an increase of 4 hours compared with 2016.

(4) Health and Safety

The Group places high importance on its social responsibility and pays attention to employees' safety, health and work capability improvements. Health inspections are organised annually for employees. The Group has set up a number of sports and interest clubs and built fitness and sports facilities for its the employees. Sports events such as walking activities are organised regularly.

V. LIQUIDITY AND FINANCIAL RESOURCES

As of 31 December 2017, the Group held cash and cash equivalents of approximately RMB1,110,803,000 (31 December 2016: RMB1,891,277,000); the gearing ratio was 64.51% (31 December 2016: 63.56%), the balance of bank loans and other borrowings of the Group was RMB5,497,520,000 (31 December 2016: RMB3,426,660,000), and the Group's net assets were RMB5,255,146,000 (31 December 2016: RMB5,225,750,000).

四、人力資源(續)

(三) 員工培訓(續)

2017年，集團組織了中高層管理人員培訓、後備人才培訓、新員工入職培訓等20餘期，參訓人員200餘人，培訓內容涉及現代企業管理知識、職業素養、領導力、溝通能力、執行能力和團隊建設等。集團員工人均培訓時長為72小時，較2016年增加4小時。

(四) 健康與安全

本集團對社會責任高度重視，關注僱員的安全、健康與工作能力的提升。每年組織全體員工參加體檢，集團設有多個體育及興趣俱樂部，為員工修建健身及運動場所，定期組織員工體育活動、健步走活動等。

五、流動資金及財務資源

截至2017年12月31日，本集團持有現金及現金等值項目約為人民幣1,110,803,000元(2016年12月31日：人民幣1,891,277,000元)；資產負債率為64.51%(2016年12月31日：63.56%)，集團之銀行借款及其他借款餘額為人民幣5,497,520,000元(2016年12月31日：人民幣3,426,660,000元)，集團淨資產人民幣5,255,146,000元(2016年12月31日：人民幣5,225,750,000元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

V. LIQUIDITY AND FINANCIAL RESOURCES

(CONTINUED)

(1) Charge of Assets

As of 31 December 2017, the equipment of the Group was pledged as security for outstanding loan amount of RMB2,054,524,000 (31 December 2016: RMB781,150,000).

(2) Contingent Liability

As at 31 December 2017, the Group has pledged its 49% equity interest in Erlanhaote Changfeng Century Concord Wind Power Exploiture Co., Ltd. ("Erliahaote"), with the total value of its registered capital of approximately RMB37,240,000 (31 December 2016: RMB37,240,000). The outstanding balance of the pledged banking facilities of Erliahaote as at 31 December 2017 was RMB42,918,000 (31 December 2016: RMB53,941,000). Save for the information as mentioned above, the Group did not have any significant contingent liabilities as at 31 December 2017.

(3) Commitments

As at 31 December 2017, the Group had capital commitments of RMB1,960,602,000 (31 December 2016: RMB2,450,447,000), which were not accounted in the financial statements. The amount was mainly the capital committed to joint ventures and associates that contracted but not provided of RMB 105,050,000 (31 December 2016: RMB185,049,000), and capital committed but unpaid for payment of equipment purchased of RMB1,855,552,000 (31 December 2016: RMB2,265,398,000) by the subsidiaries.

五、流動資金及財務資源(續)

(一) 資產抵押

截至2017年12月31日，本集團以房屋及機器設備抵押獲得貸款餘額人民幣2,054,524,000元(2016年12月31日：人民幣781,150,000元)。

(二) 或然負債

於2017年12月31日，本集團已抵押其所佔二連浩特長風協合風能開發有限公司(「二連」)之49%權益，註冊資本總值為人民幣37,240,000元(2016年12月31日：人民幣37,240,000元)。截至2017年12月31日，該抵押之未償還銀行貸款餘額為人民幣42,918,000元(2016年12月31日：人民幣53,941,000元)。除上述提及內容外，於2017年12月31日，本集團並無任何重大或然負債。

(三) 承擔

截至2017年12月31日，本集團有資本承擔人民幣1,960,602,000元(2016年12月31日：人民幣2,450,447,000元)並未計入財務報表。已簽訂合同但未撥付予合營企業及聯營公司之權益資本金總額為人民幣105,050,000元(2016年12月31日：人民幣185,049,000元)，及附屬公司已簽訂設備採購合同但未付款之金額為人民幣1,855,552,000元(2016年12月31日：人民幣2,265,398,000元)。

VI. RISK FACTORS AND RISK MANAGEMENT

(1) Risks Associated with Policies

Wind and solar energy companies are largely dependent on the policies of the state and the industry, laws and regulations and incentive schemes. Changes of policies, laws and regulations with respect to the power grid industry have a great impact on the wind and solar power enterprises. In recent years, the government introduced a series of policies and measures to protect and support the development of new energy industries and the conditions for connection to the grid are improving gradually. However, the problem of energy waste caused by the curtailment of wind power and solar power is still negatively affecting the industry's development. The provinces (cities and autonomous regions) may also promulgate regional policies for power tariff settlement. The risk of changes in various policy factors requires the Group to closely follow the policy orientation, strengthen its policy judgement, and make forward-looking estimates of possible unfavourable factors, formulate countermeasures to reduce risks and minimise the risks associated with changes in policy factors.

(2) Risks Associated with Climate

The annual fluctuation of wind and solar resources is the primary climatic risk that is faced by the wind power and solar power industry. With a vast territory, there are great variations in the factors in different regions that affect their climates, such that different regions experience different climatic characteristics during a same period of time. In addition, extreme weather conditions such as typhoon, freezing, strong sandstorm, haze, and lightning strikes will bring greater risks to wind power and solar power generation companies.

六、風險因素及風險管理

(一) 政策風險

風電和太陽能發電企業在很大程度上依賴國家、行業政策、法規以及激勵措施。電網行業政策法規的變化，對風電和太陽能企業亦存在較大影響。近年來政府雖出臺了一系列保護和支持新能源行業發展的政策和措施，且併網條件亦在逐步改善，但棄風、棄光問題造成的能源浪費目前仍然影響著行業的發展。各省(市、自治區)也有可能出臺區域性的電價結算政策。各種政策因素變化的風險，要求集團緊跟政策導向，加強對政策的研判，並前瞻性的估計可能存在的不利因素，制訂降低風險的各項應對措施，將政策因素變化帶來的風險降到最低。

(二) 氣候風險

風電和太陽能發電行業面臨的主要氣候風險是風資源和光資源的年際、大小波動。中國幅員遼闊、地區間氣候成因差異較大，同一時間段內各地區亦表現出不同的氣候特徵。另外，如遇颱風、凝凍、強沙塵暴、霧霾、雷擊等極端天氣氣候，將會給風電和太陽能發電企業帶來較大風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

VI. RISK FACTORS AND RISK MANAGEMENT

(CONTINUED)

(2) Risks Associated with Climate (CONTINUED)

In response to the risks brought about by climate, the Group has already completed wind power and solar power generation projects in 15 provinces (cities and autonomous regions) which are in production. We will continue to optimise the distribution to further counteract the impact caused by climatic risks. The Company will increase scientific research and improve design standards in terms of type selection, development path program, etc., and fully assess and respond to the impact of climate factors on the safety and effectiveness of power plants.

(3) Risks Associated to Power Grids

The existence of wind and solar power curtailments in some areas is the result of the impact of a number of factors, including the fact that the on-grid power output of wind power and solar power plants is dependable on the whole society's electricity consumption, the situation of conventional power generation, as well as the layout structure of the power grids. The Group will continue to research on the characteristics of operation and methods of consumption for wind power and solar power and make good judgements on the trend of policy changes, so as to take advantage of government policies to mitigate the problems of power curtailment. The Group will proactively communicate with the government and grid companies, and take the initiative to capture market share in power generation. Internally, we will strengthen production and operation management, optimise means of operation, improve availability by arranging for proper inspection and maintenance of equipment, so as to minimise downtime.

六、風險因素及風險管理(續)

(二) 氣候風險(續)

目前本集團已經在15個省(市、自治區)擁有投產風電和太陽能發電項目，為應對氣候年際變化帶來的風險，未來將繼續優化佈局，進一步平衡氣候風險所帶來的影響。同時，公司將在機組選型、線路方案等方面加大科研力度、提高設計標準，充分評估和應對氣候因素帶來的電廠安全及效益影響。

(三) 電網風險

風電及太陽能電廠上網電量受全社會用電負荷、常規能源發電情況、電網網架結構等多種因素的影響，部分地區存在棄風棄光現象。本集團將不斷優化項目佈局，持續研究風電和太陽能發電運行特點、消納方式等，準確判斷政策變化趨勢，利用好國家政策，全力應對限電問題。積極與政府、電網溝通，主動爭取發電份額。對內加強生產運營管理，優化運行方式，提高設備利用率，合理安排機組檢修，盡可能減少機組停機時間。

VI. RISK FACTORS AND RISK MANAGEMENT
(CONTINUED)

(4) Interest Rate Risks

The Group is principally engaged in domestic investment in wind power and solar power plants, which requires enormous capital expenditure and has relatively high demand for borrowed funds. Changes in interest rates will certainly have an impact to the Group's cost of capital. With sound performance and credibility, a stable debt structure and diversified financing channels, the Group has consistently enjoyed financing interest rates that are lower than the average level of our peers. The Group will continuously pay attention to the financing market, expand the financing channels, bring forth new financing products and optimise capital structure to effectively prevent the interest rate risk.

(5) Exchange Rate Risks

The Group's business is primarily located in mainland China with most of its revenue and expenses denominated in Renminbi. The Group also has a small portion of its investments overseas and loans denominated in foreign currencies. Fluctuations in Renminbi exchange rate will result in foreign exchange losses or gains from the Group's overseas business. The Group will pay active attention to the fluctuations of exchange rates and take effective measures to prevent exchange rate risks.

六、風險因素及風險管理(續)

(四) 利率風險

本集團主要從事中國境內風電、太陽能电站投資，需要一定的資本開支，對借貸資金需求較高，利率的變化將會對本集團資金成本產生一定的影響。本集團業績和資信情況良好，負債結構穩健，融資管道多元化，融資利率一向低於同行業平均水準。同時，本集團將持續關注融資市場、拓展融資管道、創新融資產品、優化資本結構，有效防範利率風險。

(五) 匯率風險

本集團業務主要集中於中國內地，絕大部分收入、支出以人民幣計價。本集團存在少量海外投資和外幣貸款，人民幣匯率的變動會對本集團外幣業務產生匯兌損失或者收益。本集團將積極關注匯率變化，有效開展匯率保護措施。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

VII. PROSPECTS

In recent years, China's renewable energy industry has developed rapidly and technological advance has progressed by leaps and bounds. The cost of renewable energy generation will continue to fall and become increasingly competitive. The trend of renewable energy replacing traditional fossil energy is becoming more and more obvious, and this field will have enormous room for development in the future.

We believe that China will continue to promote the reform of the power system, accelerate the pilot work of incremental power distribution reforms, and further expand the scale of power market transaction. The electricity industry will usher in new opportunities. At present, in areas with higher benchmark feed-in tariff in the south, the reliance on subsidies for wind power projects has been weakening. In areas with better northern wind resources, if without curtailment, grid parity for wind power can readily carry good economic benefits. With the decrease in LCOE, grid parity for renewable energy will be gradually realised, and renewable energy can rely on its own competitiveness to achieve advantageous development in market-oriented transactions.

In recent years, with the continuous improvement of the Group's strength, and the implementation of a series of measures such as optimising the Group's assets structure and transforming its business model, the installed capacities of the Group's wholly-owned and holding power plants have been continuously on the increase, and the asset quality has improved significantly. During the year, the Group's goodwill acquired over the years and the accumulated non-performing accounts receivables of its EPC business were written off. At this point, the Group has shaken away its historical burden and successfully completed its strategic transformation. The Group will rely on the investment income of its power plants to achieve a healthy rolling development as an investor in the renewable energy field. To this end, we will strive to achieve the following:

七、 前景展望

近年來，中國可再生能源行業發展迅速，技術進步突飛猛進，可再生能源發電成本將會持續下降，競爭力日益提高，代替傳統化石能源的趨勢越來越明顯，這一領域未來具有廣闊的發展空間。

我們相信中國將繼續推動電力體制改革，加快推進增量配電業務改革試點工作，進一步擴大電力市場化交易規模，電力行業將迎來新機遇。目前，在南方標桿電價較高的地區，風電項目對補貼的依賴已經在減弱，在北方風資源較好的區域，如果不限電，風電平價上網已經可以具備良好的經濟效益。隨著度電成本的下降，可再生能源平價上網將會逐步實現，可再生能源依靠自身的競爭力即可在市場化交易中實現優勢性發展。

近年來，隨著集團實力的不斷提升，以及集團優化資產結構、轉變經營模式等一系列措施的實施，集團獨資和控股電廠裝機容量不斷提高，資產質量顯著改善，本年度，集團歷史上形成的商譽和EPC業務積累的不良應收賬款進行了核銷，至此，集團已甩掉歷史包袱，成功完成了戰略轉型。集團將以可再生能源領域投資者的身份，依靠電廠投資收益實現良性滾動發展。為此，我們將努力做好以下幾點：

VII. PROSPECTS (CONTINUED)

1. Focus on the Main Business of Power Generation, Consolidate the Transformation Results, Actively Invest in Wind Power Projects, and Expand the Installed Capacities

It is necessary to seize the opportunity period before renewable energy is grid parity in 2020 to vigorously invest in and develop wind power projects in southern regions with no power curtailment, increase the investment and construction scales of wind power projects in areas with low impact on electricity tariffs. With good pre-development and project preparation work, we will accelerate the progress of project construction, ensure project power generation and achieve rapid growth in installed capacity. Over the next three years, the Group aims to add 500MW of net installed capacity annually, in order to realise rapid increase in its attributable capacity.

2. Pursue the Lowest LCOE; Welcome the Arrival of the Era of Grid Parity with a Positive Attitude

It is necessary to regard the lowest LCOE as the Group's core competitiveness, in order to adapt to the coming era of grid parity for renewable energy. It is necessary to actively track and apply new technologies, new wind turbine types, and new processes in the construction of the Group's invested projects and build high-quality, high-efficiency power plants. It is necessary to promote the application of energy internet in the production of power plants, implement refined management, reduce production and management costs, increase equipment availability and increase power generation output.

七、 前景展望(續)

1、 專注發電主業，鞏固轉型成果，積極投資風電項目，擴大營運裝機容量

要抓住2020年可再生能源平價上網前的機遇期，大力發展風電投資，積極在南方不限電區域、電價影響小的區域加大風電項目投資建設規模，通過做好前期開發和項目儲備工作、推進加快項目建設進度，保證項目投產，實現裝機容量的快速增長。未來三年，集團目標每年投產500MW淨裝機，實現權益裝機容量的快速增長。

2、 追求度電成本最低，以積極的態度迎接平價上網時代的到來

要把度電成本最低作為集團核心競爭力，以應對可再生能源平價上網時代的到來。要在項目投資建設中積極跟蹤並應用新技術、新機型、新工藝，建設優質、高效的電廠。要在電廠生產領域推廣能源互聯網應用，推行精細化管理，降低生產和管理成本，提高設備利用率，提升發電量。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

VII. PROSPECTS (CONTINUED)

3. Actively Develop Energy Internet Business and Use Technological Means to Promote the Industrial Revolution in the Field of Power Plant Operation

We must increase investment in the field of energy internet, attract talents, and establish a world-class team. We will continue to promote the development and application of the “POWER+” products, extensively apply energy internet technologies to various tasks such as safe production management, power plant operation and maintenance and power plant design, improve the effectiveness of our power plants through accurate operation and maintenance, error prediction and equipment defect diagnosis. Efforts should be made to promote the centralised management of our power plants and minimise required personnel in order to reduce the operating costs of our power plants.

4. Keep up with the Pace of Our Power System Reform and Plan for the Future

We must keep up with the pace of our power system reform, track all relevant policies of the country, grasp the opportunities created by the reform of the power market, and realise the continuous development of the Group in the renewable energy field. It is necessary to actively participate in the market of green electricity certificate as well as in the construction of a carbon market, and properly develop our distribution network business and electricity distribution business.

七、 前景展望(續)

3、 大力發展能源互聯網業務，以技術手段推進電廠運行領域的產業革命

要加大在能源互聯網領域的投入，吸引人才，組建國際一流的隊伍。繼續推進「POWER+」產品的研發和應用，將能源互聯網技術廣泛應用到集團安全生產管理、電廠運維、電廠設計等各項工作中，通過電廠精準運維、故障預測、設備缺陷診斷等提高電廠效益。著力推進電廠的集中化管理、少人值守或無人值守，降低電廠運行成本。

4、 緊跟電力體制改革步伐，謀劃未來

要緊跟電力體制改革步伐，跟蹤國家各項相關政策，把握電力市場改革創造的機遇，實現集團在可再生能源投資領域的持續發展。要積極參與綠色電力證書市場及碳市場建設，適度開展配電網業務及配售電業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

VII. PROSPECTS (CONTINUED)

5. Unswervingly and Vigorously Maintain Safety in Production

We must firmly implement an accountability system for safe production, remove all potential safety hazards, conduct technological transformation and eliminate deficiencies. It is necessary to prepare for emergencies and adverse weather in advance, and ensure that the Group maintains a stable environment for safe production.

In 2018, the Group will further accumulate its strength, focus on its main business of power generation, respond timely to various changes and challenges, achieve rapid growth in the scale and efficiency of its main business, create benefits for shareholders, produce more clean energy for the society and strive to contribute to the monumental accomplishment of the mankind in replacing fossil fuels with renewable energies.

七、 前景展望(續)

5、 堅定不移地大力做好安全生產工作

要狠抓安全生產責任制，排除各項安全隱患，做好技術改造和消缺工作。要做好應對突發事件和不利天氣的預案。確保集團安全生產的穩定局面。

2018年，集團將進一步積攢實力，聚焦發電主業，及時應對各種變化和挑戰，實現主營業務規模和效益的快速增長，為股東創造效益，為社會生產更多的清潔能源，為實現人類可再生能源替代化石能源的壯舉努力奮鬥！

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員的個人資料

EXECUTIVE DIRECTORS

Mr. Liu Shunxing, aged 56, joined the Group in 2007. He has become the Chairman of the Company since June 2009. He is also a director of various subsidiaries of the Group. Mr. Liu holds a Bachelor degree of Electricity Generation from Tianjin University and a Master degree of Energy Source Economy Management from the Management College of Harbin Institute of Technology EMBA. Mr. Liu is the vice president of China Energy Research Institute and an executive director of China Energy Council. He was formerly the Vice CEO of China Energy Conservation Investment Corporation for eight years.

Ms. Liu Jianhong, aged 49, joined the Group in 2007. She is the Vice Chairperson of the Company in January 2016. She is also a director of various subsidiaries of the Group. Ms. Liu holds her Master degree from the Law School of Renmin University of China and an EMBA from China Europe International Business School. She was the Chief Legal Officer of China Energy Conservation Investment Corporation.

Mr. Yu Wenzhou, aged 53, joined the Group in 2009. He is the Chief Executive Officer (“the CEO”) of the Company in January 2016. He is also a director of various subsidiaries of the Group. He holds a Bachelor degree in statistics and a Master degree in finance from Renmin University of China and a Ph. D degree of Engineering Management from Xi’an University of Technology. Mr. Yu once worked in State Economic & Trade Commission, State Power Management Commission and China Shenhua-Guohua Energy Investment Ltd.

執行董事

劉順興先生，56歲，於2007年加入本集團。彼自2009年6月起成為本公司之主席。彼亦為本集團多家附屬公司之董事。劉先生持有天津大學發電專業學士學位以及哈爾濱工業大學管理學院能源經濟管理碩士學位。劉先生為中國能源學會副會長及中國能源研究會常務理事。彼曾任中國節能投資公司副總裁達8年。

劉建紅女士，49歲，於2007年加入本集團。彼自2016年1月起為本公司之副主席，亦為本集團多家附屬公司之董事。劉女士持有中國人民大學法學院碩士學位及中歐國際工商學院高級管理人員工商管理碩士學位。彼曾為中國節能投資公司之法律總負責人。

余維洲先生，53歲，於2009年加入本集團。彼自2016年1月起為本公司行政總裁（「行政總裁」）。彼亦為本集團多家附屬公司之董事。彼持有中國人民大學統計學學士學位、金融學碩士學位及西安理工大學管理工程博士學位。余先生先後任職國家經貿委、國家電力監管委員會及中國神華國華能源投資公司。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員的個人資料

EXECUTIVE DIRECTORS (CONTINUED)

Mr. Niu Wenhui, aged 47, joined the Group in 2010. He is the Chief Financial Officer of the Company and has become an Executive Director of the Company since January 2017. He holds a Master Degree in Business Administration of Beihang University. He had served as vice president of China Ruilian Industrial Group and Chief Financial Officer of Rainbow Group Shenzhen Branch.

Mr. Gui Kai, aged 59, joined the Group in 2015. He has become an Executive Director of the Company since June 2016. He holds a Master Degree of China University of Mining & Technology. He had served as General Manager of Shenhua Trading Group and Shenhua Science and Technology Development Co., Limited.

Dr. Shang Li, aged 44, joined the Group in 2012. He has become an Executive Director of the Company since January 2018. He holds a Ph. D degree in Computer Engineering from Princeton University, USA. Dr. Shang has extensive experience and knowledge in cyber-physical systems, embedded systems, computer systems and nanotechnologies & etc. He is an Associate Professor of the Department of Electrical, Computer and Energy Engineering in University of Colorado at Boulder and the Chair Professor in Tongji University. He was formerly the vice president and Chief Architect of Intel China Research.

NON-EXECUTIVE DIRECTOR

Mr. Wu Shaohua, aged 51, has been a non-executive director of the Company from February 2017. Mr. Wu holds a Master's degree in Nanchang Hangkong University and a MBA in Peking University. Mr. Wu is the General Manager of Huadian Fuxin International investment Co., LTD ("Huadian Fuxin", a substantial shareholder of the Company).

執行董事(續)

牛文輝先生，47歲，於2010年加入本集團。彼為首席財務執行官，自2017年1月起成為本公司執行董事。彼持有北京航空航天大學工商管理碩士學位。彼曾擔任中國瑞聯實業集團副總裁及彩虹集團深圳分公司財務總監。

桂凱先生，59歲，於2015年加入本集團。彼自2016年6月起成為本公司執行董事。彼持有中國礦業大學碩士學位。彼曾擔任中國神華銷售集團及神華科技發展有限責任公司總經理。

尚笠博士，44歲，於2012年加入本集團。自2018年1月起成為本公司執行董事。彼持有美國普林斯頓大學計算機工程博士學位。尚博士在信息物理融合系統、嵌入式系統、計算機系統及納米技術等方面擁有豐富經驗及知識。彼為科羅拉多大學博爾德分校電子計算機與能源工程系副教授，並任同濟大學講座教授。彼曾任英特爾中國研究院副院長及首席架構師。

非執行董事

吳韶華先生，51歲，自2017年2月起為本公司非執行董事。彼持有南昌航空大學的碩士學位和北京大學工商管理碩士學位。吳先生現為華電福新國際投資有限公司總經理（「華電福新」，本公司之主要股東）。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員的個人資料

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Wong Yau Kar, David, GBS, BBS, JP, aged 60, has been an independent non-executive director of the Company since 2006. Dr. Wong received a doctorate in Economics from the University of Chicago. Dr. Wong has extensive experience in manufacturing, direct investment and international trade. Dr. Wong is active in public service. He is a Hong Kong deputy of National People's Congress of the Republic of China (第十二屆全國人民代表大會). He is also Chairman of the Land and Development Advisory Committee, Mandatory Provident Fund Schemes Authority and Protection of Wages on Insolvency Fund Board. Dr. Wong was appointed a Justice of Peace (JP) in 2010, Dr. Wong was awarded a Bronze Bauhinia Star (BBS) in 2012 and a Gold Bauhinia Star (GBS) in 2017 for his valuable contribution to the society.

Dr. Wong is currently an independent non-executive director of Huayi Tencent Entertainment Company Limited, Redco Properties Group Limited, Shenzhen Investment Limited, Sinopec Kantons Holdings Limited and Guangnan (Holdings) Ltd, the shares of which all are listed on the Hong Kong Stock Exchange.

Mr. Yap Fat Suan, Henry, aged 72, has been an independent non-executive director of the Company since 2006. He holds a master degree in Business Administration from the University of Strathclyde, Glasgow, in the United Kingdom. He is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Yap is also an independent non-executive director of Frontier Services Group Limited, which is listed on the Hong Kong Stock Exchange, and Brockman Mining Limited, which is listed on the Hong Kong Stock Exchange and the Australian Securities Exchange.

獨立非執行董事

黃友嘉博士, GBS, BBS, JP, 60歲, 自2006年起為本公司獨立非執行董事。黃博士獲授芝加哥大學之經濟學博士學位。黃博士於製造業、直接投資及國際貿易方面擁有豐富經驗。黃博士一直積極參與公共服務, 現為全國人民代表大會香港區代表。彼亦為土地及建設諮詢委員會主席、強制性公積金計劃管理局主席及破產欠薪保障基金委員會主席。於2010年, 黃博士獲委任為太平紳士(JP), 於2012年, 黃博士獲頒授銅紫荊星章(BBS), 及於2017年, 黃博士獲頒授金紫荊星章(GBS), 以表揚彼對社會作出之寶貴貢獻。

黃博士現為華誼騰訊娛樂有限公司、力高地產集團有限公司、深圳控股有限公司、中石化冠德控股有限公司及廣南(集團)有限公司之獨立非執行董事, 所有該等公司之股份均於香港聯交所上市。

葉發旋先生, 72歲, 自2006年起為本公司獨立非執行董事。彼持有英國格拉斯哥斯特拉斯克萊德大學工商管理碩士學位。彼為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員。葉先生亦為先豐服務集團有限公司之獨立非執行董事, 該公司於香港聯交所上市, 以及布萊克萬礦業有限公司之獨立非執行董事, 該公司於香港聯交所及澳洲證券交易所上市。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員的個人資料

INDEPENDENT NON-EXECUTIVE DIRECTORS (CONTINUED)

Dr. Jesse Zhixi Fang, aged 71, has been an independent non-executive director of the Company since January 2018. He holds a doctorate degree from the University of Nebraska-Lincoln. He was the global vice president of Intel and founded Intel Labs China, ILC as its first dean.

Ms. Huang Jian, aged 49, has been an independent non-executive director of the Company since December 2012. Ms. Huang holds a Master degree from the Central University of Finance and Economics of the PRC. She is also a certified public accountant in the PRC. Ms. Huang has over past 20 years of professional experience in accounting, auditing and taxation. Ms. Huang is the partner of Ruihua Certified Public Accountants and was a full time member of SME Board Public Offering Review Committee of the China Securities Regulatory Commission.

SENIOR MANAGEMENT

Mr. Jiang Yingjiu, aged 49, joined the Group in 2007. He is the Vice President of the Company. He holds a Bachelor Degree of Renming University of China. Mr. Jiang has worked for Beijing Urban and Rural Construction Committee and China Energy Conservation Investment Corporation.

Mr. Wang Xigang, aged 38, joined the Group in 2009. He is the Vice President of the Company. He holds a Master degree from Peking University. He has worked for Aviation Industry Corporation of China.

Mr. Ma Suoming, aged 44, joined the Group in 2015. He is the Vice President of the Company. He holds a Master degree from North China Electric Power University. He has worked for National Electricity Dispatching and Communication Centre.

獨立非執行董事(續)

方之熙博士，71歲，自2018年1月起成為本公司獨立非執行董事。彼持有美國內布拉斯加大學林肯分校的博士學位，曾任英特爾全球副總裁，主持創立英特爾中國研究院，並任第壹任院長。

黃簡女士，49歲，自2012年12月起為本集團獨立非執行董事，黃女士持有中國中央財經大學碩士學位。彼亦為中國註冊會計師。黃女士在會計、審計及稅務方面擁有逾20年專業經驗。黃女士現為瑞華會計師事務所合夥人，曾任中國證券監督管理委員會創業板發行審核委員會委員專職委員。

高層管理人員

姜迎九先生，49歲，於2007年加入本集團。彼為本公司副總裁。彼持有中國人民大學學士學位。姜先生曾於北京市城鄉建設委員會及中國節能投資公司任職。

王錫綱先生，38歲，於2009年加入本集團。彼為本公司副總裁。彼持有北京大學碩士學位。彼曾於中國航空工業集團公司任職。

馬鎖明先生，44歲，於2015年加入本集團。彼為本公司副總裁。彼持有華北電力大學碩士學位。彼曾於國家電力調度通信中心任職。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員的個人資料

SENIOR MANAGEMENT (CONTINUED)

Mr. Shang Xuelian, aged 54, joined the Group in 2008. He is the Vice President of the Company. He holds a Bachelor Degree of Shandong University. Mr. Shang has worked for Shandong Lubei Enterprise Group Limited.

Mr. Liu Ruiqing, aged 53, joined the Group in 2011. He is assistant to CEO. He holds a Master degree from North China Electric Power University. He has worked for Huadian Group New Energy Limited and China Shenhua — Guohua Energy Investment Ltd.

高層管理人員(續)

商學聯先生，54歲，於2008年加入本集團。彼為本公司副總裁。彼持有山東大學學士學位。商先生曾於山東魯北企業集團任職。

劉瑞卿先生，53歲，於2011年加入本集團。彼為本公司總裁助理。彼持有華北電力大學碩士學位。彼曾於華電新能源有限公司及中國神華國華能源投資公司任職。

REPORT OF THE DIRECTORS

董事會報告

The directors of the Company (the “Directors”) submit their report together with the audited consolidated financial statements for the year ended 31 December 2017 (the “Year”).

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the principal subsidiaries are set out in Note 49 to the financial statements. An analysis of the Group’s income and contribution to operating profit for the Year is set out in Note 6 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 140. The interim and final dividends for the Year are set out in Note 13 to the financial statements.

RESERVES

Movements in the reserves of the Group and of the Company during the Year are set out in Note on pages 144 and 145.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group and of the Company are set out in Note 14 to the financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 34 to the financial statements.

本公司董事(「董事」)謹此提呈彼等之報告連同截至2017年12月31日止年度(「本年度」)之經審核綜合財務報表。

主要業務及經營地區分析

本公司之主要業務為投資控股。主要附屬公司之業務載於財務報表附註49。本集團於本年度之收入及經營溢利貢獻分析載於財務報表附註6。

業績及股息

本集團於本年度之業績載於第140頁之綜合損益表。本集團於本年度之中期和末期股息載於財務報表附註13。

儲備

本集團及本公司於本年度內之儲備變動載於第144頁和145頁。

物業、廠房及設備

本集團及本公司之物業、廠房及設備變動詳情載於財務報表附註14。

股本

本公司之股本變動詳情載於財務報表附註34。

REPORT OF THE DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES

Details of the distributable reserves of the Company as at 31 December 2017 are set out on page 144.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws and there is no restriction against such rights under the laws of the Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, and of the assets, liabilities and equities of the Group for the last five financial years is set out on page 316.

DIVIDEND

The board of directors recommends to declare a final dividend of HK\$0.01 per ordinary share in respect of the year ended 31 December 2017 (2016: HK\$0.01), subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. Based on the number of issued ordinary shares as of the date of approving this consolidated financial information, the proposed final dividend amounted to HK\$86,768,000 (equivalent to approximately RMB72,530,000). This consolidated financial information does not reflect this amount as dividend payable as at 31 December 2017. It is expected that the final dividend will be paid out before end of June 2018. Further announcement will be made by the Company for the date of closure of register of members.

可分派儲備

本公司於2017年12月31日之可分派儲備詳情載於第144頁。

優先購買權

本公司之公司細則並無有關優先購買權之條文，而百慕達法例亦無針對有關權利之限制，而令本公司須按比例向其現有股東提呈發售新股。

五年財務概要

本集團於過去5個財政年度之業績及資產、負債及權益概要載於第316頁。

股息

董事建議派付截至2017年12月31日止年度之末期股息每股普通股0.01港元(2016: 0.01港元)，此建議須經本公司股東在應屆股東週年大會上通過。依據批准發佈此綜合財務信息日已發行普通股股數，建議派付末期股息金額為86,768,000港元(相當於人民幣約72,530,000元)。於2017年12月31日之綜合財務信息中此金額未反映為應付股利。末期股息預期將於2018年6月底之前派付。本公司將就暫停辦理股份過戶登記手續日期刊發進一步公告。

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2017, the Company repurchased a total of 34,800,000 ordinary shares of the Company for an aggregate consideration of HK\$13,322,000 (equivalent to approximately RMB 11,784,000) on The Stock Exchange of Hong Kong Limited, all of the purchased shares were subsequently cancelled by the Company upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares.

SHARE OPTIONS

The Company has adopted the existing share options scheme (the "Share Option Scheme") on 16 April 2007.

The purpose of the Share Option Scheme is to recognize and acknowledge the contributions of the Qualified Persons (as defined in the Share Option Scheme, including but not limited to, the directors, employees, partners and associates of the Group) of the Group.

Pursuant to this 10-year term Share Option Scheme, the Company can grant options to the Qualified Persons for a consideration of HK\$1.00 for each grant payable by the Qualified Persons. The total number of the shares issued and to be issued upon exercise of the options granted to each Qualified Person (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the shares then in issue. During the Year, no share options were granted under the Share Option Scheme. The share option scheme limit was refreshed by a resolution passed at the annual general meeting held on 20 June 2011.

購買、出售或贖回本公司上市證券

於截至2017年12月31日止年度，本公司於香港聯合交易所有限公司以13,322,000港元（相當於人民幣約11,784,000元）之總價購回合共34,800,000股本公司普通股。所有購回股份已經在購回後註銷，令本公司已發行股本之面值相應減少。

購股權

本公司已於2007年4月16日採納現有購股權計劃（「購股權計劃」）。

購股權計劃旨在肯定及認同本集團合資格人士（定義見購股權計劃，包括但不限於本集團之董事、僱員、合作夥伴及聯繫人士）之貢獻。

根據該10年期之購股權計劃，本公司可向合資格人士授出購股權，而合資格人士須就每次授出支付1.00港元之代價。每名合資格人士於任何12個月期間內因行使獲授之購股權（包括已行使、已註銷及尚未行使之購股權）而已發行及將予發行之股份總數，不得超過當時已發行股份之1%。本年度內，概無根據購股權計劃授出購股權。購股權計劃上限其後獲於2011年6月20日舉行之股東週年大會通過之決議案更新。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS (CONTINUED)

Subscription price in relation to each option pursuant to the Share Option Scheme shall be not less than the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date on which the option is offered to a Qualified Person; or (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the 5 trading days immediately preceding the date of offer; or (iii) the nominal value of the shares. There shall be no minimum holding period for the vesting or exercise of the options but the options are exercisable within the option period as determined by the board of directors of the Company.

Movements of the share option are set out in Note 35 to the financial statements. The Share Option Scheme was expired on 15 April 2017.

SHARE AWARD SCHEME

The Board has adopted a Scheme on 15 June 2015, and revised it on 29 June 2017. The Scheme does not constitute a share option scheme for the purpose of Chapter 17 of the Listing Rules. Reference is made to the announcement dated 15 June 2015 and 29 June 2017. Capitalised terms therein should contain the same meanings unless otherwise specified. The principal terms of the Scheme are outlined below.

Purpose

The purpose of the Scheme is to (i) recognize the contributions of the Employees; (ii) provide additional incentives in order to retain the Employees to continue to work for the Group; and (iii) attract suitable personnel for further development of the Group.

Duration

Subject to any early termination as may be determined by the Board, the Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

購股權(續)

根據購股權計劃，每份購股權之認購價不得低於(i)於向合資格人士要約授出購股權日期聯交所每日報價表所列之股份收市價；或(ii)於緊接要約授出日期前5個交易日聯交所每日報價表所列之股份平均收市價或(iii)股份之面值(以較高者為準)。購股權歸屬或行使並無最低持有期限，惟購股權可在本公司董事會釐定之購股權期限內行使。

購股權之變動載於財務報表附註35。購股權計劃已於2017年4月15日到期。

股份獎勵計劃

董事會於2015年6月15日採納該計劃，並於2017年6月29日對該計劃進行了修訂。本計劃並不構成上市規則第17章所定義之購股權計劃。茲提述本公司日期為2015年6月15日和2017年6月29日之公佈。除文義另有所指外，本年報所用詞彙應具有相同涵義。該計劃之主要條款概述如下。

目的

該計劃旨在(i)嘉許若干僱員作出之貢獻；(ii)提供更多獎勵，以留住上述僱員繼續為本集團效力；及(iii)吸引合適人員加入推動本集團進一步發展。

年期

該計劃之有效期為採納日期起計十(10)年，惟董事會可決定提前終止。

REPORT OF THE DIRECTORS

董事會報告

SHARE AWARD SCHEME (CONTINUED)

Administration

The Scheme shall be subject to the administration of the Board (or a committee from time to time authorized by the Board to manage the Scheme) and the Trustee in accordance with the rules of the Scheme and the Trust Deed. The Board may, from time to time, at its sole discretion determine the number of Awarded Shares to be awarded to the Selected Employees. The Board is entitled to impose any vesting conditions, as it deems appropriate in its absolute discretion with respect to the entitlement of the Selected Employees to the Awarded Shares. Any grant of the Awarded Shares to the connected persons (as defined in the Listing Rules) of the Company must be approved by the independent non-executive Directors (other than the independent non-executive Director who is the Selected Employee). The Board shall not instruct the Trustee to deal in any shares in the market during the period when any Director is in possession of unpublished inside information in relation to the Company or when the dealings in the Company's securities by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws.

Scheme Limit

The Board shall not make any further Awarded which will result in the nominal value of Shares awarded by the Board under the Scheme exceeding five (5) per cent of the issued share capital of the Company as at the Adoption Date (the "Scheme Limit").

The maximum number of Shares which may be awarded to a Selected Employee under the Scheme shall not exceed one (1) per cent of the issued share capital of the Company as at the Adoption Date (the "Individual Limit").

股份獎勵計劃(續)

管理

股份獎勵計劃將由董事會(或獲董事會不時授權以管理該計劃之委員會)和信託人根據該計劃及信託契約之規則管理。董事會可不時全權酌量釐定授予選定僱員之獎勵股份數目。董事會在其認為合適之情況下，有權就選定僱員所享有之獎勵股份之歸屬權利施加任何條件。任何向本公司之關連人士(定義見上市規則)授出獎勵股份之事宜必須得到獨立非執行董事(不包括將獲得股份獎勵的獨立非執行董事)的批准。董事會不可在董事獲知本公司有關之內幕消息或者上市規則或其他任何適用之法律規定或要求董事禁止買賣本公司證券期間指示信託人進行任何股份交易。

計劃限額

董事會不得根據股份獎勵計劃再向選定僱員授出任何獎勵股份，致使根據股份獎勵計劃授出之股份面值超過本公司於採納日期已發行股本之百分之五(5%)「計劃限額」。

根據股份獎勵計劃授予單個選定僱員之股份數目最多不得超過本公司於採納日期已發行股本之百分之一(1%)「個人限額」。

REPORT OF THE DIRECTORS

董事會報告

SHARE AWARD SCHEME (CONTINUED)

Scheme Limit (Continued)

Each of the Scheme Limit and the Individual Limit shall be refreshed automatically on each anniversary date of the Adoption Date during the duration of the Scheme as stipulated under the above stated in the Duration, such that (i) the Scheme Limit so refreshed shall not exceed five (5) per cent of the issued share capital of the Company as at each anniversary date of the Adoption Date; and (ii) the Individual Limit so refreshed shall not exceed one (1) per cent of the issued share capital of the Company as at each anniversary date of the Adoption Date.

Operation of the Scheme

The Board or a committee authorized by the Board to manage the Scheme shall (i) issued as new Shares by the Company to the Trustee held on trust for the Selected Person or (ii) purchased by the Trustee on the market, in either case out of cash paid by the Company by way of settlement to the Trustee pursuant to the terms of the Scheme. The Company shall pay the Trustee sufficient funds for any purchase including the cost of the Awarded Shares and the relevant expenses.

The Board or a committee authorized by the Board to manage the Scheme shall inform the Trustee the names of the Selected Employees, the number of shares awarded to them, the vesting date, the vesting conditions (if any) and other relevant information under the Scheme and the Trust Deed. Within 20 business days (on which the trading of Shares has not been suspended) after the Trustee receives the cash for the acquirement of new Shares or the purchase of the Awarded Shares, the Trustee shall apply the same towards the purchase of the Awarded Shares at the prevailing market price at its discretion. The Awarded Shares so purchased will be kept by the Trustee until the relevant vesting conditions are met and until then the Awarded Shares will be transferred to the Selected Employees accordingly.

股份獎勵計劃(續)

計劃限額(續)

計劃限額及個人限額將於上文「年期」所述股份獎勵計劃期間採納日期後之每個周年日自動更新，使(i)經更新之計劃限額不超過本公司於採納日期各周年日已發行股本之百分之五(5%)；及(ii)經更新之個人限額不超過本公司於採納日期各周年日已發行股本之百分之一(1%)。

股份獎勵計劃之運作

董事會或經其授權管理該計劃之委員會可以根據信託契約條款，由(i)本公司向信託人發行以信託方式為選定人士持有之新股份或(ii)信託人在市場上購入，上述兩種情況均由本公司根據計劃之條款以現金向信託人償付之方式作出。本公司應向信託人支付足額購股資金，包括獎勵股份成本及其他相關費用。

董事會或經其授權管理該計劃之委員會應通知信託人選定僱員名單、授予彼等之股份數目、歸屬日期、歸屬條件(如有)以及該計劃及信託契約下之其他相關資料。在信託人收到購入獎勵股份的現金後20個營業日(屆時股份不得被暫停買賣)內，信託人應該酌情將之用以取得新股份或按現行市場價格購入獎勵股份。在相應歸屬條件達成及屆時將獎勵股份相應過戶予選定僱員前，該等獎勵股份將由信託人持有。

REPORT OF THE DIRECTORS

董事會報告

SHARE AWARD SCHEME (CONTINUED)

Vesting and Lapse

Subject to the terms and conditions of the Scheme and the fulfillment of all vesting conditions, the relevant Awarded Shares and Related Income held by the Trustee on behalf of any Selected Employee shall vest in such Selected Employee on the Vesting Date and the Trustee shall cause the Awarded Shares and Related Income to be transferred to such Selected Employee. If the Selected Employee fails to deliver the signed and completed transfer documents to the Trustee within the stipulated period, unless the Board determines otherwise, the Awarded Shares and the Related Income shall not vest and shall revert to the Trustee as the Returned Shares.

In the event that prior to the Vesting Date the Selected Employee ceases to be an Employee, any unvested Awarded Shares and Related Income that the Selected Employee is entitled to shall lapse accordingly, unless the Board determines otherwise.

In the event that a Selected Employee dies before any Award to him as vested, unless the Board determines otherwise, the Award to him shall lapse immediately and the Awarded Shares to which the Award relate and the Related Income shall revert to the Trustee as Returned Shares. If Awarded Shares have vested before the death of the Selected Employee but have not been transferred by the Trustee to him, such vested Awarded Shares and Related Income shall be held by the Trustee for the personal representative(s) of such Selected Employee and the Trustee shall transfer to such personal representative(s) such Awarded Shares and Related Income pursuant to the terms of the Scheme and the Trust Deed.

Where any Awarded Share does not vest in accordance with the relevant provision herein and becomes Returned Share, the Board may grant Award(s) of such Returned Shares to other Selected Employees subject to such conditions or limitations as the Board may decide.

股份獎勵計劃(續)

歸屬及失效

按照該計劃的條款和條件，在所有歸屬條件達成時，由信託人代表選定僱員持有的獎勵股份和相關收益，應於歸屬日期當日歸屬於該選定僱員，信託人應促成將獎勵股份和相關收益過戶予該選定僱員。如若該選定僱員未能在規定期限內將經簽署的轉讓文件交給信託人，除非董事會另有決定，否則獎勵股份和相關收益將不予歸屬，並作為退還股份轉回予信託人。

若選定僱員在歸屬期前不再是僱員，除非董事會另有決定，否則該選定僱員有權獲授予之獎勵股份及相關收益將予相應失效。

若選定僱員在獲歸屬任何獎勵之前逝世，除非董事會另有決定，否則彼獲授予的獎勵將立即失效，與獎勵有關之獎勵股份和相關收益將作為退還股份轉回予信託人。若獎勵股份在選定僱員逝世前獲歸屬，但信託人尚未將之過戶，則已歸屬的獎勵股份和相關收益將由信託人代選定僱員的遺產代理人持有，且信託人應按照該計劃和信託契約的條款，將獎勵股份和相關收益過戶予該遺產代理人。

任何未按有關條文歸屬的獎勵股份將構成退還股份，董事會可以將該等退還股份授予其他選定僱員，並按董事會之決定賦予條件或限制。

REPORT OF THE DIRECTORS

董事會報告

SHARE AWARD SCHEME (CONTINUED)

Vesting and Lapse (Continued)

Notwithstanding any other provisions provided in the Share Award Scheme, if there occurs an event of change of control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, unless the Board determines otherwise, all the unvested Awarded Shares shall immediately vest on the date when such change of control event becomes or is declared unconditional and such date shall be deemed to be the Vesting Date.

Rights

The Selected Employees shall not have any interest or rights (including the right to vote or receive dividends) in any Awarded Shares or in the Related Income unless and until the Trustee has vested the ownership of such Awarded Shares in the Selected Employees.

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust.

Termination

The Scheme shall terminate on the earlier of the 10th anniversary date of the Adoption Date or such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of the Selected Employees.

The maximum number of Awarded Shares that can be awarded under the Scheme is 447,311,748. On 5 April 2016, 61,700,000 Shares have been awarded to the Selected Employees pursuant to the Scheme.

股份獎勵計劃(續)

歸屬及失效(續)

儘管於股份獎勵計劃內有任何其他條文規定，惟倘本公司發生控制權變動(不論以要約、合併、協議安排或其他方式進行)，除非董事會另有決定，所有未獲歸屬之獎勵股份須於該等控制權變動事項成為或被宣告為無條件之日期立即予以歸屬，而該日期須被視為歸屬日期。

權利

選定僱員不得於任何獎勵股份或相關收益中擁有任何權益或權利(包括投票或收取股息的權利)，直到信託人將有關獎勵股份的所有權歸屬予選定僱員。

信託人不能就信託下持有的任何股份行使投票權。

終止

股份獎勵計劃須於採納日期第十週年之日，或董事會決定提早終止(該終止不影響選定僱員之現有權力)之日期(以較早者為準)終止。

根據該計劃將予發放之獎勵股份最多為447,311,748股。於2016年4月5日，本公司已根據該計劃向選定僱員授出61,700,000股獎勵股份。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors during the Year and up to the date of this report were:

Executive Directors

Mr. Liu Shunxing
Mr. Yang Zhifeng (resigned on 1 November 2017)
Ms. Liu Jianhong
Mr. Yu Weizhou
Mr. Niu Wenhui (appointed on 23 January 2017)
Mr. Gui Kai
Dr. Shang Li (re-designated on 2 January 2018)

Non-executive Directors

Mr. Gao Fuchun (resigned on 9 February 2017)
Mr. Wu Shaohua (appointed on 9 February 2017)

Independent Non-executive Directors

Dr. Wong Yau Kar, David, GBS, BBS, JP
Mr. Yap Fat Suan, Henry
Dr. Jesse Zhixi Fang (appointed on 2 January 2018)
Ms. Huang Jian

In accordance with bye-law 99 of the Company's Bye-laws, Mr. Liu Shunxing, Ms. Liu Jianhong and Mr. Yu Weizhou shall retire by rotation and, being eligible, offer themselves for re-election at the forth coming annual general meeting. In accordance with bye-law 102(B) of the Company's Bye-laws, Dr. Shang Li and Dr. Jesse Zhixi Fang shall retire by rotation and, being eligible, offer themselves for re-election at the forth coming annual general meeting.

All the non-executive Directors are appointed for as specific term and will be subject to retirement by rotation and re-election at the annual general meeting of the Company.

董事

於本年度內及截至本報告日期之董事為：

執行董事

劉順興先生
楊智峰先生(於2017年11月1日辭任)
劉建紅女士
余維洲先生
牛文輝先生(於2017年1月23日獲委任)
桂凱先生
尚笠博士(於2018年1月2日獲調任)

非執行董事

高富春先生(於2017年2月9日辭任)
吳韶華先生(於2017年2月9日獲任)

獨立非執行董事

黃友嘉博士,GBS,BBS,JP
葉發旋先生
方之熙博士(於2018年1月2日獲任)
黃簡女士

根據本公司之公司細則第99條，劉順興先生、劉建紅女士和余維洲先生，須於應屆股東週年大會上輪值告退，惟符合資格並願膺選連任。根據本公司之公司細則第102(B)條，尚笠博士和方之熙博士須於應屆股東週年大會上輪值告退，惟符合資格並願膺選連任。

全體非執行董事已獲委任指定任期，並須於本公司股東週年大會上輪值告退及膺選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS (CONTINUED)

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules during the Year and the Company considered that they are independent.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company which requires the Company to give a period of notice of more than one year, or to pay compensation or make other payments equivalent to more than one year's emolument.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

董事(續)

本公司已於本年度內接獲各獨立非執行董事根據上市規則第3.13條所發出之年度獨立性確認書，而本公司認為彼等均為獨立人士。

董事之服務合約

概無董事與本公司訂有規定本公司須給予超過一年通知期或支付或作出相等於超過一年酬金之賠償或其他付款之服務合約。

董事於合約之權益

本公司董事概無於本公司或其任何同系附屬公司所訂立於本年度結束時或本年度內任何時間仍然存續且對本集團業務而言屬重大之任何合約中直接或間接擁有重大權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2017, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), or known to the Company, were as follows:

董事及主要行政人員於本公司或任何聯營公司之股份、相關股份及債券中擁有之權益及／或淡倉

於2017年12月31日，各董事及主要行政人員於本公司或其任何聯營公司(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有已記錄於本公司須根據證券及期貨條例第352條存置之登記冊內之權益及淡倉，或已根據證券及期貨條例第XV部或香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)下上市公司董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所，或本公司已知悉之權益及淡倉如下：

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

(CONTINUED)

董事及主要行政人員於本公司或任何聯營公司之股份、相關股份及債券中擁有之權益及／或淡倉(續)

(i) Long positions in the shares of the Company:

(i) 於本公司股份之好倉：

| Name of the Directors 董事姓名 | Approximate percentage of the total issued share capital 佔已發行股本總數之概約百分比(%) | | | | Total 總計 | Approximate percentage of the total issued share capital 佔已發行股本總數之概約百分比 (%) |
|-------------------------------|---|--------------|----------------------------|--|---------------|---|
| | Personal 個人 | Family 家族 | Corporate 公司 | | | |
| Liu Shunxing 劉順興 | 9,000,000 | — | 2,436,479,387 ¹ | | 2,445,479,387 | 28.18 |
| Liu Jianhong 劉建紅 | 8,710,000 | — | — | | 8,710,000 | 0.10 |
| Yu Weizhou 余維洲 | 25,130,000 | — | — | | 25,130,000 | 0.29 |
| Niu Wenhui 牛文輝 | 4,000,000 | — | — | | 4,000,000 | 0.05 |
| Gui Kai 桂凱 | 3,600,000 | — | — | | 3,600,000 | 0.04 |
| Yap Fat Suan, Henry 葉發旋 | 200,000 | — | — | | 200,000 | 0.002 |

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

(CONTINUED)

(i) Long positions in the shares of the Company: (Continued)

Note:

- 2,311,469,387 shares are held by China Wind Power Investment Limited, China Wind Power Investment Limited is wholly-owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International Investment Limited ("Concord International"). Mr. Liu Shunxing held as to 47.78% of the issued shares of Concord International, and 125,010,000 shares are held by Guangfeng International Holdings Limited which is wholly owned by Beijing Guangfeng Energy Technology Limited. Mr. Liu Shunxing held as to 99% of the issued shares of Beijing Guangfeng Energy Technology Limited.

(ii) Long positions in the underlying shares of share options of the Company:

Details of the movement of the share options are set out in Note 35 to the financial statements.

Save as disclosed above, as at 31 December 2017, none of the directors and chief executives of the Company and/or any of their respective associates had any interest or short position in the shares, underlying shares or debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code adopted by the Company.

董事及主要行政人員於本公司或任何聯營公司之股份、相關股份及債券中擁有之權益及／或淡倉(續)

(i) 於本公司股份之好倉：(續)

附註：

- 該等股份由China Wind Power Investment Limited持有2,311,469,387股。China Wind Power Investment Limited由New Energy International Limited全資擁有，而New Energy International Limited則為Concord International Investment Limited (「Concord International」)之全資附屬公司。劉順興先生持有Concord International之47.78%已發行股份。Guangfeng International Holdings Limited持有125,010,000股，Guangfeng International Holdings Limited由北京廣豐能源科技有限公司全資擁有。劉順興先生持有北京廣豐能源科技有限公司99%之已發行股份。

(ii) 於本公司購股權之相關股份之好倉：

購股權變動詳情載於財務報表附註35。

除上文所披露者外，於2017年12月31日，概無本公司董事及主要行政人員及／或任何彼等各自之聯繫人士於本公司及／或其任何聯營公司(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有任何已記錄於本公司根據證券及期貨條例第352條存置之登記冊，或根據證券及期貨條例第XV部或本公司採納之標準守則已知會本公司及聯交所之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the heading "Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying shares and Debentures of the Company or any Associated Corporation" above, at no time during the Year was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the directors (including their respective spouse and children under the age of 18) to acquire benefits by the means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2017, save as disclosed under the section "Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying shares and Debentures of the Company or any Associated Corporation" above, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital under Section 336 of the SFO.

Long positions in the shares of the Company:

| Name of shareholder | Number of the shares of the company held | Approximate percentage of the total issued share capital |
|--|--|--|
| 股東名稱 | 持有本公司股份數目 | 佔已發行股本總數之概約百分比 (%) |
| China Wind Power Investment Limited ⁽¹⁾ | 2,311,469,387 | 26.64 |
| Huadian Fuxin 華電福新 | 880,000,000 | 10.14 |

董事收購股份之權利

除上文「董事及主要行政人員於本公司或任何聯營公司之股份、相關股份及債券中擁有之權益及／或淡倉」所披露者外，於本年度內任何時間，本公司或其任何附屬公司或聯營公司概無訂立任何安排，致令董事(包括彼等各自之配偶及18歲以下之子女)可藉購入本公司或其任何聯營公司之股份或相關股份或債券而獲利。

主要股東

於2017年12月31日，除上文「董事及主要行政人員於本公司或任何聯營公司之股份、相關股份及債券中擁有之權益及／或淡倉」一節所披露者外，本公司獲知會下列主要股東權益(即根據證券及期貨條例第336條本公司已發行股本中5%或以上之權益)。

於本公司股份之好倉：

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

Note:

- (1) The shares are held by China Wind Power Investment Limited, China Wind Power Investment Limited is wholly-owned by New Energy International Limited, which in turn is a wholly-owned subsidiary of Concord International Investment Limited ("Concord International"). Mr. Liu Shunxing held as to 47.78% of the issued shares of Concord International.

Save as disclosed above, as at 31 December 2017, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Section 336 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws of the Company, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company against all losses and liabilities & etc. which they may incur or sustain by reason about the execution of their duties, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors. The Company has also arranged appropriate Directors' and liability insurance coverage for the Directors and officers of the Group.

主要股東(續)

附註：

- (1) 該等股份由China Wind Power Investment Limited持有。China Wind Power Investment Limited由New Energy International Limited全資擁有，而New Energy International Limited則為Concord International Investment Limited (「Concord International」)之全資附屬公司。劉順興先生持有Concord International之47.78%已發行股份。

除上文所披露者外，於2017年12月31日，概無其他人士於本公司之股份或相關股份中擁有須根據證券及期貨條例第336條向本公司披露，或須根據證券及期貨條例第336條記錄於本公司存置之登記冊之權益或淡倉。

管理合約

於本年度內，並無就本公司全部業務或其中任何重要部份之管理及行政而訂立或存有合約。

獲准許之彌償條文

根據本公司之公司細則，董事應從本公司之資產及溢利中獲彌償及保證免責於彼等因執行職務而可能招致或承擔之一切虧損及責任等，惟本彌償保證不得延伸至任何董事可能牽涉之任何欺詐或不誠實事宜。本公司已為本集團董事及高級人員安排投購合適之董事及責任保險。

REPORT OF THE DIRECTORS

董事會報告

MAJOR SUPPLIERS AND MAJOR CUSTOMERS

During the Year, sales to the Group's largest 5 customers accounted for 55% of the total sales for the Year, and the largest customer included there in amounted to 19%.

Purchases from the Group's 5 largest suppliers accounted for 70% of the total purchases for the Year, and the largest supplier included therein amounted to 39%.

None of the Directors, their associates or any shareholders, which to the knowledge of the Directors own more than 5% of the Company's share capital, had interests in the major suppliers or customers noted above.

CORPORATE GOVERNANCE

The Company is committed to maintain a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 65 to 77 of the annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there was sufficient of public float of the Company's securities as required under the Listing Rules.

AUDITOR

The financial statements have been audited by Deloitte Touche Tohmatsu who retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Liu Shunxing

Chairman

Hong Kong, 16 March 2018

主要供應商及主要客戶

於本年度內，本集團五大客戶之銷售額佔本年度之總銷售額55%，其中已包括最大客戶佔19%。

本集團五大供應商之採購額佔本年度之總採購額70%，其中已包括最大供應商佔39%。

概無董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司股本5%以上者)於上述主要供應商或客戶中擁有權益。

企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納企業管治常規之資料載於年報第65至77頁之企業管治報告內。

足夠公眾持股量

按本公司可公開取得之資料及就董事所知，於本報告日期，本公司擁有上市規則規定之本公司證券足夠公眾持股量。

核數師

財務報表已經德勤•關黃陳方會計師行審核，該核數師將行退任，惟符合資格並願於本公司應屆股東週年大會上獲續聘。

代表董事會

主席

劉順興

香港，2018年3月16日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE REPORT

The board of Directors of the Company (the “Board”) is committed to achieving a high standard of corporate governance.

Throughout the year ended 31 December 2017, the Board has reviewed the Group’s corporate governance practices and is satisfied that the Company has complied with the code provisions in the Corporate Governance Code (“the Code”) set out in the Appendix 14 to the Listing Rules on the Stock Exchange.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) set out in Appendix 10 to the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2017.

THE BOARD

As at 31 December 2017, the Board comprised of ten Directors, including five executive Directors, one non-executive Director and four independent non-executive Directors. On 2 January 2018, Dr. Shang Li was re-designated from the independent non-executive Director to the executive Director, and Dr. Jesse Zhixi Fang was appointed as the independent non-executive Director, the Board then increased to eleven Directors. Biographical details of the Directors are stated under the section “Biographical Details of Directors and Senior Management”.

企業管治報告

本公司董事會(「董事會」)致力達致高水平之企業管治。

於截至2017年12月31日止年度，董事會已審閱本集團之企業管治常規，並信納本公司一直遵守聯交所上市規則附錄十四所載之企業管治守則(「守則」)之守則條文。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)。經本公司作出查詢後，本公司全體董事均已確認彼等於截至2017年12月31日止年度一直遵守標準守則所載之規定標準。

董事會

於2017年12月31日，董事會由10位董事組成，包括5位執行董事、1位非執行董事和4位獨立非執行董事。於2018年1月2日，尚笠博士由獨立非執行董事調任為執行董事，方之熙博士獲任為獨立非執行董事，董事會當時增至十一名成員。董事之個人資料載於「董事及高層管理人員的個人資料」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (CONTINUED)

The major shareholder of the Company, China Wind Power Investment Limited (“CWPI”) holds 2,311,469,387 shares of the Company. CWPI is held indirectly by, amongst others, two executive Directors namely, Mr. Liu Shunxing and Ms. Liu Jianhong.

Save as disclosed above, there are no financial, business, family or other material/relevant relationships between the Board members.

For a Director to be considered independent, that director should not have any direct or indirect material interest in the Group. In determining the independence of Directors, the Board follows the requirement set out in the Listing Rules. Each of the independent non-executive Directors has made an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules.

All the non-executive Directors (including the independent non-executive Directors) are appointed for a specific term and will be subject to retirement by rotation and re-election at the annual general meeting of the Company.

The Chairman is responsible for providing leadership to, and overseeing, the functioning of the Board to ensure that the Board acts in the best interest for the Group. The Chairman is responsible for approving the agenda for each Board meeting, after taking into account the matters proposed by other Directors. With the support of the executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and receive adequate and reliable information in a timely manner. The Chairman also actively encourages all Directors to be fully engaged in the Board’s affairs and make contributions to the Board’s functions. The Board has adopted good corporate governance practices and procedures and has taken appropriate steps to provide effective communication with shareholders.

董事會(續)

本公司之主要股東China Wind Power Investment Limited(「CWPI」)持有2,311,469,387股本公司股份。CWPI現由(其中包括)兩名執行董事(即劉順興先生及劉建紅女士)間接持有。

除上文所披露者外，董事會成員之間並無任何財務、業務、家屬或其他重大／相關關係。

董事於本集團並無任何直接或間接重大權益，方會被視為具獨立性。董事會按照上市規則所載之規定釐定董事之獨立性。各獨立非執行董事已根據上市規則第3.13條之規定提交確認彼符合獨立性之年度確認書。

全體非執行董事(包括獨立非執行董事)均獲委任特定任期，並須於本公司之股東週年大會上輪席退任及重選。

主席負責領導與監管董事會之運作，以確保董事會為本集團之最佳利益行事。主席負責於考慮其他董事建議列入議程之事項後批准每次董事會會議之議程。在執行董事和公司秘書協助下，主席將確保所有董事獲恰當地簡報在董事會會議上提出之事項，並適時獲得足夠及可靠之資訊。主席亦積極鼓勵所有董事全面參與董事會之事務以及對董事會之職能作出貢獻。董事會已採納良好之企業管治常規和程序，並已採取適當步驟與股東保持有效溝通。

THE BOARD (CONTINUED)

The CEO is responsible for managing the business of the Group, attending to the formulation and implementation of group policies, and assuming full accountability for the Group's operations. Acting as the principal manager of the Group's business, the CEO develops a strategic operating plan that reflects the long-term objectives and priorities established by the Board, and is directly responsible for maintaining the operational performance of the Group. Working with the senior management and the Board, the CEO ensures that the funding requirements of the business are met and closely monitors the operating and financial results against the plans and budgets. He also takes remedial actions when necessary and advises the Board of any significant developments and issues of the Group.

Ongoing dialogues are maintained with all Directors to keep them fully informed of all major business developments and issues.

董事會 (續)

行政總裁負責管理本集團之業務，參與構思及實行集團政策，並對本集團營運負上全責。身為本集團業務之主要管理人，行政總裁制訂反映董事會所訂立長期目標及優先次序之策略性經營計劃，並直接負責維持本集團之營運表現。行政總裁與高層管理人員及董事會攜手合作，確保達到業務之資金要求，並密切監察經營及財務業績符合計劃及預算之情況，於有需要時採取補救行動並就本集團之任何重大發展及事項向董事會提供意見。

行政總裁與全體董事一直保持對話，使彼等完全知悉一切主要業務發展及事項。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (CONTINUED)

The Board meets regularly, and at least 4 times a year. Between meetings, senior management of the Group provides to Directors the information on the activities and developments in the business of the Group on a timely basis and when required, additional Board meetings are held. In addition, Directors have full access to the information of the Group and the independent professional advice whenever deemed necessary by the Directors. During the year ended 31 December 2017, a total of 24 board meetings and 3 general meetings ("2017 AGM" and "2017 SGM") were held and the attendance of each director is set out below:

董事會(續)

董事會定期召開會議，並於一年內至少舉行4次會議。於會議之間，本集團高層管理人員適時向董事提供有關本集團活動和業務發展之資料，並於有需要時舉行額外之董事會會議。此外，董事可於彼等認為有需要時全面向本集團索取資料和尋求獨立專業意見。於截至2017年12月31日止年度，本公司合共舉行24次董事會會議及3次股東大會（「2017年股東週年大會」及「2017年股東特別大會」），各董事之出席情況載列如下：

| | Name of directors 董事姓名 | Number of meetings attended in the year ended 31 December 2017/ Number of meetings eligible to attend 截至2017年12月31日止 年度出席之會議數目/ 合資格出席之會議數目 | | |
|---|---|---|--|--|
| | | Board meetings 董事會會議 | 2017 SGM ⁶ 2017年股東 特別大會 ⁶ | 2017 AGM ⁷ 2017年股東 週年大會 ⁷ |
| Chairman 主席 | Liu Shunxing 劉順興 | 24/24 | 3/3 | 1/1 |
| Co-vice Chairperson 聯席副主席 | Yang Zhifeng ¹ 楊智峰 ¹ | 20/20 | 2/2 | 1/1 |
| | Liu Jianhong 劉建紅 | 24/24 | 3/3 | 1/1 |
| CEO 行政總裁 | Yu Weizhou 余維洲 | 24/24 | 3/3 | 1/1 |
| Executive Director 執行董事 | Mr. Niu Wenhui ² 牛文輝先生 ² | 21/21 | 3/3 | 1/1 |
| | Gui Kai 桂凱 | 24/24 | 3/3 | 1/1 |
| Non-executive Director 非執行董事 | Gao Fuchun ³ 高富春 ³ | 3/3 | 0/0 | 0/0 |
| | Mr. Wu Shaohua ⁴ 吳韶華先生 ⁴ | 20/20 | 3/3 | 1/1 |
| Independent Non-Executive Directors 獨立非執行董事 | Dr. Wong Yau Kar, David, GBS, BBS, JP 黃友嘉博士, GBS, BBS, JP | 24/24 | 3/3 | 1/1 |
| | Yap Fat Suan, Henry 葉發旋 | 24/24 | 3/3 | 1/1 |
| | Shang Li ⁵ 尚笠 ⁵ | 24/24 | 3/3 | 1/1 |
| | Huang Jian 黃簡 | 24/24 | 3/3 | 1/1 |

THE BOARD (CONTINUED)

Notes:

- ¹ Mr. Yang Zhifeng has resigned as Executive Director and Co-vice Chairperson on 1 November 2017.
- ² Mr. Niu Wenhui has appointed as Executive Director on 23 January 2017.
- ³ Mr. Gao Fuchun has resigned as a non-executive Director on 9 February 2017.
- ⁴ Mr. Wu Shaohua has appointed as a non-executive Director on 9 February 2017.
- ⁵ Dr. Shang Li has re-designate from Independent Non-executive Director to Executive Director on 2 January 2018.
- ⁶ 2017 SGM was held on 27 February 2017, 25 September 2017 and 23 November 2017.
- ⁷ 2017 AGM was held on 5 June 2017.

Professional training for directors

All Directors, including independent non-executive Directors, should always know their collective responsibilities as Directors and of the businesses and activities of the Group. Each newly appointed Director would receive an induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company. The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills, and updates all Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and to enhance their awareness of good corporate governance practices.

During the year ended 31 December 2017, all existing Directors have received relevant trainings by reading relevant materials on the topics relating to corporate governance and regulations and have provided their training records.

董事會(續)

附註：

- ¹ 楊智峰先生於2017年11月1日辭任執行董事及聯席副主席。
- ² 牛文輝先生於2017年1月23日獲委任為執行董事。
- ³ 高富春先生於2017年2月9日辭任非執行董事。
- ⁴ 吳韶華先生於2017年2月9日獲任非執行董事。
- ⁵ 尚笠博士於2018年1月2日由獨立非執行董事獲調任執行董事。
- ⁶ 2017年特別股東大會於2017年2月27日，2017年9月25日和2017年11月23日舉行。
- ⁷ 2017年股東週年大會於2017年6月5日舉行。

董事專業培訓

全體董事(包括獨立非執行董事)應清楚彼等身為董事及對本集團業務及活動之集體責任。每名新獲委任之董事將收到一套入職資料，涵蓋本集團之業務及上市公司董事須承擔之法定及監管責任。本集團亦提供簡報及其他培訓，以建立及重溫董事之知識及技能，並為全體董事提供有關上市規則及其他適用監管規定之最新發展資料，以確保彼等遵守良好企業管治常規及提升彼等對此方面之意識。

於截至2017年12月31日止年度，全體現任董事已閱讀有關企業管治及規例課題之相關培訓，並提供培訓記錄。

BOARD COMMITTEES

During the year ended 31 December 2017, the Board has reviewed and monitored the training and continuous professional development of directors and senior management. The Board has also reviewed and ensured compliance of the relevant legal and regulatory requirements. Besides, the Company has set up three committees including the Nomination Committee, the Remuneration Committee and the Audit Committee. Each committee has its specific terms of reference with reference to the Code:

Remuneration Committee

The Remuneration Committee comprises five members. The Remuneration Committee is chaired by Dr. Wong Yau Kar, David, GBS, BBS, JP with Mr. Liu Shunxing, Ms. Liu Jianhong, Mr. Yap Fat Suan, Henry and Dr. Shang Li being the members. The Remuneration Committee meets for the determination of the remuneration packages of Directors and senior management of the Group. In addition, the Remuneration Committee also meets as and when required to consider remuneration related matters such as making recommendations to the Board on the Group's policy and structure for the remuneration of Directors and senior management. Dr. Shang Li has been re-designated as an executive director of the Company and has resigned as a member of the remuneration committee of the Company and Dr. Jesse Zhixi Fang has been appointed as an independent non-executive director of the Company and a member of the remuneration committee of the Company, all the changes were effective on 2 January 2018.

Under its term of reference, the Remuneration Committee assists the Board in achieving its objective of attracting, retaining and motivating people of the highest caliber and experience needed to shape and execute strategies across the Group's operations. The Committee also assists the Group in the administration of the fair and transparent procedure for setting policies on the remuneration of Directors and senior management of the Group. The written terms of reference are posted on the websites of the Company and the Stock Exchange.

During the year, the Remuneration Committee has held 2 meetings with all members present. The Committee has reviewed the remuneration packages for Directors and senior management of the Group.

董事委員會

於截至2017年12月31日止年度，董事會已檢討及監察董事及高層管理人員之培訓及持續專業發展。董事會亦已檢討及確保遵守相關法律及監管規定。此外，本公司已設立三個委員會，包括提名委員會、薪酬委員會及審核委員會。各委員會均已參考守則制定特定職權範圍：

薪酬委員會

薪酬委員會由5位成員組成。薪酬委員會由黃友嘉博士，GBS, BBS, JP擔任主席，成員為劉順興先生、劉建紅女士、葉發旋先生及尚笠博士。薪酬委員會舉行會議以釐定董事及本集團高層管理人員之薪酬待遇。此外，薪酬委員會將按需要舉行會議，以審議薪酬相關事宜，如就本集團之政策及董事及高級管理人員之薪酬架構提出建議。尚笠博士已調任為本公司執行董事及辭任本公司薪酬委員會委員，而方之熙博士已獲委任為本公司獨立非執行董事及本公司薪酬委員會委員，所有變動均於2018年1月2日生效。

根據其職權範圍，薪酬委員會協助董事會達成其目標，即吸引、保留與激勵最有才能和經驗之人才，為本集團旗下業務營運制訂與執行策略。委員會亦協助本集團監督公平而具透明度之程序，用以制定董事與本集團高層管理人員之薪酬政策。書面職權範圍登載於本公司及聯交所網站。

於本年度內，薪酬委員會舉行了2次會議，全體成員均有出席。委員會已檢討董事及本集團高級管理人員之薪酬待遇。

BOARD COMMITTEES (CONTINUED)

Remuneration Committee (Continued)

Remuneration of senior management other than directors for the year ended 31 December 2017.

董事委員會(續)

薪酬委員會(續)

高級管理層(董事除外)於截至2017年12月31日止年度之薪酬如下。

| Total Remuneration Bands | 薪酬總額範圍 | Number of Executive 行政人員數目 |
|----------------------------|------------------------|-------------------------------|
| HK\$500,000 to HK\$800,000 | 500,000 港元至 800,000 港元 | 5 |

Nomination Committee

The Nomination Committee comprises five members, namely Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong, Dr. Wong Yau Kar, David, GBS, BBS, JP Mr. Yap Fat Suan, Henry and Ms. Huang Jian.

The terms of reference of the Nomination Committee have been determined with reference to the Code and are posted on the websites of the Company and the Stock Exchange. Under its terms of reference, the Nomination Committee is responsible for identifying potential directors and making recommendations to the Board on the appointment or re-appointment of directors of the Company. Potential new directors are selected on the basis of their qualifications, skills and experience which the Nomination Committee considers will make a positive contribution to the performance of the Board. During the year, the Nomination Committee has held 2 meetings with all members present. The Committee has reviewed the structure, size and composition of the Board.

Audit Committee

The Audit Committee comprises three independent non-executive Directors. The Audit Committee is chaired by Mr. Yap Fat Suan, Henry and the other members of the Committee are Dr. Wong Yau Kar, David, GBS, BBS, JP and Ms. Huang Jian. Mr. Yap Fat Suan, Henry is a chartered accountant in England and Wales and is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of Hong Kong Institute of Certified Public Accountants.

提名委員會

提名委員會由5位成員組成，分別為劉順興先生(主席)、劉建紅女士、黃友嘉博士,GBS, BBS, JP、葉發旋先生及黃簡女士。

提名委員會之職權範圍乃參考守則釐定，並登載於本公司及聯交所網站。根據其職權範圍，提名委員會負責物色潛在董事及就本公司董事之委任及重新委任向董事會提出建議。潛在新董事乃基於提名委員會認為將為董事會工作帶來裨益之資歷、技能及經驗篩選。於本年度內，提名委員會舉行了2次會議，全體成員均有出席。委員會已檢討董事會之架構、人數及組成。

審核委員會

審核委員會由3位獨立非執行董事組成。審核委員會由葉發旋先生擔任主席，而委員會其他成員包括黃友嘉博士,GBS,BBS,JP及黃簡女士。葉發旋先生為英格蘭及威爾斯特許會計師，並為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (CONTINUED)

Audit Committee (Continued)

The terms of reference of the Audit Committee are in line with the Code and are posted on the websites of the Company and the Stock Exchange. Under its terms of reference, the Audit Committee is required, amongst other things, to oversee the relationship with the external auditors, to review the Group's interim and annual financial statements, to review the scope, extent and effectiveness of the Group's risk management and internal control system, and to review the Group's financial and accounting policies.

The Audit Committee has held 3 meetings during the year with all members present.

There is no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors.

AUDITORS' REMUNERATION

A summary of fees for audit and non-audit services is as follows:

| Nature of the services | | 31 December | 31 December |
|------------------------|------|--------------|--------------|
| | | 2017 | 2016 |
| 服務性質 | | 2017年 | 2016年 |
| | | 12月31日 | 12月31日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Audit services | 核數服務 | 2,492 | 2,516 |
| | | 2,492 | 2,516 |

董事委員會(續)

審核委員會(續)

審核委員會之職權範圍符合守則，並登載於本公司及聯交所網站。根據其職權範圍，審核委員會須(其中包括)監督與外聘核數師之關係、審閱本集團之中期及年度財務報表，以及檢討本集團風險管理及內部監控系統之範圍、程度及成效，以及審閱本集團之財務及會計政策。

於本年度內，審核委員會舉行了3次會議，全體成員均有出席。

對於挑選、委任、辭退或罷免外聘核數師，董事會與審核委員會並無意見分歧。

核數師酬金

核數與非核數服務之費用概列如下：

RISK MANAGEMENT AND INTERNAL CONTROLS

The Company has formulated risk management and internal control policies covering the management of targets, management of values and management of beliefs, and has established a set of risk management and internal control procedures encompassing the Company's organisational, institutional, procedural systems as well as information system, in order to safeguard the Company's assets and shareholders' investment by means of ensuring that risk control and strategic goals are compatible and within the manageable scope, ensuring the proper maintenance of accounting records and reliability of financial reporting, and ensuring the compliance with relevant laws and regulations.

The Company has established a comprehensive set of risk management and internal control and monitoring organisational systems. There is a risk management system comprising the Board of Directors, the Risk Management Committee; and there is an internal monitoring system made up of the Audit Committee and the audit department which reports to the Board. This set of systems ensure the continuous improvement and effectiveness of the risk management and internal control system.

The Board is responsible for the risk management and internal control systems of the Group and the review of their effectiveness. The Risk Management Committee is made up of the Group's management, which is responsible and reports to the Board. The committee is responsible for the design, implementation and monitoring of the Group's risk management and internal control system, in order to ensure the continuous effectiveness of the system.

風險管理及內部監控

本公司形成了包括管理目標、管理價值、管理理念在內的風險管理及內部監控政策，建立了一套包括組織體系、制度體系、流程體系以及信息系統在內的風險管理及內部監控程序，以確保將風險控制在與策略目標相適應並可承受的範圍之內，以保障公司資產和股東投資，確保妥善保存會計記錄及作出可靠之財務報告，並保證符合有關法例及規例。

本公司建立了完善的風險管理及內部監控組織體系，形成了由董事會、風險管理委員會構成的風險管理體系，由審核委員會、董事局審計部構成的內部監控體系。該組織體系保證了風險管理及內部監控系統的持續完善及其有效性。

董事會負責本集團之風險管理及內部監控系統，並須檢討其有效性。由集團管理層成員組成的風險管理委員會向董事會匯報和負責，並負責本集團風險管理及內部監控系統的設計、實施及監察，以確保該系統的持續有效。

RISK MANAGEMENT AND INTERNAL CONTROLS
(CONTINUED)

The Company has formulated regulations and systems relevant to risk management and internal control, including the “Risk Management System” (《風險管理制度》), “Internal Control and Work Management Guidelines” (《內部控制工作管理辦法》), “Anti-corruption Management System” (《反舞弊管理制度》), “Internal Audit Management System” (《內部審計管理制度》), “Audit Management Guidelines for Employment Termination” (《離任審計管理辦法》) and “Professional Ethics and Code of Conduct for Managers” (《經理人職業道德規範及行為準則》), etc. The risk management and internal monitoring system aims to ensure the formulation and effective implementation of financial, operational and regulatory monitoring and risk management functions. The process and information systems guarantee the effective execution of the risk management and internal control systems. Through the establishment of the process system, the Company will be able to carry out risk identification, risk assessment, risk response, risk monitoring and risk improvement. During the year, the Company has also improved the information systems relevant to risk management and internal control, improved the internal monitoring platform and established the corporate Wechat platform for internal monitoring reporting. The Company upholds the fundamental principles of “Prevention Precedes Punishment” and “Protect Those Who Report, Avoid Those Who are Being Investigated”

The Board has conducted a review of and is satisfied with the effectiveness of the risk management and internal control system of the Group.

The Company has established an independent audit function. The dedicated general manager of the function is independent of the daily operation of the Group. The Board and the Audit Committee believe that the internal audit function of the Company has the capacity to independently report to the Audit Committee in respect of the matters including audit plan and resources, executed audit procedures and material audit findings, and is capable to conduct analysis and independent assessment on the effectiveness of the Company’s risk management and internal control systems.

This year, the Company has continued to engage an international risk management and business consultancy company in providing service to the Company, and assisting in the improvement of the Group’s risk management and internal monitoring system.

風險管理及內部監控(續)

本公司已制定了《風險管理制度》、《內部控制工作管理辦法》、《反舞弊管理制度》、《內部審計管理制度》、《離任審計管理辦法》、《經理人職業道德規範及行為準則》等風險管理與內部監控相關規章制度。風險管理與內部監控制度旨在確保制定及有效實行財務、營運及法規監控以及風險管理工作。流程體系及信息系統是風險管理及內部監控系統有效實施之保證。公司通過流程體系實現與本公司相關的風險識別、風險評估、風險應對、風險監督及改進。本年度公司亦完善了風險管理與內部監控工作相關信息系統，完善內部監督平臺，創建企業微信內部監督舉報平臺，堅持「懲防並舉、重在預防」及「舉報保護、調查迴避」之基本原則。

本報告期內，董事會已檢討本集團之風險管理及內部監控系統，並信納其有效性。

本公司建立內部審計職能，由該職能總經理負責並且該職能與本集團日常運營相獨立，董事會及審核委員會相信，公司內部審計職能能夠獨立向審核委員會就審計計劃及資源、已執行的審計程序及重大審計發現等事項進行獨立報告，能夠對公司風險管理及內部監控系統是否有效作出分析及獨立評估。

本公司已聘請的全球性風險管理與商業諮詢公司在本年度繼續為本公司提供服務，以協助本集團風險管理及內部監控系統之完善。

FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the financial statements which give a true and fair view and are in compliance with the statutory requirements and applicable financial reporting standards. As at 31 December 2017, the Directors was not aware of any material misstatement or uncertainties that might put doubt on the Group's financial position or continue as a going concern. The Board endeavours to ensure a balanced, clear and understandable assessment of the Group's performance, position and prospects in financial reporting.

A statement by the auditor about the auditor's responsibility is set out on page 131 to 139 of this annual report.

COMPANY SECRETARY

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed and that the activities of the Board are carried out efficiently and effectively. The Company Secretary assists the Chairman to prepare agendas and Board papers for meetings and disseminates such documents to the Directors and board committees in a timely manner. The Company Secretary is responsible for ensuring that the Board is fully briefed on all legislative, regulatory and corporate governance developments when making decisions. The Company Secretary is also directly responsible for the Group's compliance with the continuing obligations of the Listing Rules and Codes on Takeovers and Mergers and Share Repurchases, including publication and dissemination of Report and Financial Statements and interim reports within the period laid down in the Listing Rules, timely dissemination of announcements and information relating to the Group to the market and ensuring that proper notification is made when there are any dealings of the Director in the securities of the Group.

財務報告

董事確認彼等有責任遵守法定規定及適用財務報告準則，真實且公平地編製財務報表。於2017年12月31日，董事並不知悉任何可能會對本集團之財務狀況或持續經營能力構成懷疑之重大錯誤陳述或不確定因素。董事會致力確保於財務報告對本集團表現、狀況及前景作出權衡各方、清晰易明之評估。

核數師就核數師責任作出之聲明載於本年報第131至139頁。

公司秘書

公司秘書向董事會負責，確保董事會程序獲得遵守和董事會活動符合效率和效益。公司秘書協助主席編製會議議程及董事會文件，並適時發送該等文件予董事和董事會各委員。公司秘書負責確保董事會於作出決策時獲得全面簡報一切有關立法、規管和企業管治之發展。公司秘書亦直接負責確保本集團遵照上市規則與公司收購、合併及股份購回守則所規定之持續責任，包括於上市規則規定之期限內出版和發送報告及財務報表與中期報告、適時向市場傳達有關本集團之公佈與資料，並確保於董事買賣任何本集團證券時發出適當通知。

COMPANY SECRETARY (CONTINUED)

The Company Secretary also advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensure that the standards and disclosures required by the Listing Rules are observed.

During the year, Mr. Chan Kam Kwan, Jason, the Company Secretary of the Company, has undertaken no less than 15 hours of professional training to update his skills and knowledge.

SHAREHOLDERS' RIGHTS

How shareholders can convene a special general meeting ("SGM")

Subject to Section 74 of the Companies Act 1981 of Bermuda (the "Act") and Bye-law 62 of the Bye-laws of the Company, shareholders holding in aggregate not less than 10% of the paid-up capital of the Company have the right, by written requisition to the Board or the secretary of the Company, to request a special general meeting to be called by the Board for the transaction of any business specified in such requisition.

Procedures for putting forward proposals at a general meeting

Any number of shareholders representing not less than 5% of the total voting rights of the Company on the date of the requisition or not less than 100 shareholders of the Company are entitled to put forward a proposal for consideration at a general meeting of the Company. Shareholders should follow the requirements and procedures as set out in Section 79 of the Act for putting forward such proposal at a general meeting.

公司秘書(續)

公司秘書亦就董事披露證券權益、關連交易和股價敏感資料方面之責任向彼等提供意見，並確保上市規則規定之標準與披露獲得遵守。

年內，本公司之公司秘書陳錦坤先生已接受不少於15小時之專業培訓，以重溫其技能及知識。

股東權利

股東如何可以召開股東特別大會(「股東特別大會」)

根據1981年百慕達公司法(「公司法」)第74條及本公司之公司細則第62條，合共持有本公司繳足股本不少於10%之股東有權向董事會或本公司秘書提出書面請求，要求董事會召開股東特別大會處理該請求書中指明之任何事務。

於股東大會上提出建議之程序

於請求書日期佔本公司總投票權不少於5%之任何數目股東，或不少於100名本公司股東有權於本公司股東大會上提出建議以供考慮。股東於股東大會上提出有關建議時須遵守公司法第79條所載規定及程序。

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Suite 3901, 39/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong
Fax: (852) 28660281
Email: cs@cnegroup.com

Shareholders may also make enquiries with the Board at the general meetings of the Company.

INVESTOR RELATIONS

The Board is committed in providing clear and full performance information of the Group to shareholders through the publication of interim and annual reports. In addition to the circulars, notices and financial reports sent to shareholders, additional information of the Group is also available to shareholders on the Group's website.

Shareholders are encouraged to attend the annual general meeting for which at least 20 clear business days' notice is given. The Chairman and Directors are available to answer questions on the Group's business at the meeting. Subject to the Act and the bye-laws of the Company, all shareholders shall have statutory rights to call for special general meetings and put forward agenda items for consideration in the general meetings. All resolutions at the general meeting are decided by a poll which is conducted by the Group's branch share registrar in Hong Kong.

The Group values feedback from shareholders on its effort to promote transparency and foster investor relationships. Comments and suggestions are always welcomed.

CONSTITUTION AN DOCUMENT

There are no changes in the Company's constitutional document during the year.

股東權利(續)

股東向董事會提出查詢之程序

股東可隨時以書面方式透過公司秘書向董事會提出查詢及關注，公司秘書之聯絡詳情如下：

香港金鐘夏慤道16號遠東金融中心39樓
3901室
傳真：(852)28660281
電郵：cs@cnegroup.com

股東亦可於本公司股東大會上向董事會提出查詢。

投資者關係

董事會透過刊發中期及年度報告，致力為股東提供清晰及全面之本集團業績資料。股東除獲寄發通函、通告與財務報告外，亦可登入本集團網站取得更多本集團之資料。

本集團鼓勵股東出席股東週年大會，並給予最少20個完整營業日之通知。主席與董事均會出席大會，以解答有關本集團業務之提問。根據公司法及本公司之公司細則，所有股東均有法定權利可要求召開股東特別大會並於股東大會上提出議程項目以供考慮。股東大會上所有決議案均以投票方式表決，而投票是由本集團之香港股份過戶登記分處點算。

本集團致力提高透明度與促進投資者關係，並且十分重視股東之回饋意見。歡迎股東隨時提出意見與建議。

憲章文件

於本年度內，本公司之憲章文件並無變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

This report aims to disclose the latest development in environment, society and governance (ESG) commitment of Concord New Energy Group Limited (hereinafter referred to as “the Group” or “We”) as of 31 December 2017 to the stakeholders. This report should be read together with the section “Corporate Governance Report” in the 2017 *Annual Report* and the column “Social Responsibility” on the Group’s website.

Unless otherwise specified, the scope of this report covers the ESG performance of the Group’s business in the mainland of China only.

ESG MANAGEMENT IDEAL

Our Ideal

The Group is committed to being a socially and environmentally responsible centennial corporation, and is dedicated to expanding new energy industry while operating in an environmentally friendly, safe, and low carbon emission manner. We operate our business with the best interests of the society and the environment in mind, in order to foster a society that is capable of sustainable development.

Our System

The Group has established an organizational system and management system for social responsibility and environmental protection, which has been inspected and improved continuously in practice, so as to provide organization and system guarantee for the implementation of corporate ESG ideal.

關於本報告

本報告旨在向利益相關方披露協合新能源集團有限公司(在本報告中簡稱「集團」或「我們」)2017年在環境、社會及管治(ESG)領域工作的最新情況。本報告應與2017年《年報》中《企業管治報告》章節、以及集團網站「社會責任」專欄一併閱讀。

除另有說明外，本報告範圍包含本集團在中國境內業務的ESG表現。

ESG 管理理念

我們的理念

集團秉承「做一個負責任的百年企業」的理念，大力發展新能源事業，堅持走綠色、安全、低碳之路，將造福社會、關愛生命和保護環境的行為準則，全面貫徹到企業的經營過程之中，促進企業與社會的可持續發展。

我們的體系

集團建立了社會責任和環境保護的組織體系和管理體系，並通過實踐不斷檢查和完善，為貫徹企業ESG管理理念提供組織和體系保障。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ESG MANAGEMENT IDEAL (CONTINUED)

Our System (Continued)

As the top managerial body of the Group, the Board of Directors is responsible for the formulation of ESG strategies and objectives; the Audit Committee under the Board of Directors supervises the Group's ESG commitment; the management of the Group implements the ESG strategies and objectives, which is assessed by the Board of Directors; the Safety Management Committee gives guidance on ESG work implementation; and the business units of the Group are responsible for their own part of the ESG commitment.

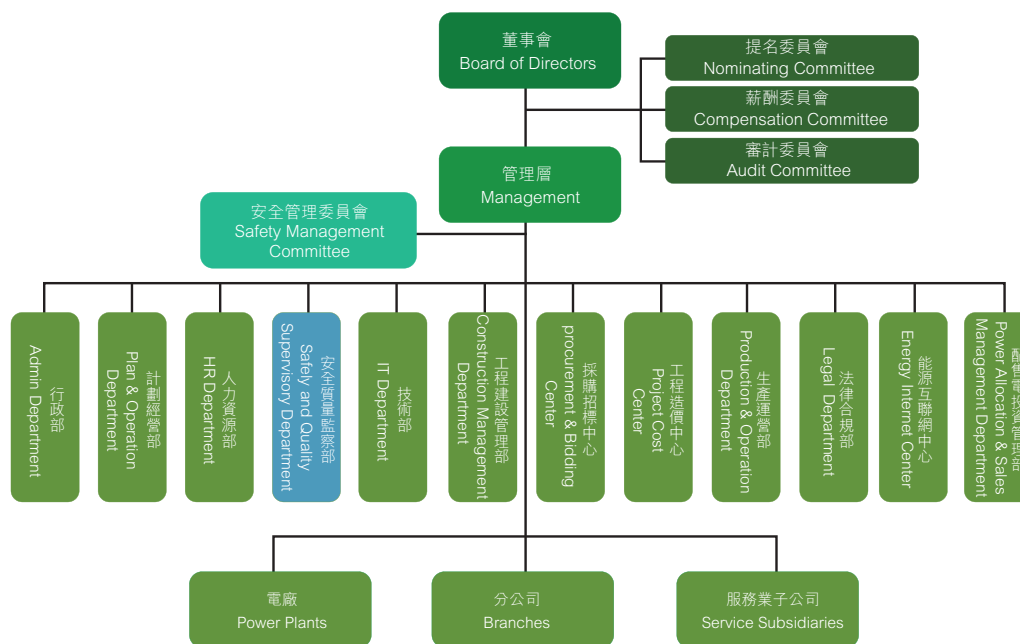
The Safety and Quality Supervisory Department, newly established in 2017, assumes the responsibility of the former Office of Social Responsibility and Environmental Protection, and focuses more on the supervision of safety and quality.

ESG 管理理念(續)

我們的體系(續)

集團董事會作為ESG工作的最高領導層，負責ESG戰略和目標的制定；董事會下設的審計委員會對集團ESG工作進行監督；集團管理層負責ESG戰略及目標的具體實施，並接受董事會考核；安全管理委員會對ESG工作進行指導；集團各業務單元在各自工作領域負責ESG具體工作的開展。

2017年，集團新設「安全質量監察部」，除承擔之前的「社會責任與環境保護辦公室」的職責外，更加強調對安全及質量工作的監督。



Stakeholder Engagement and Material Communication Events in 2017

We communicate with stakeholders through varied channels, act on stakeholders' expectations in earnest, and continuously review our achievements to improve ESG work.

利益相關方參與及2017年重大溝通事件

我們保持與各利益相關方的多渠道溝通，以實際行動積極回應利益相關方對我們的期望，並不斷審視已有的工作成果，不斷改進ESG工作。

ESG MANAGEMENT IDEAL (CONTINUED)

Stakeholder Engagement and Material Communication Events in 2017 (Continued)

Governments and Regulators

We keep effective communication and cooperation with governments. We realize compliant operation and transparent governance by acquainting ourselves with relevant laws and regulations and policies. Through sound interaction and efficient communication with international and domestic governmental agencies, we grasp the international industrial development trend and national key development areas to explore new business frontier.

- In September 2017, the Group, as invited by a high-ranking Mongolian delegation to China and the International Finance Corporation (IFC) of the World Bank, attended the Green Finance Development Workshop held by Mongolia. In addition, we exchanged ideas about matters of concern of Mongolia in a deep and comprehensive fashion.
- In November 2017, Mr. Yu Weizhou, the CEO of the Group, appeared at the Ministerial Conference on Energy Cooperation within the China — Central and Eastern Europe (“16+1”) Cooperation Framework held in Romania.
- Acting upon the national policy of the 13th Five-Year Plan for Energy Development, the Group put more efforts in the integration of Internet and energy development in 2017, with active involvement in green certificate and carbon trading. The Group applied for green certificate for all of its controlled programmes, among which those in Pingyuan of Shandong, Wuwei and Guazhou of Gansu, and Dalupu in Yongzhou of Hunan were successfully certified.

ESG 管理理念(續)

利益相關方參與及2017年重大溝通事件(續)

政府及監管機構

我們保持良好的政企溝通與合作。我們認真研究學習相關法規及政策，實現合規經營及透明管治；通過與國際及國內政府機構的良性互動和充分溝通，把握國際行業發展趨勢及國家重點發展領域，開發集團新業務。

- 2017年9月，集團受蒙古國政府訪華高級代表團及世界銀行旗下國際金融公司(IFC)的邀請參加了蒙古國舉辦的綠色金融發展經驗交流會，就對方關注的重點問題進行了深入而廣泛的交流；
- 2017年11月，集團行政總裁余維洲先生出席了在羅馬尼亞舉辦的中國 — 中東歐(「16+1」)合作機制能源合作部長級會議；
- 2017年，集團積極回應國家「十三五」能源規劃政策，加大互聯網與能源開發融合的投入，積極參與綠證交易與碳交易。集團所有控股項目都啟動了綠證申領工作，並完成了山東平原、甘肅武威、甘肅瓜州和湖南永州大路鋪項目的綠證核發與掛牌。

ESG MANAGEMENT IDEAL (CONTINUED)

Stakeholder Engagement and Material Communication Events in 2017 (Continued)

Shareholders and Investors

With an attitude of being accountable for shareholders, we adopt optimum corporate governance practices and procedures and explore optimized business models in order to provide reasonable returns to shareholders and investors. We communicate effectively with shareholders and investors through generating capacity data, corporate announcements and annual reports, meetings, etc.

- In February, September and November, the Group held Extraordinary General Meetings, and in June 2017, the Annual General Meeting was held. These meetings successfully closed with all proposals discussed and accepted through voting.
- In 2017, 77 announcements, statements and circulars were made by the Group to disclose its operation and financial status.

Employees

Out of respect for and protection of employees' rights and interests in labor, we provide favorable employment benefits and development opportunities with a view to sharing our achievements with employees.

- During semi-annual and annual seminars of the Group, the management and staff review and commend our achievements in the hope of learning our lessons, discuss development plans, and look ahead to prospects.

ESG 管理理念(續)

利益相關方參與及2017年重大溝通事件(續)

股東及投資者

我們本著對股東負責的態度，採納良好的企業管治常規和程序，探索優秀商業模式，確保股東及投資者的投資回報。我們通過定期發佈發電量數據、企業公告及年報，舉行會議等多種方式，與股東及投資者進行有效溝通。

- 2017年，集團分別於2月、9月、11月份召開特別股東大會，於6月召開周年股東大會，就公司議案進行討論及投票，所有議案均通過，股東大會圓滿結束。
- 2017年，集團發佈各類公告及通告、報表、通函等共計77次，就公司經營及財務狀況等進行披露。

員工

我們尊重和保護員工的勞動權益，提供良好的薪資福利及發展平台，希望與員工共享發展成果。

- 集團召開半年度及年度工作會議，領導層與全體員工共同回顧並表彰已有成果，思考過往經驗，共商發展大計，展望發展前景。

ESG MANAGEMENT IDEAL (CONTINUED)

Stakeholder Engagement and Material Communication Events in 2017 (Continued)

Suppliers and Contractors

In view of fairness of procurement, we select highly qualified vendors and contractors through tendering, and strictly control the management of procurement business ethics to ensure faithful cooperation and fair competition. Generally, we communicate with vendors and contractors effectively through conferencing, website, telephoning and face-to-face talk, etc.

- In 2017, more than 140 enterprises were invited to supplier meetings of main engine and equipment organized by the Procurement and Bidding Center of the Group. It conveyed a concept of win-win cooperation and mutual development, which furthered vendors' understanding of our procurement policies.

Customers and Partners

We are committed to achieving a win-win result with our customers and partners. Based on diversification of products and improvement of management, we provide our customers with quality products and services and explore a broader development path with our partners.

- In July 2017, the Group entered into strategic cooperation with the Science and Technology Innovation City in Lanzhou New Area Development Co., Ltd. on building an efficient, smart and diversified energy supply system in the Science and Technology Innovation City in Lanzhou New Area and its related parks.
- In December 2017, the Group signed a convertible loan agreement with IFC. IFC would provide the Group with a convertible loan of HKD234 million to support the development and construction of our domestic wind power programmes in China.

ESG 管理理念(續)

利益相關方參與及2017年重大溝通事件(續)

供應商及承包商

我們注重公平公正公開的採購，通過招標工作，選擇優質的供應商及承包商，並嚴格把控採購環節的商業道德管理，確保誠信合作、公平競爭。我們主要通過會議、網站及電話、面對面溝通等多種方式與供應商及承包商保持良好的溝通。

- 2017年，集團招標中心分別成功組織召開了風力發電機組和設備類供應商大會，共邀請了140餘家企業參加大會，傳達了合作共贏、共同發展的合作理念，進一步宣傳集團降低度電成本戰略，加深了供應商對集團採購策略的瞭解。

客戶及合作夥伴

我們致力於與客戶及合作夥伴實現雙贏。在豐富自身產品、完善自身管理的基礎上，我們為客戶提供優質產品及服務，與合作夥伴探索更廣闊的發展路徑。

- 2017年7月，集團與蘭州新區科技創新城發展有限公司就蘭州新區科技創新城及其相關園區建設高效、智能、多元的能源供應體系等智慧能源達成戰略合作；
- 2017年12月，集團與IFC簽署可轉換貸款協議。IFC將向集團提供2.34億港幣的可轉換貸款，用於支持集團在中國境內的風電項目開發與建設。

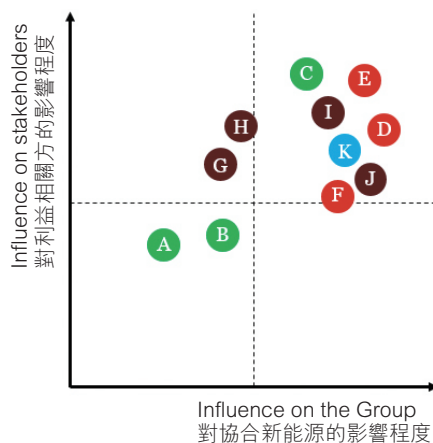
ESG MANAGEMENT IDEAL (CONTINUED)

Stakeholder Engagement and Material Communication Events in 2017 (Continued)
Communities and the Public

The Group's active involvement in social welfare programmes drives economic and cultural progress in local communities. In particular, we establish and maintain long-term, mutually beneficial and win-win constructive relations with the residents of project locations through communication. The Group actively responds to China's policy on poverty alleviation, and carries out targeted poverty alleviation activities catering to different poverty-stricken area and poor famers' famimly. The Group is also concerned to support educational cause. We set up "Hope Schools" in Liaoning and other provinces, aiming at improving school conditions, and also established scholarship schemes in universities to fund impoverished exceptional students' education. The Group's contribution to society and the public goes hand in hand with the development and growth of the Group.

Materiality Assessment

In virtue of continuous multi-channel communication, we determine material issues that are the focus of reporting and action using a matrix, considering the management's suggestions, internal and external experts' analysis, internal and external stakeholders' survey and the "ESG Reporting Guide", Appendix 27 to the Listing Rules released by Hong Kong Exchanges and Clearing Limited (HKEx).



ESG 管理理念(續)

利益相關方參與及 2017 年重大溝通事件(續)

社區及公眾

集團積極參與社會公益事業，促進社區經濟和文化發展。尤其在項目所在地，我們與居民進行充分溝通交流，建立並長期維持互利共贏的建設性關係。集團積極響應國家扶貧政策，根據不同貧困區域環境、不同貧困農戶狀況開展精準扶貧工作。集團亦大力關注和支持教育事業的發展。我們在遼寧等地建設希望小學，改善辦學條件；在大學設立獎學金項目，每年資助優秀貧困學生完成學業。集團在發展和成長的過程中始終不忘對社會及公眾的回饋。

實質性議題識別

在持續、多渠道的溝通基礎上，我們綜合管理層建議、內外部專家分析、內外部利益相關方調研及對標香港交易及結算所有限公司（「香港聯交所」）發佈的《香港聯合交易所有限公司證券上市規則》附錄二十七《環境、社會及管治報告指引》中的議題，運用二維矩陣確定實質性議題，作為報告及行動的重點。

- A. Emissions 排放物
- B. Use of Resources 資源使用
- C. The Environment and Natural Resources 環境及天然資源
- D. Employment 僱傭
- E. Health and Safety 健康與安全
- F. Development and Training 發展與培訓
- G. Labour Standards 勞工準則
- H. Supply Chain Management 供應鏈管理
- I. Product Responsibility 產品責任
- J. Anti-Corruption 反貪污
- K. Community Investment 社區投資

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT

From this century onwards, global climate change and energy crisis have evolved into a core issue in topics on future. Gradually, human beings become aware that a thorough change to energy supply model and discovery of new energy sources are the eventual solution to global energy crisis and climate change, which yields numerous opportunities for exploration and development of new energy development technologies.

Since its foundation, the Group has taken the aspiration of new energy development. For eleven years, the Group has made a determined effort to accomplish its aspiration — to push forward the development of new energy sources, in response to national energy strategies and policies, and in the knowledge that new energy development is critical to national energy security and ecological civilization construction.

We actively identify international conventions related to new energy development as well as national and local environmental protection policies, and keep a close watch on policies and regulations that have significant impacts on the Group, such as the *Medium and Long-term Development Plan for National Renewable Energy*, the *Revitalization Plan for New Energy Industry*, the *Thirteenth Five-year Plan for Energy Development* and the *Thirteenth Five-Year Plan for Renewable Energy Development*. We stick to a green, safe and low-carbon path. We are a leader of smart energy in terms of product innovation; a pioneer of practical techniques in terms of technological innovation, an engineer of water and soil conservation projects in terms of ecological conservation; and a practitioner of low-carbon office idea in terms of green operation.

不忘初心，堅持新能源開發

本世紀以來，全球氣候變化與能源危機逐漸演變為人類談論未來時的核心問題。人們逐漸意識到，從根本上改變能源供應模式、發展新能源已經成為應對全球能源危機與氣候變化問題的必經之路，這為新能源開發技術的探索與發展提供了巨大的舞台。

集團自創始之日起，便以發展新能源為使命。十一年來，集團不忘初心，牢記使命，積極響應國家能源戰略和政策，充分認識到開發新能源是維護國家能源安全、推進生態文明建設的關鍵一環，在開發新能源的事業上不斷奮進。

我們積極識別與新能源發展相關的國際公約、國家及地方環保政策，密切關注包括《國家可再生能源中長期發展規劃》、《新能源產業振興規劃》、《能源發展「十三五」規劃》及《可再生能源發展「十三五」規劃》等對本集團有重大影響的政策法規。我們堅持走綠色、安全、低碳之路。在產品創新方面，我們做智慧能源的領航者；在技術應用方面，我們是實踐新技術的先鋒者；在生態保育方面，我們精準施工，做保持水土的工程建設者；在綠色營運方面，我們做低碳辦公理念的踐行者。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

New Energy Development

The Group is dedicated to new energy development, reacting to climate change and energy shortage by developing business.

Resources Reserves

As of the end of 2017, the Group was capable of developing over 28 GW wind resources and over 8 GW solar energy resources, a guarantee for sustainable development of new energy sources.



Wind reserves with exclusive project development right Over 28GW
可獨家開發的風資源儲備
超過 28GW

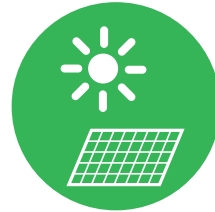
不忘初心，堅持新能源開發(續)

新能源開發

集團專注於新能源開發，以業務的發展積極應對氣候變化及能源短缺問題。

資源儲備

截至2017年底，集團可獨家開發的風資源儲備超過28GW，太陽能資源儲備超過8GW，為集團的可持續新能源開發提供了充足的資源儲備。



Solar reserves with exclusive project development right Over 8GW
可獨家開發的太陽能資源儲備
超過 8GW

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

不忘初心，堅持新能源開發(續)

New Energy Development (Continued)

新能源開發(續)

Exploitation of Energy Resources

能源開發

In 2017, the total installed capacity of the Group's domestic power plants was 2,700 MW, with a total generation of 4,203.48 million kWh. Compared with traditional thermal power generation, our new energy generation saves coal and water by 1,250,000 tons and 10,450,000 tons respectively; reduces emission of carbon dioxide, nitrogen oxide and sulphur dioxide by 3,480,000 tons, 3,276 tons and 36,928 tons respectively. With the development of clean energy sources, we not only provide energy support for the society, but also make a positive contribution to energy-saving and emission-reduction.

2017年，集團境內電廠總裝機容量2,700兆瓦，總發電量420,348萬千瓦時。相比傳統的火力發電，節約標準煤消耗1,250,000噸，節水10,450,000噸，減少二氧化碳排放3,480,000噸，減少氮氧化物排放3,276噸，減少二氧化硫排放36,928噸。清潔能源的開發不僅為社會發展提供能源支援，亦為社會的節能減排做出了重要貢獻。

Compared with traditional thermal power generation, the Group's clean energy generation:

相比傳統的火力發電，本集團新能源發電：



Saved water (tons) 節約用水(噸)

By 2017 截止 2017

10,450,000

Accumulatively 累計節約

57,530,000



Saved standard coal (tons) 節約標準煤(噸)

By 2017 截止 2017

1,250,000

Accumulatively 累計節約

6,910,000



Reduced CO₂ emission (tons) 二氧化碳減排(噸)

By 2017 截止 2017

3,480,000

Accumulatively 累計減少

20,160,000



Reduced NO_x emission (tons) 氮氧化物減排(噸)

By 2017 截止 2017

3,276

Accumulatively 累計減少

18,029



Reduced SO₂ emission (tons) 二氧化硫減排(噸)

By 2017 截止 2017

36,928

Accumulatively 累計減少

203,446

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Smart Energy

During the Thirteenth Five-Year Plan period, the National Development and Reform Commission, the National Energy Administration and the Ministry of Industry and Information Technology of the People's Republic of China jointly put forward views on driving the development of the "Internet +" smart energy, emphasizing in-depth integration of the Internet with energy industry, promoting the development of smart energy and enhancing the green, low-carbon and smart energy development, in order to achieve a clean, efficient, safe and sustainable energy development and provide support for the sustained and healthy economic and social development. The Group's development strategy coincides with these policies. As a result, the Group invests more efforts in the development of smart energy, extending its application constantly.

Optimization of POWER+

In 2017, POWER+, a public cloud platform for end-to-end smart energy solutions, saw continued improvement and innovation. POWER+ creatively brings an ultimate, simple and intelligent mode of energy production and management to businesses, enabling machinery to think, learn, diagnose, predict, analyze and optimize like human beings. In the light of complete and accurate information on assets that is accessible since all equipment assets and O&M engineers are connected, the platform gains insight into the assets using big data and intelligent algorithms, and therefore is in a position to anticipate and diagnose issues as soon as possible before equipment fault shutdowns. Based on the results, as well as reliability, performance, cost, and other factors, optimized operation and maintenance policies are created and implemented to reduce shutdowns.

不忘初心，堅持新能源開發(續)

智慧能源

「十三五」期間，國家發改委、能源局、工信部提出了推進「互聯網+」智慧能源的發展意見，強調互聯網與能源行業深度融合，促進智慧能源發展，提高能源綠色、低碳、智能發展水平，以實現清潔、高效、安全、可持續的能源發展之路，為經濟社會持續健康發展提供支撐。協合新能源的發展戰略與該政策不謀而合。因此，集團加大對智慧能源的發展投入力度，不斷擴展智慧能源的應用。

POWER+ 優化

2017年，端到端智慧能源解決方案的開放雲平台POWER+繼續得到提升與創新。POWER+創造性地將極致、簡單、智慧的能源生產、管理方式帶給了企業，讓機器設備像人類一樣思考、學習、診斷、預測、分析、優化。通過連接所有的設備資產以及所有的運維工程師，獲取對資產完整且準確的信息，利用大數據和智能算法，獲取對資產的洞察，在設備故障停機前儘早的預測並診斷問題，然後綜合考慮可靠性、性能以及成本等多方面因素，創建並執行優化的運維策略，從而減少停機。

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Smart Energy (Continued)

Application of POWER+

With the mature of innovative technology, in 2017, the application scenarios of POWER+ expanded into intelligent operation and maintenance of new energy power plants, design optimisation, energy management and optimisation of park buildings, green certificate management of renewable energy sources, etc.

Case: Cloud Solution

The “Power Loss and Fault Positioning Model”, a photovoltaic cloud solution of the POWER+ cloud platform, facilitated the identification of 243 places that caused power loss in a 30 MW project in Yunnan, concerning, grass covering, sensor failure, hot spot cracking and so on; and the “Yaw to Wind Deviation Diagnostic Application”, a wind power cloud solution, facilitated the identification of 8 cases of material yaw angle issues in a 48 MW project in Hunan. The cloud platform’s function of precise positioning identifies inefficient equipment, thus improving operating efficiency.

Solution of the POWER+ Cloud Platform

The 30 MW project in Yunnan
The Power Loss and Fault Positioning Model
Identified 243 cases of power loss

The 48MW project in Hunan
The Yaw to Wind Deviation Diagnostic Application
Identified 8 cases of material yaw angle issues

不忘初心，堅持新能源開發(續)

智慧能源(續)

POWER+ 應用

隨著創新技術的不斷成熟，2017年，POWER+應用的場景也隨之拓展，在新能源電站智能運維、設計優化、園區建築能源管理及優化、可再生能源綠色證書管理等多個方面得到充分應用。

案例：雲解決方案

POWER+雲平台光伏雲解決方案「電量損失和故障定位模型」在雲南30MW項目中，一年間準確定位243處影響電量的位置，問題涉及草遮擋、傳感器故障、熱斑隱裂等；雲平台風電雲解決方案「偏航對風偏差問題診斷應用」在湖南48MW項目中，總共發現8台設備偏航角存在較大問題。雲平台的精準定位能夠有效發現低效運行設備，提升設備的運行效率。

POWER+ 雲平台解決方案

雲南30MW項目
「電量損失和故障定位模型」
準確定位電量損失243處

湖南48MW項目
「偏航對風偏差問題診斷應用」
發現8台設備偏航角存在較大問題

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Smart Energy (Continued)

Case: Big Data Management Platform

In terms of power allocation and sales, the big data management platform POWER+, as an important means to realize smart energy service, designs most efficient and environment-friendly energy proportioning schemes to solve users' or even local energy issues, based on the knowledge of users' energy consumption and the integration of local energy resources conditions. Through the establishment and development of the big data management platform, we have realized the efficient use of energy, reduced the cost of energy consumption and raised the level and quality of energy services.

By the end of 2017, the Group has reached a cooperation agreement with Lanzhou Science and Technology Innovation City, and completed the preliminary design of a micro-grid programme. In this design plan, we planned a complementary multi-energy supply system for the park, including new energy sources such as combined cooling, heating and power (CCHP), roof photovoltaic and micro fans, achieving clean and efficient energy supply in the park. In addition, we will develop a POWOER+ micro grid information management service platform, multi-energy complementary coordination and optimization scheduling, distributed energy management system, energy storage integrated management system, demand-side management integrated control system and electricity sale and multi-energy trading system, which enable electricity trading between micro grid and major grid and intra-park energy trading between supply and demand sides, facilitating the intelligent control of energy supply, as well as demand-side management of the load within the park.

不忘初心，堅持新能源開發(續)

智慧能源(續)

案例：大數據管理平台

在配售電業務中，POWER+雲平台的大數據管理平台是實現智慧能源服務的重要技術手段，通過對用戶用能情況的掌握和當地能源環境的整合，設計利用效率最高、對環境最友好的能源配比方案，從而解決用戶甚至當地的用能問題。我們通過建立和發展大數據管理平台，實現能源的高效利用、降低企業的用能成本、提升能源服務水平和質量。

2017年底，集團與蘭州科技創新城達成合作協定並完成微電網項目初步方案設計。在該設計方案中，我們為園區規劃了包括天然氣冷熱電三聯供、屋頂光伏和微型風機等新能源在內的多能互補能源供應系統，實現園區的清潔、高效供能；同時，我們將設計開發「POWER+」微電網信息管理服務平台，多能互補協調優化調度、分散式能源管理系統、儲能集成管理系統、需求側管理集成控制系統及售電和多能源交易系統，從而實現微電網與大電網的電力交易和園區內能源供需雙方之間的交易，實現對園區內能源供應的智能控制，以及對園區內負荷的需求側管理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Smart Energy (Continued)

Honors to POWER+

In 2017, the POWER+ cloud platform achieved the data accessibility for all wholly-owned power plants of the Group, thereby enabling the comprehensive detection of power plants and the alerting of equipment issues. POWER+ is also recognized in this industry.

- At the Second China International Internet of Energy Summit during 27-28 April 2017, POWER+ was awarded the “Best Product Breakthrough of the Year”.
- At the Second Energy Internet and “The Belt & Road” Forum during 21-22 September 2017, POWER+ was awarded the “Energy Internet Cloud Platform Innovation of the Year”.

Technology Application

In order to enhance new energy development and ensure stable efficiency of new energy sources, the Group uses state-of-the-art technologies and boldly practices progressive concepts.

不忘初心，堅持新能源開發(續)

智慧能源(續)

POWER+ 榮譽

2017年，POWER+雲平台完成了集團全部獨資電站的數據接入工作，實現集團電站的全面檢測和設備告警提醒。POWER+亦獲得了行業的認可：

- 在2017年4月27-28日舉行的第二屆中國國際能源互聯網峰會上，「POWER+」產品榮獲「年度最佳產品突破獎」；
- 在2017年9月21-22日舉行的第二屆能源互聯網「一帶一路」決策者高峰論壇上，「POWER+」產品斬獲「年度能源互聯網雲平台創新獎」。

技術應用

為了提高新能源的開發力度，確保新能源效率的穩定性，集團積極採用行業新技術，大膽踐行進步理念。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Technology Application (Continued)

In 2017, the Group strived to create the most cost-effective power plants under the progressive concept of reducing the cost of electricity. We pioneer innovative technologies at all times, and advocated a mixed arrangement scheme that involves different models of units and different tower heights according to characteristics of different wind power projects' wind resources, for the purpose of increasing the generating capacity of the entire wind farm; we always value specialization in investment and construction of wind farms and solar power plants, and, based on our project experience, set up corporate standards that is higher than the average industrial standards to pave the way for application of emerging technologies. On top of that, to embrace new technologies, we track and investigate new technologies in wind power and solar power industries in real time and encourage application of them in our projects when the technologies mature.

Case: Units with Large Impellers and Large Single Capacity, and Mixed Tower Technology

In 2017, the Group adopted units with large impellers of over 131 meters' diameter and large single capacity, to several projects, and also used the 120m-high mixed tower technology in the Group's project in Anhui Province. As a result, the annual power generation of this project increased by 7,248,000 kWh/year (151h), and the annual income increased by RMB4,911,800/year

不忘初心，堅持新能源開發(續)

技術應用(續)

2017年，集團貫徹「降低度電成本」等進步理念，全力打造投資效益最優的電廠。我們不斷引領創新技術，在行業中倡導依據每個風電項目風資源的特點，採用不同機組型號、不同塔筒高度的混排方案，提升整個風電場的發電量；我們始終強調專業化，投資建設風電場和光伏電站，並結合自身項目經驗編制完成了高於行業平均標準的企業標準，為應用新技術保駕護航。與此同時，我們敢於應用新技術，對風電、光伏行業的新技術實時跟蹤、調研，待技術成熟時在集團項目中推廣使用。

案例：大風輪直徑和大單機容量機組以及高混塔技術

2017年，集團在多個項目中採用131米以上大風輪直徑和大單機容量的機組，並在集團內的安徽省某項目同時率先採用了120米高的混塔技術，使用后該項目年發電量增加了724.8萬千瓦時/年(151小時)，年收入增加491.18萬元/年。

The application of units with of over 131 meters' diameter and large single capacity, and 120m-high mixed tower technology in a project in Anhui Province
安徽省某項目採用131米以上大風輪直徑和大單機容量機組以及120米高混塔技術

The application of units with of over 131 meters' diameter and large single capacity, and 120m-high mixed tower
131米以上大風輪直徑和大單機容量機組以及120米高混塔技術的使用

Power generation increased by 7,248,000 kWh/year
發電量增加 7,248,000 千瓦時/年

Annual income increased by RMB 4,911,800/year
年收入增加 4,911,800 元/年

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Ecological Conservation

As a new energy development corporation, the Group operates in a way that hardly affects environment and natural resources, if any, mainly concerning conservation of water and soil during construction period. We are aware that, as a responsible new energy development corporation, ecological conservation is a priority in our business. In project construction and development, facilities preventing pollutions and other public hazards and protect environment should be designed, constructed and put into use in sync with the main part of the project.

More Efforts in Water and Soil Conservation

In 2017, the Group put more efforts in conservation of water and soil, with the construction project of water and soil conservation of RMB66.53 million put out to tender. Moreover, it issued the Notice on Self-Acceptance of Water and Soil Conservation Facilities in Construction Projects. The Group implemented the vegetation restoration for the completed project, and in the meantime stepped up the water and soil conservation, road overhaul and grass covering for projects-in-progress.



Construction projects of water and soil conservation to tenders in 2017

RMB 66,530,000

2017年在水保施工專案斥資招標

66,530,000 元

不忘初心，堅持新能源開發(續)

生態保育

作為新能源開發公司，集團業務對環境及天然資源影響較小，主要影響在於施工建設期間的水土保持問題。我們充分認識到，作為負責任的新能源企業，生態保育工作應列為工作重點，在項目建設開發中，嚴格遵守「三同時」制度，即確保防治污染和其他公害的設施和其他環境保護設施，與主體工程同時設計、同時施工、同時投產使用。

加大水保投入

2017年，集團加大水保投入力度，下達了《關於做好建設項目水土保持設施自主驗收的通知》，並斥資招標合計金額6,653萬元的水保施工項目。集團對於已完成項目實施植被恢復施工，對在建項目加緊水保施工、檢修道路、種草覆膜。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Ecological Conservation (Continued)

Enhancement of Optimal Design

We focus on optimal design in the initial stage of projects so as to reduce water and soil damage to project sites. We introduced high-and-low leg and full digging into 35kV wire collection tower as a basic design, which decreased a huge amount of earth and stone excavation; optimal design was also applied in a project in Huanghou Town, Nanzhao County, Henan Province, which reduced a huge amount of earth and stone excavation. For Tibet Cuomei Solar Power Project, we carried out research and promotion of a scheme of unattended or less-attended station, leading to an effective reduction the floor area of the station and the building area of the complex building.

Improvement of Construction Technology

According to the system requirements of the Group, we attach great importance to projects' potential impact on the surroundings. In wind power projects, we use the blade hoists and modular trailers and change modes of unloading and hoisting fans for projects, thereby largely reducing the damage to mountains and vegetation. In solar power projects, damage to ground vegetation was reduced by means of precise construction.

Green Operation

The Group not only promotes revolution of social energy structure and improvement of environmental quality in operating activities, but also practices the concept of environmental protection in administrative activities. In 2017, the Group attached importance to improvement of vehicle management and office environment to reduce the emissions and discharge from administrative activities, and to increase the efficiency of resources and energy consumption.

不忘初心，堅持新能源開發(續)

生態保育(續)

加強優化設計

在項目建設前期，我們注重項目的優化設計，以減少對項目所在地的水土破壞。我們在35kV集電線路鐵塔引入高低腿及全掏挖基礎設計，大大降低土石方開挖量；在河南南召皇后項目進行設計優化，使土石方量大大減少。在西藏措美光伏項目上，我們進行了升壓站無人值班、少人值守方案的研究和推廣，有效壓縮站區佔地面積和綜合樓建築面積。

改進施工技術

根據集團制度要求，在具體施工和建設中，我們充分重視和考慮項目對周圍環境的潛在影響。在風電項目建設中，我們採用葉片舉升車和軸線車，變更各項目風機卸貨和吊裝方式，大大減少對山體和植被的破壞。在光伏項目建設過程中，通過精準施工，減少對地面植被的破壞。

綠色營運

集團不僅在業務層面推動社會能源結構的變革及環境質量的改善，也在辦公運營中踐行綠色環保理念。2017年度，集團著重加強車輛管理和提升辦公環境，以減少自身辦公運營活動的排放，提高資源和能源的使用效率。

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

Green Operation (Continued)

Vehicle Management

In April 2017, the Group issued the *Concord New Energy Group Limited Vehicle Fuel Management Regulations*. Based on the principle of “strict management, economization, one card for one vehicle, and refueling with card”, we formulated and adjusted vehicle fuel standards, according to which budgets of fuel costs for official vehicles of all units are reviewed and fuel management for vehicles of all units are guided and supervised. Since the regulations came into force, the unit fuel cost of the Group’s official vehicles has dropped significantly.

Moreover, when unifying vehicle models according to the Vehicle Configuration Standards, the Group phased out old vehicles with new-energy electric vehicles, considering that older vehicles produce more emissions. In 2017, 5 old vehicles were scrapped.

Green Practice at the Workplace

In 2017, we paid more attention to improve the workplace under the guidance of green practice concept. The Group upgraded and renovated the existing ventilation system of the headquarters’ office building in Beijing with the introduction of a pressurized supply and exhaust fresh air system, and strictly controlled PM2.5 concentration so as to create a favorable working environment for employees.

We also optimized mobile office applications by virtue of information technology, which, on the one hand, raises efficiency, and, on the other hand, cuts down consumption of paper and generation of waste paper. Waste paper and other office garbage are handed over to the sanitation agency for clearance and disposal by the property management service.

不忘初心，堅持新能源開發(續)

綠色營運(續)

車輛管理

2017年4月，集團印發了《協合新能源集團有限公司車輛燃油管理辦法》，本著「嚴格管理、節約支出、一車一卡、對號加油」的原則，制定和調整車輛燃油標準，審核各單位公務車輛燃油費用預算，指導和監督各單位車輛燃油管理工作。自該措施推行以來，集團公務車輛單位燃油費用降幅明顯。

此外，在按照「車輛配置標準」統一車型的同時，考慮到老舊車輛會造成更多的排放物，集團逐步淘汰老舊車輛，並採購新能源電動車。2017年集團共計淘汰老舊車輛5輛。

綠色辦公

2017年，我們更加關注改善員工辦公環境，踐行綠色辦公理念。集團升級改造現有北京總部辦公樓的通風系統，引入主動增壓送排新風系統，嚴格控制PM2.5濃度，為員工創造了良好的辦公環境。

我們亦通過信息技術進一步優化了移動辦公應用，在提升辦公效率的同時，減少了辦公紙張的使用及廢紙的產生。廢紙等辦公垃圾由大樓物業交由環衛機構進行清運和處置。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

不忘初心，堅持新能源開發(續)

Table of Environmental KPIs

環境績效指標表

Unless otherwise stated, the environmental KPIs provided in this section only cover the business of the Group's wholly-owned businesses in the mainland of China, whereas that of the joint-venture projects are excluded.

除另有說明外，本節所提供的環境數據僅涵蓋集團於中國境內的全資公司的業務，合資公司業務暫不包括在內。

1. Emissions

1. 排放物

| Indicators 關鍵績效指標 | 2017 |
|---|----------|
| Total GHG emissions (Scope 1 and 2) (tons) 溫室氣體排放總量(範疇一及範疇二)(噸) | 6,716.26 |
| Direct emissions (Scope 1) (tons) 直接排放(範疇一)(噸) | 1,513.55 |
| Petrol for official vehicles (tons) 公務車汽油(噸) | 1,500.60 |
| Diesel for official vehicles (tons) 公務車柴油(噸) | 12.95 |
| Indirect emissions (Scope 2) (tons) 間接排放(範疇二)(噸) | 5,202.71 |
| Purchased electricity (tons) 外購電力(噸) | 5,202.71 |
| GHG emissions per RMB million in revenue (tons/RMB million) 百萬元收入溫室氣體排放(噸/百萬元) | 6.48 |
| Total hazardous waste (tons) 有害廢棄物總量(噸) | 0.74 |
| Hazardous waste per capita (tons/person) 人均有害廢棄物(噸/人) | 0.00054 |
| Total non-hazardous waste (tons) 無害廢棄物總量(噸) | 104.41 |
| Non-hazardous waste per capita (tons/person) 人均無害廢棄物(噸/人) | 0.08 |

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

不忘初心，堅持新能源開發(續)

Table of Environmental KPIs (Continued)

環境績效指標表(續)

1. Emissions (Continued)

1. 排放物(續)

Note:

註：

- Due to its business nature, the significant air emissions of the Group is GHG emissions, arising mainly from electricity and fuels derived from fossil fuels. The Group's GHG inventory includes carbon dioxide, methane and nitrous oxide. GHG emissions data is presented in carbon dioxide equivalent and is based on the "2015 Baseline Emission Factors for Regional Power Grids in China" issued by the National Development and Reform Commission of China, and the "2006 IPCC Guidelines for National Greenhouse Gas Inventories" issued by the Intergovernmental Panel on Climate Change (IPCC). Data of indirect emissions arising from purchased electricity do not cover purchased electricity for projects in Tibet, because the baseline emission factors is not available in the regional grid division in the "2015 China Regional Grid Baseline Emission Factors".
- Hazardous waste mainly includes waste toner cartridges, ink cartridges, waste fluorescent tubes, waste mineral oil, etc. Waste toner cartridges, ink cartridges, waste fluorescent tubes and other hazardous office waste are recycled by qualified service providers. Waste mineral oil generated from operation and maintenance of wind power projects, as agreed, are subjected to compliance recycling by vendors provided that the wind turbines are under warranty. Since current wind power equipment is still under warranty, these data are not yet included therein. The Group will disclose data of such hazardous waste when applicable; other waste mineral oil generated from vehicle maintenance is submitted to qualified service providers for recycling.
- Non-hazardous waste mainly includes household garbage, which is calculated according to the *Handbook on Domestic Discharge Efficiencies for Towns in the First Nationwide Census on Contaminant Discharge* published by the State Council.

- 基於集團業務性質，其主要大氣排放為溫室氣體。溫室氣體清單包括二氧化碳、甲烷和氧化亞氮，主要源自外購電力及燃料。溫室氣體核算乃按二氧化碳當量呈列，並根據中國國家發展與改革委員會刊發的《2015中國區域電網基線排放因子》及政府間氣候變化專門委員會(IPCC)刊發的《2006年IPCC國家溫室氣體清單指南》進行核算。外購電力導致的間接排放數據不包括西藏項目外購用電，因《2015中國區域電網基線排放因子》中區域電網劃分未包含西藏，無法獲取基準排放因數。
- 有害廢棄物主要包括廢棄硒鼓、墨盒、廢棄螢光燈管、廢礦物油等。廢棄的硒鼓、墨盒及螢光燈管等辦公有害廢棄物均由有資質回收商回收處置。風電項目運維產生的廢礦物油在風機保質期內根據協定由供應商進行合規回收處理，目前風電項目設備均處於保質期內，故本數據內尚未包含該類數據，未來集團將根據實際情況披露該類有害廢棄物數據；其他公車維護產生的廢礦物油交由有資質回收商進行合規回收處置。
- 無害廢棄物主要包括生活垃圾，生活垃圾計算依據國務院發佈的《第一次全國污染源普查城鎮生活源產排污係數手冊》進行核算。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMITMENT TO THE ORIGINAL ASPIRATION OF NEW ENERGY DEVELOPMENT (CONTINUED)

不忘初心，堅持新能源開發(續)

Table of Environmental KPIs (Continued)

環境績效指標表(續)

2. Energy and Resources Consumption

2. 能源及資源消耗

| Indicators 關鍵績效指標 | 2017 |
|---|-----------|
| Total energy consumption (MWh) 能源消耗總量(兆瓦時) | 13,965.97 |
| Direct energy consumption (MWh) 直接能源消耗(兆瓦時) | 6,179.24 |
| Petrol for official vehicles (MWh) 公務車汽油(兆瓦時) | 6,129.97 |
| Diesel for official vehicles (MWh) 公務車柴油(兆瓦時) | 49.27 |
| Indirect energy consumption (MWh) 間接能源消耗(兆瓦時) | 7,786.73 |
| Purchased electricity (MWh) 外購電力(兆瓦時) | 7,786.73 |
| Energy consumption per RMB million in revenue (MWh/RMB million) 百萬元收入能耗(兆瓦時/百萬元) | 13.48 |
| Water consumption (tons) 耗水量(噸) | 27,661.07 |
| Water consumption per capita (tons/person) 人均耗水量(噸/人) | 21.21 |

Note:

註：

- Total energy consumption is worked out by the data of electricity and fuel with reference to the coefficients in the *General Principles for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2008) published by General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China, and the Standardization Administration of the People's Republic of China.
- Water consumption refers to that of tap water.
- Packing materials is not applicable to the Group.

- 能源消耗量數據根據電力及燃料的消耗量和中華人民共和國國家質量監督檢疫總局及中國國家標準化管理委員會刊發的《綜合能耗計算通則(GB/T 2589-2008)》中有關換算因子計算。
- 耗水量指自來水耗用量。
- 包裝物不適用本集團。

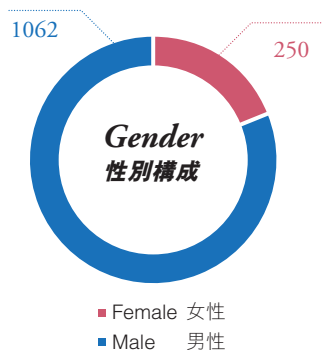
BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES

The development of our cause relies on talents. The Group adheres to the core values of “people-oriented, value creation, pursuit of excellence and harmonious development”. We respect and appreciate all employees for their efforts in the cause of new energy development, and strive to provide them with a favorable workplace and a broad development platform, thus realizing the co-development of the employees and the enterprise.

Employment of Outstanding Talents

We strictly abide by the laws and regulations on employment of employees, prohibiting recruitment of child labour and forced labour and protecting the legitimate rights and interests of employees. We insist on the concept of open and fair recruitment and employment, giving equal treatment to candidates and employees irrespective of ethnicity, race, gender and religious beliefs.

In 2017, we continued to attract more talented people to our workforce. The total number of employees amounted to 1,312, an increase of 129 over the year of 2016. This provided a strong intellectual support for our cause development. We take great pride in our employees’ versatility, teamwork and harmonious relationships.



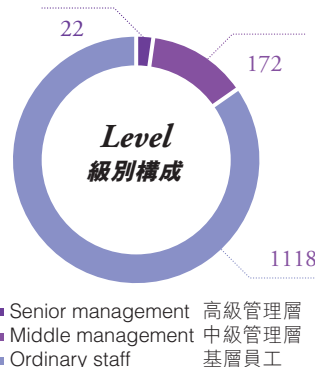
以人為本，與員工共同發展

我們事業的發展離不開人才。集團始終秉承「以人為本、創造價值、追求卓越、和諧發展」的核心價值觀。我們尊重並感恩每一位員工在新能源事業中的辛勤耕耘，並努力為其提供良好的工作環境和廣闊的發展平台，從而實現員工與企業的共同發展。

廣納優秀人才

我們嚴格遵守員工僱傭相關法律法規，嚴禁招聘童工和強制勞動，切實保障員工的合法權益。我們堅持公開公平公正的招聘和用人理念，不因民族、種族、性別、宗教信仰不同而對應聘者及員工區別對待。

2017年，我們繼續廣納優秀人才，壯大人才隊伍，員工總人數1,312人，相比2016年增加129人，為我們事業的發展提供了強勁的人才支援。我們為集團員工擁有多方面技能、團隊精神及和睦工作關係而感到驕傲。



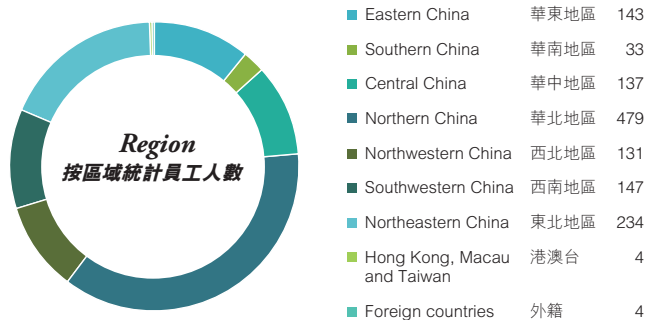
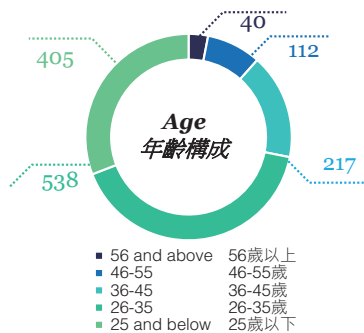
BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES

以人為本，與員工共同發展(續)

(CONTINUED)

Employment of Outstanding Talents (Continued)

廣納優秀人才(續)



Support for Talent Development

助力人才發展

The Group is concerned about development of employees, offering different career paths and promotion channels, including management, technical and professional development channels, for different positions and competences. To support employees' development and promotion, the Group designs corresponding trainings for employees in view of difference in competence, in the hope of exploiting everyone's talent and realising co-development.

集團關注員工的成長和發展，針對不同的崗位和能力，提供管理類、技術類及專業類等不同的職業發展路徑和晉升通道。為了幫助員工的發展與晉升，集團綜合考慮員工的不同能力輔以針對性的培訓內容，希望能夠人盡其才，共同發展。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Support for Talent Development (Continued)

The Group built a complete training system, comprising systems, courses and lecturers. In the training systems, the Group has formulated the *Group Training Management System*, the *Group Training Archives Management Regulations*, the *Group Internal Lecturer Management Regulations* and the *Beijing Management Centre New Staff Orientation Training Regulations* and so on, providing institutional basis and support for training activities. In terms of training courses, the Group designs different courses for senior and mid-level management, management trainees and newcomers, and give a variety of training courses in line with annual training plans. In terms of lecturers, the Group lays great stress on the build-up of an internal part-time lecturer team, who are obligated to develop teaching materials independently and deliver induction trainings to newcomers. In 2017, the per capita training time of the Group's employees was 72 hours, representing an increase of 4 hours over the year of 2016.

以人為本，與員工共同發展(續)

助力人才發展(續)

集團設立了完整的培訓體系，主要由制度、課程和講師三部分組成。在培訓制度部分，集團制定了《集團培訓管理制度》、《集團培訓檔案管理辦法》、《集團內部講師管理辦法》、《北京管理中心新員工入職培訓管理辦法》等文件，為培訓工作的開展提供制度依據與支持。在培訓課程設置方面，集團針對管理層、中層管理人員、後備管理幹部、新員工設計不同的課程體系，每年依據年度培訓計劃開展多樣化培訓課程。此外，集團注重搭建內部兼職講師隊伍，自主開發培訓課件，主要負責新員工入職培訓的授課工作。2017年，集團員工人均培訓時長為72小時，較2016年增加4小時。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Support for Talent Development (Continued)

In 2017, the Group's trainings focused more on employees' actual working needs, aimed at improving their practical working ability. To this end, we strengthened pre-training survey by conducting interviews with personnel in key positions, and based on the results of which the training content was updated and training service was improved. Furthermore, we enhanced training pertinence and satisfaction by preparing training manuals and organizing working groups to implement training programmes. Finally, we also strengthened post-training survey through questionnaires on effectiveness, and optimized the process of their filling, sorting and archiving. By means of systematic training management, new employee satisfaction to trainings increased from 88.89% in June 2017 to 100% in September 2017.

以人為本，與員工共同發展(續)

助力人才發展(續)

2017年，集團培訓更加注重滿足員工的實際工作需要，提升員工實際工作能力。為此，我們加強了前期的培訓調研，與重要崗位工作人員開展訪談，並結合調研與訪談結果，更新培訓課程內容、改進培訓服務水平。此外，我們通過製作培訓手冊、組織培訓項目實施工作小組等方式，提高培訓針對性和培訓滿意度。培訓後期，我們加強了培訓效果調查問卷的填寫、整理及存檔工作。通過系統化培訓管理，新員工培訓滿意度由2017年6月的88.89%提高到9月的100%。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Support for Talent Development (Continued)

Cases of Offline Trainings

In 2017, the Group carried out a variety of offline training activities, such as leadership improvement trainings for the mid-level management, competence build-up trainings for reserve talents, orientation training for newcomers, trainings for financial system personnel, trainings for engineering system project managers, etc.

Case: Mid-level Management Trainings

In 2017, the Group organized two sessions of mid-level management trainings, covering managerial know-how, leadership and team building.

Case: Reserve Talents Competence Build-up Training

Between 1 and 5 August 2017, the Group carried out the third reserve talent training program in Cangzhou, in which 53 management trainees took part. The training covered modern managerial know-how, professional accomplishment, interpersonal skills, action & execution and team building.

Case: New Employee Orientation Trainings

In 2017, newcomer orientation trainings took place in March, June and September respectively with 44 participants in total. The contents included the enterprise's general situation, corporate strategy, rules and regulations, etc.

以人為本，與員工共同發展(續)

助力人才發展(續)

線下培訓案例

2017年，集團開展了豐富的線下培訓活動，如企業中層管理人員領導力提升培訓、後備人才能力建設培訓、新員工入職培訓、財務體系人員培訓、工程體系項目經理培訓等。

案例：中層管理人員培訓

2017年，集團組織了兩期中層管理人員培訓，培訓內容包括管理知識、領導力及團隊建設。

案例：後備人才能力建設培訓

2017年8月1-5日，集團在滄州進行了第三期後備人才培訓項目，參訓後備幹部53人，培訓內容涉及企業現代管理知識、職業素養、溝通能力、執行能力和團隊建設。

案例：新員工入職培訓

2017年新員工培訓於3月、6月、9月共進行三期，參訓新員工共計44人，培訓內容包括企業概況、企業戰略、企業各項規章制度等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Support for Talent Development (Continued)

Cases of Offline Trainings (Continued)

Case: Departmental Trainings

According to actual needs of different departments, the Group's engineering system, financial system and power distribution department organized various training programs to meet the needs of staff development.

Training Platforms

Apart from traditional offline training courses, the Group is also trying to develop an online training platform, in order to facilitate improvement of employees' professional skills and expertise.

Case: Online College

In 2017, the Group, by upgrading the online college, realized single sign-on of OA system and online college system, which enabled the function of learning on mobile end. Besides, more than 100 items of training materials and training books were added. The mobile end of the online college supports not only streaming news, teaching materials, videos and books, but also online exams and questionnaire surveys, making it possible to learn anytime and anywhere and bring more fun to its users.

Case: "Concord" Senior Management Learning Platform

"Concord" Senior Management Learning Platform, an internal service tool for the senior management, provides information on management and training courses to corporate management every half month. In 2017, the platform published 32 articles and recommended 384 courses, which enriched the selection of external training courses for the management.

以人為本，與員工共同發展(續)

助力人才發展(續)

線下培訓案例(續)

案例：部門培訓

根據各部門的實際需求，集團工程體系、財務體系、配售電業務部門開展多類培訓項目，以滿足員工業務和發展的需求。

培訓平台

除傳統線下培訓課程之外，集團積極開發線上培訓課程，為員工提升職業技能、獲取專業知識的需求提供方便。

案例：網絡學院

2017年集團對網絡學院進行了升級，完成了OA系統和網絡學院系統的單點登錄，補充了各類培訓資料、培訓書籍等百餘項，實現了網絡學院手機端學習的功能。手機端不僅支持線上看新聞、課件、視頻、圖書等功能，還支持線上考試，問卷調查功能，真正地實現了隨時隨地隨需要的學習，同時給使用網絡學院的學員增加更多的樂趣。

案例：「協合號」高管學習平台

「協合號」高管學習平台是企業內部服務於集團高管的工具，每半月向企業管理層推送各類管理類文章及高管管理課程信息。2017年，「協合號」高管學習平台共推送管理文章32篇，推薦各類高端管理課程384門，豐富了企業管理層在外培訓的課程選擇。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Emphasis on Employee Incentives

Employees' contribution is fundamental to the continuous development of the enterprise. Along with competitive remuneration, subsidies and favorable career development and promotion channels, we actively explore other incentives to express our appreciation and gratitude to our employees for their efforts, and share the fruits of development with them. To show our gratitude to employees for their contributions, the Group holds a work summary meeting on a yearly basis to honor outstanding individuals and groups with the Outstanding Employee Award, the Innovation Award, the Group Pacesetter Award, the Outstanding Team Award and the Special Chairmanship Award.

Employee Awards

In the annual evaluation of employees in 2017, 6 Annual Innovation Awards, 10 Group Pacesetter Awards, 5 Outstanding Team Awards, 1 Gold Pacesetter Award and 2 Special Chairmanship Awards were presented at the Group level.

108 employees of all service lines and subsidiaries were singled out as "Outstanding Employees".

以人為本，與員工共同發展(續)

注重員工激勵

員工的付出是企業不斷發展的基礎。除了為員工提供有競爭力的薪酬、補助以及良好的職業發展晉升通道外，我們積極探索其他激勵方式，對員工的付出表示贊許及感謝，並與員工共享發展成果。為感謝員工的付出，集團每年舉行年度工作總結會議，對獲得優秀員工、創新獎、集團標兵、先進集體獎和董事局主席特別獎的優秀個人和團體進行表彰。

員工評優

在2017年度員工評優活動中，集團層面的獎項共評選出集團「2017年度創新獎」6個，「集團標兵」10名，「先進集體」5個，「金牌標兵」1名，「董事局主席特別獎」2個。

各體系、子公司共有108人被評選「優秀員工」。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Emphasis on Employee Incentives (Continued)

Employee Stock-Ownership

In order to better share achievements with our employees, the Group encourages them to take ownership of our stakes, thereby keeping them highly motivated and devoted to the Group's sustainable and sound development.

Case: Employee Stock-ownership in the O&M Company

In 2017, some key employees in the Group's O&M Company officially became the shareholders through business registration, which fully mobilized the team and improved the cohesion of the O&M Company, and also further enhanced the comprehensive strength of the Group.

Case: Employee Stock-ownership in the Design Company

In May 2017, the Group's Design Company was successfully listed in the National Equities Exchange and Quotations (NEEQ). Prior to this, the Design Company has completed joint-stock transformation, and attracted several core employees to take its shares. A series of measures for joint-stock reform and capital operation enhanced the sense of belonging and cohesive force of the Design Company's backbone team, which not only fully motivated staff's initiatives and enthusiasm, but also strengthened the Group's core competitiveness and the comprehensive strength.

以人為本，與員工共同發展(續)

注重員工激勵(續)

員工入股

為了與員工更好的共享企業發展成果，集團鼓勵員工入股，調動員工積極性，為集團的持續穩健發展貢獻力量。

案例：運維公司員工入股

2017年，集團旗下運維公司骨幹員工入股完成工商變更，多名運維公司骨幹員工入股成為公司股東，充分調動了運維公司團隊積極性，提高凝聚力，進一步增強了企業綜合實力。

案例：設計公司員工入股

2017年5月，集團旗下設計公司在全國中小企業股份轉讓系統掛牌。在此之前，設計公司已完成股份制改造，吸引了多名骨幹員工入股。一系列的股份制改造和資本運作，提升了設計公司骨幹團隊的歸屬感和凝聚力，充分調動了廣大員工的工作主動性和積極性，進一步增強了公司的核心競爭力和綜合實力。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Guarantee for Occupational Health and Safety

Employees' occupational health and safety are the top priority in our operation and management. To ensure employees' safety is our primary responsibility for the employees and their families. Therefore, we are committed to providing our staff with a safe, healthy and comfortable working environment, and strictly implementing safety inspections as preventive measures.

In respect of the development of occupational safety system, the Group strictly abides by the laws and regulations governing occupational health, and conducts strict management over employees' occupational health and safety. At the group level, we have set up an occupational health and safety management system to continuously improve the three-tier safety management and control system of our headquarters, branches and project companies, as well as to equip the safety and production positions with highly competent staff. At the level of our subsidiaries, we continuously establish and improve the standards of occupational health rules.

In terms of the organizational structure, the Group specially established the Safety and Quality Supervisory Department to take safety issues as the top priorities in the Group's work schedule in 2017. On the basis of implementing applicable national guidelines, policies, decrees and regulations on production safety, labor protection, quality supervision and environmental protection, as well as relevant regulations by the national industrial authorities, the Safety and Quality Supervisory Department performs supervision and inspection on the safety and quality, social responsibility, environmental protection, industrial hygiene, quality rules and regulations, labor protection and assessment management of all departments and units of the Group.

以人為本，與員工共同發展(續)

保障健康安全

員工的職業健康安全是我們在經營管理中考慮的頭等大事。確保員工安全，是對員工及其家人的首要責任。因此，我們致力為員工提供安全、健康和舒適的工作環境，嚴格落實安全檢查，防患於未然。

在職業安全制度的建設方面，集團嚴格遵守職業健康相關法律法規，認真做好員工職業健康與安全的管理工作。在集團層面，我們建立了職業健康與安全管理體系，不斷完善總部、分公司、項目公司的三級安全統籌管控體系，在安全生產崗位配置精兵強將；在各下屬公司，我們不斷建立和完善職業健康制度規範。

在組織體系的構建方面，2017年，集團特別設立了安全質量監察部，將安全問題提升到公司工作日程的重中之重的地位。安全質量監察部在貫徹落實國家有關安全生產、勞動保護、質量監督、環境保護的方針、政策、法令、法規和國家行業主管部門有關規定的基礎上，監督檢查集團各部門、各單位的安全質量、社會責任與環境保護、工業衛生、質量規章制度、勞動保護、考核管理等工作，履行安全質量監督職能。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Guarantee for Occupational Health and Safety (Continued)

Due to the business characteristics, the Group's Engineering Company and the O&M Company pay particular attention to the occupational health protection. Both have passed OHSAS certification, and established hazard identification and risk assessment plans in the production process based on health surveillance and monitoring policies to ensure timely detection and elimination of safety hazards.

In the process of construction, production, operation and maintenance, we provided appliances for labor protection to related employees, and conducted regular trainings on industrial hygiene risks. Additionally, regular or exceptional safety inspections are conducted at group and company levels, and safety accountability is further enhanced with strict enforcement that unsafe operation is the overriding reason for disqualification.

In 2017, the O&M Company promulgated and implemented safety systems and mechanisms, and specified the management objectives and specific measures at the corporate level. "Ten Bans on Production Safety" and "Ten Strict Rules for Production Safety" were advocated and implemented among employees. In regards to equipment management, it has issued and implemented the "Preventive Measures for and Emergency Response to Typical Major Accidents of Wind Power and Solar Power Plants" and the "Top Ten Perseverance in Tour Inspections". In the aspect of operation, the "Ten Major Strict Preventive Measures" have implemented to clarify the safety responsibilities of various functional departments. These mechanisms effectively prevented unsafe incidents, and there was no casualty, grid and equipment incident caused by the Group's responsibility in 2017.

以人為本，與員工共同發展(續)

保障健康安全(續)

集團的工程公司和運維公司因其業務特點，尤其重視職業健康防護，均通過了職業健康安全認證，並與健康監視和監測政策相聯繫，建立了生產過程危險源識別和風險評估計劃，確保及時發現和消除安全隱患。

在工程建設、生產運營及運行維護工作中，我們為相關員工配備勞動保護用品，定期開展工業衛生風險培訓，堅持實行集團層面及公司層面的定期及不定期安全檢查，進一步加大安全考核問責力度，嚴格執行安全生產一票否決制。

2017年，運維公司頒佈並實施相關安全制度及機制，從公司層面上分別明確了管理目標和具體舉措。在員工中宣貫並實施「安全生產十大禁令」和「安全生產十項鐵規」；在設備管理方面，頒佈並實施「風電光伏電廠典型重大事故的防範措施及應急處理」、「巡迴檢查十大堅持」；在公司經營方面，頒佈實施了「十大嚴格嚴防」，明確各職能部門的安全職責。這些機制有效地防範了不安全事件的發生。2017年度未發生本集團責任的人員傷亡、電網及設備事故。

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Organization of Diversified Activities

The Group not only attaches importance to employees' occupational health and development, but also expects them enjoy work and life. To this end, the Group organized a variety of activities to bring employees happiness. These diversified activities effectively alleviate the pressure of work, strengthen communication among colleagues, increase corporate cohesion, and improve employees' identification with the Group.

Club Activities

In recent years, the Group has developed a wide range of interest clubs in order to enrich employees' spare time and promote the concept of healthy living and working.

Case: Badminton Club

The Badminton Club has been established for many years, and activities are organized on a regular basis. The club leases professional indoor venues, provides badminton and drinking water, and organizes activities every Thursday. It attracts a large number of employees with interest in badminton, which promotes the communication among employees.

Case: Gym Club

The Group specially spares a place in the office building and equips it with yoga mats, treadmills and other professional fitness facilities for employees to use and exercise in a convenient way, which enhances the awareness of sports and improves staff's health.

以人為本，與員工共同發展(續)

組織豐富活動

集團不僅關注員工的職業健康與發展，更希望員工幸福工作和生活。因此集團組織豐富多彩的員工活動，為員工注入幸福能量。豐富的集體活動有利於員工緩解工作壓力，加強同事之間的溝通與交流，增強企業凝聚力，提高對公司的認可度。

俱樂部活動

近年來，集團為豐富員工業餘生活，倡導健康生活和工作的理念，組建了各式各樣的興趣俱樂部。

案例：羽毛球俱樂部

集團的羽毛球俱樂部已成立多年，形成了固定的活動機制，租賃了專業的室內活動場地，提供羽球、飲用水等物資支持，並於每週四統一組織活動，吸引了一大批喜愛羽毛球運動的員工參與，增進了員工之間的交流。

案例：健身俱樂部

集團於辦公樓內專辟一處場地，配置了瑜伽、跑步機及其它專業健身設施，供員工便捷地使用、鍛煉，提高員工的鍛煉意識，增強員工身體健康。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING PEOPLE-ORIENTED, AND SEEKING CO-DEVELOPMENT TOGETHER WITH EMPLOYEES (CONTINUED)

Organization of Diversified Activities (Continued)

Club Activities (Continued)

Case: Race Walking Club

In 2017, the Group carried out three outdoor walking activities themed “Power of Walking” and organized gathering activity thereafter. Such events not only enhanced the awareness of sports, but also promoted the communication and understanding among employees.

Sports Games

The O&M Company held its first “Cup of Safe, Professionalism, Value and Excellence” sports games in Xuzhou, Jiangsu on 21 and 22 September 2017 for the purpose of further enriching the cultural life of employees, enhancing their physical fitness and building the corporate culture. At the Games, employees showed their talents and enthusiasm, exercised their bodies while winning honors, and enhanced their team spirit.

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT

Standardized management is a guarantee for the survival and sustainable development of enterprises. The Group always insists on the spirit of “Integrity, Dedication, Cooperation and Entrepreneurship”, and is committed to realizing sustainable development through improving the quality of products and services, enhancing the supply chain management and enhancing clean corporate governance.

以人為本，與員工共同發展(續)

組織豐富活動(續)

俱樂部活動(續)

案例：競走俱樂部

集團於2017年開展了3次「行走的力量」戶外健走活動，並在活動後舉行員工聯歡活動。這不僅增強了員工的鍛煉意識，也在活動中增進了員工間的交流 and 瞭解。

員工運動會

為進一步豐富員工文化生活，提高員工身體素質，加強公司企業文化建設，2017年9月21日至22日，集團旗下運維公司在江蘇徐州市舉辦了首屆協合運維「安全專業價值卓越杯」運動會。運動會上員工大顯身手，積極進取，在贏取榮譽的同時亦鍛煉了身體，增強了團隊合作精神。

銳意進取，推動企業規範管理

規範的管理是企業賴以生存及可持續發展的保障。集團始終堅持「誠信、敬業、合作、進取」的企業精神，通過提升產品及服務質量，加強供應鏈管理，穩抓企業廉潔治理，實現企業可持續發展。

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services

The main products and services of the Group include production, engineering procurement construction (EPC), operation and maintenance, engineering design and smart energy management. In the service, we strictly abide by applicable national laws, regulations and administrative rules, and implement technical standards and quality management systems to improve our qualification. In addition, we take every possible means to meet customer needs, strive to create value for customers, and improve product and service quality while expanding business.

Quality Service and Regulations First

Since its establishment, the Group has always been emphasizing internal management standardization. Through developing and improving the management systems, standardized operation is fundamentally integrated into the Group. We strictly manage the Group's various businesses and strengthen the system management and supervision in all major business areas including design, construction, production, operation and maintenance.

In terms of design services, the Design Company adheres to the quality policy of "scientific management, elaborate design, sincere service, and customer satisfaction", and established a comprehensive quality control system characterized with "standardized control of design techniques with specifications, management of design process with systems, clear assignment of designers and quality tracking on products".

銳意進取，推動企業規範管理(續)

提升產品及服務質量

集團的主要產品及服務包括生產運營、工程建設、運行維護、工程設計、智慧能源管理等。在服務中，我們嚴格遵守國家相關法律法規及管理條例，貫徹技術標準和質量管理體系，提升資質，千方百計滿足使用者需求，努力為客戶創造價值，在拓展業務的同時提升產品及服務質量。

優質服務，制度先行

自成立之日起，集團始終強調內部管理規範。通過制定和完善管理制度，使規範化運營融入在企業血液中。我們嚴格管理集團各項業務，在設計、建設、生產、運行維護等各主要業務領域強化制度管理與監督。

在設計服務中，設計公司秉承「科學管理、精心設計、誠信服務、顧客滿意」的質量方針，建立了「設計技術有規範控制、設計過程有體系管理、設計人員有明確分工、設計產品有質量跟蹤」的全方位、全過程質量管控體系。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Quality Service and Regulations First (Continued)

In term of the project construction, the Group has improved its institutional system. This year, the Group issued the *CNE Engineering Supervision Assessment Management Measures*, modified the *CNE Construction Quality Assessment Management Measures*, and the *Production Acceptance Transfer Management*, and issued the *Equipment Transportation Management Requirements in Construction Site* and the *Notice on Regulating Management of Construction Projects during Commissioning and Trial Production*. These rules provide positive guidance for the management at each phase of construction projects.

In production and operation, the Group's Production and Operation Department reviewed relevant systems in the fourth quarter of 2017, and reduced the existing over 40 operation standards and systems 40 to around 10 through integration, abolishment and revision, to make them truly effective, customized and problem-solvable.

In operation and maintenance, the O&M Company focuses on safety management, and issued the *Safety Technology Management Rules*, the *Top Ten Perseverance in Tour Inspections of CNE-OM* and other rules in 2017. At the same time, it has built up the safety idea that "safety is an insurmountable red line at all times, and personnel, equipment and operation shall maintain safe". It established the Safety Management Committee headed by the management to improve the safety management mechanism. The Safety management has achieved continuous improvement through persistent and regular follow-up inspections.

Continuous improvement on management rules and standards is the embodiment of the Group's strict self-discipline. The Group is heading forward on the right way of developing new energy, and does the right thing in a right manner.

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

優質服務，制度先行(續)

在工程建設方面，集團完善了制度體系。本年度，集團編制了《協合新能源集團有限公司工程監理考核管理辦法》，修訂了《協合新能源集團工程建設質量管理辦法》及《生產移交驗收管理制度》，下發了《建設項目場內設備運輸管理要求》及《關於規範建設項目工程調試、試生產期間管理的通知》。該類管理制度對於工程建設項目各環節的管理起到了良好的指導作用。

在生產運營業務中，集團生產運營部在2017年第四季度重新梳理生產運營體系，將已有的40多個生產運營相關標準和規範整合、廢止、修訂至10個左右，使得標準和規範真正有效、有針對性、能夠解決問題。

在運行維護工作領域，運維公司著力安全，於2017年新制定了《安全技術管理制度》、《北京協合運維風電技術有限公司巡迴檢查十大堅持》等制度。運維公司構建了「任何時候安全是不可逾越的基本紅線，人員、設備、經營安全」的安全理念；成立了以公司管理層為首的「安全管理委員會」，完善了安全管理機制。通過堅持不懈的定期跟蹤檢查，以持續提高的方式，進行安全管理工作。

不斷完善的制度規範，是集團自我嚴格要求的體現。集團始終堅持在開發新能源這條正確的道路，用正確的方式做正確的事情。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Qualification Enhancement and Platform Extension

In addition to improving the systems, the Group constantly benchmarks itself against outstanding enterprises and focuses on the qualification enhancement of business departments, stepping forward to become a first-class clean energy enterprise. In 2017, the Group succeeded in the renewal of a number of qualifications and obtained new recognition with its excellent management and technology.

In February 2017, the O&M Company obtained the Level III qualification in repairing and testing of Permit for Holding (Repairing, Resting) Electric Power Facilities issued by North China Regulatory Authority of National Energy Administration, with which the O&M Company can undertake the maintenance and testing business of power facilities of 110kV and below in voltage class. Acquisition of Level III qualification greatly improves the industrial competitiveness, and lays a solid foundation for business expansion of the company.

In July 2017, the Design Company succeeded in getting certified by the updated quality system after rigorous review and audit by the audit team of Beijing CEC Certification Centre. The new version of the national standards adopt the risk-based thinking, and emphasizes more on organizational environment, leadership, quality performance and the effectiveness of quality management system. The success in certification showed that the Design Company has been in line with the international standards in term of quality management system.

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

提升資質，拓展平台

除了完善制度，集團不斷對標優秀企業，注重業務部門的資質提升，始終朝著一流清潔能源企業的方向發展。2017年，集團以過硬的管理及技術，獲得了多項資質的更新及新的認可。

2017年2月，運維公司取得國家能源局華北監管局頒發的《承裝(修、試)電力設施許可證》承修類、承試類三級資質，運維公司可承攬110kV及以下電壓等級的電力設施維修及試驗業務。三級資質的取得大大提高了運維公司的行業競爭力，為公司業務拓展夯實了基礎。

2017年7月，設計公司經中電聯(北京)認證中心審核組審核，順利通過質量體系轉版的嚴格審核。新版國標採用基於風險的思維，更加強調組織環境、領導作用、質量績效、以及質量管理體系的有效性。通過該審核，說明設計公司在質量管理體系方面已經與國際接軌。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

銳意進取，推動企業規範管理(續)

Improving the Quality of Products and Services (Continued)

提升產品及服務質量(續)

Qualification Enhancement and Platform Extension (Continued)

提升資質，拓展平台(續)

In September 2017, the O&M Company took the opportunity of the re-examination of the safety management system, environmental management system and quality management system (Three Standards) to review and optimize its management system in accordance with the latest national certification standards on quality management system. It successfully passed the certification, which laid a solid foundation for the production management standardization.

2017年9月，運維公司各部門借助安全體系、環境健康體系、質量體系(三標)再審核的契機，結合國家新版質量體系認證標準，對安全體系、環境健康體系、質量體系重新進行了梳理、優化，並順利通過了「三標」認證，為公司生產管理標準化打下了堅實的基礎。

In December 2017, the O&M Company passed the assessment of the wind power O&M services by TÜV Rheinland and obtained the certificate accordingly. Such assessment and certificate reflected the Group's high technical capabilities in terms of wind power O&M, and further enhanced the capability of wind power O&M market expansion.

2017年12月，運維公司順利通過德國萊茵(TÜV)風電運維服務評估，並獲得萊茵(TÜV)頒發的資質證書。該項評估及資質證書的頒發體現集團風電運維方面具備的較高技術能力和水準，進一步提高了後續風電運維市場的拓展能力。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Standards Establishment and Quality Control

The Group constantly formulates and improves various standards to strengthen quality control, improve the stability of new energy power generation and enhance service quality.

The safety and availability of wind turbines have direct impact on wind power generation. In order to improve wind power generating capacity, the Group issued *Measures for Prevention and Control of Major Breakdown in Major Parts of Wind Turbines (Trial)* for the targeted inspection schemes and standards of major parts like towers, blades, gearboxes, generators and yawing systems, and carries out special safety inspection of wind turbines accordingly. In 2017, the availability of Wind Turbine Generator (WTG) wholly-owned by the Group was 98.53%, an increase of 0.19 percentage point compared with 98.34% in the previous year. The availability of wind power plants was 97.33%, an increase of 0.20 percentage point compared with 97.13% in the previous year.

In order to ensure the reliability of invested solar power plants, the Group's Technical Department issued the *Technical Specifications for Quality Inspection of Crystalline Silicon Photovoltaic Modules for Solar Power Plants* in 2017 based on a large amount of test data to make the testing standards more sophisticated. At the same time, the Group established cooperation with well-known testing and certification institutions such as TÜV Rheinland and China General Certification Center to equip our testing rooms with a complete testing system for solar power plants, which enabled professional testing of power plants' performance and efficiency, internal and external quality of solar modules, photovoltaic cluster safety, power plant light resources certification, inverter performance and quality and other aspects. In 2017, we conducted rigorous modules factory acceptance test, inspections upon arrival, grid connection test and annual inspection of all new-built and in-production solar power projects of the Group.

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

樹立標準，把控質量

為了加強質量管控，提高新能源發電的穩定性、提升服務質量，集團不斷制定和完善各類標準。

風機設備的安全及可利用率直接影響到風電發電量。為了提高風電發電量，在風機大部件的檢查方面，集團制定了《防範風機大部件重大故障重點管控措施(試行)》，內容涉及塔筒、葉片、齒輪箱、發電機、偏航系統等大部件的專項檢查方案和檢查標準，並據此標準開展了風機專項安全檢查。2017年，集團獨資風電場機組設備可利用率98.53%，較去年的98.34%提高0.19個百分點；風電場可利用率97.33%，較去年的97.13%提高0.20個百分點。

為了保障投資光伏電站可靠性，2017年，集團技術部制定了《光伏電站用晶體矽光伏組件質量檢測技術規範》企業標準，在大量檢測數據基礎上進行了修編，使檢測標準更加完善。同時經過與德國萊茵TÜV、北京鑒衡等知名檢測認證機構交流合作，集團檢測室建立了針對光伏電站較為完整的檢測體系，能夠在電站性能與效率、組件內外部質量、光伏組串安規測試、電站光資源核證、逆變器性能質量水準等方面進行專業檢測。2017年，我們對集團新建及已投產的全部光伏項目進行了嚴格的組件出廠檢測、到貨檢測以及電站並網檢測和年度定檢。

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Standards Establishment and Quality Control (Continued)

This year, the Group's Production and Operation Department timely adjusted and fixed the equipment and technical problems detected in some projects. In Yunnan Huaping Project, we solved the problem that the solar panels were seriously polluted by cement powder. The Group selected several cleaning measure and compared the effects. The final cleaning method selected by the Group was to clean first with oxalic acid and then with water, and the cleaning frequency was based on the local rainfall and the production of the cement plant. As such, while the photovoltaic panels were kept clean, and the generation capacity was increased by 20%. The Group also carried out lightning-proof technical renovation in Yunnan Huaping Project, and thus reduced two lightning trip-outs of outgoing line compared that in 2016. Tibet Naidong Project conducted technical renovation of high-voltage cable heads, which could greatly reduce trip-out rate of the high voltage cable heads in the plateau environment after renovation.

Continuous Learning and Ability Improvement

The Group attaches great importance to the development of new energy policies and technologies so as to enhance the employees' knowledge and professional skills and to provide products and services with high quality.

In 2017, the Group invited renowned domestic and foreign experts for seminars and exchanges on micro grid and cable technology, distribution and electricity sales business trainings, status quo of distributed solar power generation, development and operation mode, wind resources and application at various stages, certification processes for wind turbines, etc.

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

樹立標準，把控質量(續)

本年度，集團生產運營部對一些項目中存在的設備問題及技術問題進行了及時調整和修復。針對雲南華坪項目光伏板水泥粉塵污染嚴重的問題，生產運營部選取多種清洗方法，對比清洗效果，最終採用首次使用草酸清洗，再改用普通水洗，根據當地降雨情況及水泥廠生產情況確定清洗週期的清洗方案，確保了光伏板的潔淨，並提升發電量20%。生產運營部還對雲南華坪項目進行了防雷技改，同比2016年送出線路雷擊跳閘次數減少了2次，大幅降低了線路跳閘概率。西藏乃東項目對高壓電纜頭進行技改，技改完成後可大大降低高壓電纜頭在高原環境下的跳閘率。

不斷學習，提升能力

集團十分關注新能源政策和技術的發展，以此提高員工行業知識和專業技能，提供高質量的產品和服務。

2017年，集團邀請國內外知名專家對包括微電網技術、電纜技術、配售電業務、分布式光伏發展現狀、開發及運營模式、風資源評估及其在各個階段的應用、風電機組的認證流程等進行培訓和交流。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Continuous Learning and Ability Improvement (Continued)

We also pay attention to the exchanges and communications with industry association. In April 2017, with the recommendation of the standing members to the Council of China Electric Power Planning and Engineering Association (CEPPEA) and after election at the council meeting, the Design Company was approved to join CEPPEA. Such a move will help the Group to keep abreast of the latest development in the industry, collect industry information, and make use of this platform's advantages in project evaluation, qualification upgrading and scientific research activities.

By keeping learning and research, the Group has also made gratifying achievements in patents. Power Concord developed the application of wind control strategy for wind turbine generating unit yaw system, and applied for 8 software copyright certificates, amounting to a total of 16 certificates. The O&M Company applied for 4 technology patents. These achievements are conducive to the protection of intellectual property rights and enhance the Group's competitive edge and development potentials.

Power Concord

Applied for **8** software copyright certificates
Holding a total of **16** copyright certificates

The O&M Company

Applied for **4** technology patents

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

不斷學習，提升能力(續)

我們亦注重與行業協會的交流溝通。2017年4月，經中國電力規劃設計協會常務理事單位推薦，協會理事會選舉，集團工程設計公司被批准加入中國電力規劃設計協會。加入該協會有助於幫助集團及時瞭解、掌握行業發展動態，收集行業信息，並在項目評優、資質升級、科研活動等方面具備更大的平台優勢。

通過堅持不斷學習與研究，集團在專利方面也取得了可喜的成就。動力協合開發了風電發電機組偏航對風策略應用，申請完成8個軟件著作權證書，累計持有軟件著作權證書16個。運維公司申請技術專利4項。專利的申請有利於保護自主知識產權，提升集團的競爭優勢和發展潛力。

動力協合

申請完成**8**個軟件著作權證書
累計持有軟件著作權證書**16**個

運維公司

申請技術專利**4**項

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Consistent Efforts and Fruitful Achievements

In 2017, the Group's equity-proportioned installed capacity reached a historical high of 1,806 MW, an increase of 13%. Among them, 440MW were newly increased by the power plants in southern non-curtailed regions, and the proportion of these plants was raised to 72%. The newly increased capacity came all from solely-owned power plants. The proportion of solely-owned power plants in the equity-proportioned capacity rose to 63%.

As at the end of the reporting period, the Group's Design Company has designed or contracted more than 100 projects related to solar power plants and over 230 related to wind power plants, and accomplished more than 400 feasibility reports for new energy projects, covering all domestic provinces, West Africa, Southeast Asia and other regions. A total of more than 90 wind power plants and solar power plants with different capacities have been constructed. The O&M Company has provided overall operation and maintenance services for 60 wind power plants and 29 solar power plants, with a total capacity of over 4,100MW, covering about 20 provinces and autonomous regions.

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

腳踏實地，成果豐碩

2017年，集團權益裝機容量創歷史新高，達到1,806兆瓦，增加13%。其中新增南方不限電區域電廠44萬千瓦，不限電區域電廠佔比提升至72%。新增容量均為獨資電廠，權益容量中獨資電廠佔比提升至63%。

截至本報告期末，集團設計公司已累計諮詢、設計或總承包光伏發電站100餘項，風力發電場230餘項，完成新能源項目技術諮詢報告400餘項，項目積累遍及國內各省份及西非、東南亞等區域。工程項目累計承建各容量風電場、太陽能電站90餘座。運維公司累計為60家風電場和29家光伏電站超過4,100MW的項目提供過整體運行維護服務，業務區域遍及全國約20個省市自治區。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

銳意進取，推動企業規範管理(續)

Improving the Quality of Products and Services (Continued)

提升產品及服務質量(續)

Customer Orientation and Honorary Recognition

客戶導向，榮譽認可

The Group's professional competence and excellent service resulted in customers' recognition and awards from the industry. On January 18, 2018, the Group won the "Best Value Public Utilities and Environmental Protection Company Award" at the Insights on New Value of Hong Kong Stocks Forum cum presentation ceremony of the 2017 Golden Hong Kong Stock Awards for Listed Companies held in Shenzhen on January 1, demonstrating highly recognition of the Group from the industry and investors.

集團的專業能力與優質服務為企業贏得了客戶的認可和行業的榮譽嘉獎。2018年1月18日，在深圳舉辦的洞見港股新價值高峰論壇暨2017「金港股」上市公司評選頒獎典禮上，集團榮獲「最具價值公共事業及環保股公司」大獎，凸顯了業界和投資人對協合新能源的高度肯定和認可。

Meanwhile, the Group's businesses all made constant development in corresponding area, and won various awards.

與此同時，集團各業務板塊亦在各自領域不斷進步，獲得諸多獎項。

The O&M Company persistently promotes "7S" management (i.e. sort, set in order, shine, standardize, sustain, safety and save), and refined management, with improving its capabilities as the basis, being oriented by satisfying customer's needs, quickly responding to customers' needs and providing customized solutions for different customers. Through advanced technology and quality professional services, the O&M Company successfully finished tasks assigned by customers. In 2017, the O&M Company received a total of more than 20 testimonials and award banners, winning customers' recognition.

運維公司通過堅持不懈的推進電廠「7S」管理（即：整理、整頓、清掃、清潔、素養、安全、節約）、精細化管理，以提高自身能力為基礎，以客戶需求為導向，快速響應客戶需求，為不同客戶提供定制化服務方案。運維公司通過先進的技術能力和優質的專業服務，圓滿完成客戶交付的任務。2017年，運維公司收到客戶表揚信、錦旗總計20餘件，受到客戶高度肯定。

In 2017,

2017年

Testimonials and award banners received by
the O&M Company reached

運維公司收到客戶表揚信、錦旗

20+

20餘件

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Improving the Quality of Products and Services (Continued)

Customer Orientation and Honorary Recognition (Continued)

In December 2017, at the Second “China Wind Power Industry Development Cooperation Forum cum presentation ceremony of the Second “Wind Power Cup” Annual Best Wind Power Enterprise sponsored by fgzixun.com, the O&M Company again won the first place in the network ranking of O&M enterprises with its good reputation and professional capacity, and was awarded “2017 Top Ten Wind Power O&M Enterprise”.

The Design Company also demonstrated good professional capabilities in many projects. Henan Junxian Huolongang Wind Power Project, designed by the Group’s Design Company, was awarded “Beijing Outstanding Engineer Project of Prospective Design” in 2017, and was the only power generation project that won this award. Moreover, the “Holingola River Circular Economy Demonstration Power Project” in Inner Mongolia Autonomous Region was awarded “2016-2017 National Quality Project”.

Strengthening Supply Chain Management

Supply chain management directly affects the quality of our products and services. We attach great importance to the management of suppliers and contractors, and carry out strict check over the selection of suppliers and contractors. The Group has always been committed to establishing and maintaining long-term and close partnership with suppliers and contractors, maintaining timely communication, and implementing safety management accountability, in order to achieve win-win cooperation.

銳意進取，推動企業規範管理(續)

提升產品及服務質量(續)

客戶導向，榮譽認可(續)

2017年12月，在由風光資訊網主辦的第二屆「中國風電產業發展合作論壇暨2017第二屆年度「風能杯」最佳風電企業頒獎典禮」上，運維公司再次憑藉良好的業界口碑和專業水準獲得運維企業網絡票選第一名，並榮獲「2017年度十佳風電運維企業」稱號。

設計公司同樣在多個項目中表現出良好的專業設計能力。其設計的河南浚縣火龍崗風力發電工程項目榮獲2017年「北京市優秀工程勘察設計獎」，該工程是唯一一個獲獎的發電項目。此外，設計公司參與設計的內蒙古自治區「霍林河循環經濟示範電力項目」榮獲了「2016-2017年度國家優質工程獎」。

加強供應鏈管理

供應鏈的管理直接影響到自身產品及服務的質量。我們嚴格執行供應商及承包商管理制度，對供應商及承包商的選擇嚴格審查。此外，集團始終強調與供應商、承包商建立和維持長久、緊密的夥伴關係，保持及時溝通，落實安全管理責任，從而實現雙贏合作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Strengthening Supply Chain Management (Continued)

Focus on Contractors' Safety

We attach great importance to contractors' safety management at all stages of projects. We strictly control the selection of construction contractors in the bidding stage, and strictly assess the construction qualification, project manager's experience, project performance, safety performance and social credibility. Prior to the project, we organize safety training for contractors, unify mechanism on management, risk control, assessment and evaluation, and carry out strict supervision so as to ensure that the safety of contractors is under control. During the construction period, the supervision units carry out safety inspection every week, and stop the work immediately for correction once any potential safety problem is identified. In addition, the Group has established a list of qualified construction units and implement the principle that "unsafety is the overriding reason for disqualification. A contractor would be blacklisted in the event of a safety accident.

Emphasis on Material Procurement Quality

The Group has always attached great importance to the management of its suppliers, and makes regular assessment of suppliers every year. In 2017, the supplier management measures was revised.

In the appraisal of equipment suppliers, in addition to assessing profitability, product quality, governance structure, service awareness, sustainable development, corporate reputation and performance ability, the Group attached more importance to field inspection to suppliers (including production base and equipment operation). Moreover, the Legal Department of the Group increased legal background investigation on suppliers, and revised supplier accession criteria and periodic assessment mechanism, so as to further raise their service awareness, prevent slackness after accession. As such, the quality and service of goods which are not purchased from the Group' centralized purchasing are ensured.

銳意進取，推動企業規範管理(續)

加強供應鏈管理(續)

關注承包商安全

我們在項目各個環節高度重視承包商的安全管理。招標階段對施工承包商的選擇嚴格把關，嚴格審查施工資質、項目經理履歷和經驗、工程業績、安全績效和社會信譽等。項目開展前，組織施工承包商人員的進場安全培訓工作，統一管理機制、風險控制、考核與評估機制，嚴格監管，保證施工承包商的安全管理受控。在施工期間，每週由監理單位組織參建單位進行安全大檢查工作，發現安全隱患，立即停工整改。此外，集團建立合格施工單位名錄，對安全事故實行「一票否決制」，一旦出現安全事故，將承包商直接列入黑名單。

重視物資採購質量

集團一直高度重視對供應商的管理，每年按期對供應商進行評定，並於2017年對供應商管理辦法進行了修訂。

在設備類供應商的考評中，除了繼續考核盈利能力、產品質量、治理結構、服務意識、可持續發展、企業信譽、履約能力等方面的內容外，集團加大了對供應商實地考察(包括生產基地和設備運行地的考察)的力度。此外，集團法務部門增加了對供應商的背景調查，修改了供應商的准入資格和定期考核機制，進一步提高供應商的服務意識，防止准入後產生懈怠意識，保證非集團統一採購物資的質量和服務。

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Advocating Corporate Culture of Honesty

Clean and transparent corporate governance is an important guarantee for the Group's sustainable development. In terms of anti-corruption, the Group actively abides by relevant laws and regulations, and makes great efforts to create a clean and honest corporate culture.

Improving Anti-Corruption System

The Group attaches great importance to anti-corruption work, resolutely cracks down on corruption, and eliminates derelictions. In addition to following national and local relevant laws and regulations, the Group also made anti-corruption and anti-bribery rules, including the *Anti-fraud Management Rule*, the *Supervision Management Measures*, and the *Code of Ethics and Conduct for Managers*. In 2017, we abolished the previous *Anti-Corruption Rule and the Management Measures for Complaint and Reporting*, and formulated the *Anti-Fraud Management Rule*. The new rule incorporated the rewards and punishments measures of the HR department, refined ways of penalties, made specific provision on the category of fraud, enriched the form of fraud prevention and control, and increased reporting platform and activities of publicity and training.

銳意進取，推動企業規範管理(續)

倡導廉潔企業文化

廉潔透明的企業管治，是集團可持續發展的重要保證。在反貪污層面，集團積極遵守相關法律法規，努力創建廉潔誠信的企業文化。

完善反貪污制度

集團高度重視反貪污工作，堅決打擊貪污腐敗行為，掃除瀆職不作為的角落。除遵循相關的國家或地區法律法規外，集團反貪污、反賄賂的相關制度包括《反舞弊管理制度》、《監察管理辦法》、《經理人職業道德規範及行為準則》。2017年，我們在《反舞弊工作條例》和《投訴、舉報管理辦法》的基礎上，編制了《反舞弊管理制度》，新的制度結合了人力部門的獎懲辦法，對處罰方式進行細化，並對反舞弊種類進行了明確規定，豐富預防和控制形式，增加舉報平台、宣傳培訓活動等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

BEING ENTERPRISING, AND PROMOTING STANDARDIZED MANAGEMENT (CONTINUED)

Advocating Corporate Culture of Honesty (Continued)

Creating New Channels for Publicity

In the anti-corruption work, the Group adheres to the basic principles of “a combination of punishment and prevention”, and “protecting whistle-blowing and avoiding the person reported participating in investigation”, and adopts comprehensive measures such as training, education, guidance, encouraging whistle-blowing, and public disclosure of treatment results. In addition to traditional reporting channels such as telephone, email and mailbox, in early November 2017, we created a new reporting platform at WeChat. Moreover, we updated anti-fraud knowledge and case analysis on the WeChat platform every week, and disclosed irregularities within the Group. At the end of 2017, 4 articles related to anti-corruption were published on that platform, with over 600 views.

In the daily anti-corruption publicity and training, we emphasize more on consciousness of integrity and anti-corruption. The Group formulated *Agreement of Commitment to Integrity*, which is circulated during bidding. Requirements on integrity is emphasized at the bid opening site. In addition, for some problems found in a few project audits in 2017, we conducted investigation, reporting, notification and rectification, and held accountability of persons in charge of the projects through warning and education. Through various measures, the Group spares no efforts to develop righteousness and prevent corruption.

銳意進取，推動企業規範管理(續)

倡導廉潔企業文化(續)

創建宣傳新渠道

集團反貪污工作堅持「懲防並舉、重在預防」及「舉報保護、調查回避」的基本原則，採用培訓、教育、引導、鼓勵舉報、公開披露處理結果等綜合措施。除傳統的電話、電子郵件、信箱等舉報渠道外，2017年11月初，我們在企業微信中創建了監督舉報平台，新設舉報渠道。此外，我們在微信平台每週更新、發佈與反舞弊有關的知識與案例分析，並對集團內一些違規行為進行通報；截至2017年末，平台發佈的與反貪污相關的文章共計4篇，閱讀量達600餘次。

在日常反貪污宣傳和培訓中，我們更加著重強調廉潔反貪意識，集團制定了《廉潔承諾協議》，在招標時發放協議，在開標現場宣講廉潔注意事項；此外，對於2017年部分審計項目中涉及的問題，我們進行了調查、報告、通報和控制整改，對責任人在一定範圍內進行了警示教育。通過種種措施，集團竭力營造正義正氣的工作氛圍，嚴防貪污行為。

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE

As a socially responsible business, whether within or outside the Group, maintaining close relationship is essential for accumulating social capital. In order to increase the recognition of the community and carry out our mission and values, we not only need to gain the trust of the communities where we operate, but also facilitate their recognition of the Group's contribution to the sustainable development of their communities. Therefore, we encourage the Group's members to participate in public welfare activities, so as to promote the development of local education, economy, culture and environment.

Targeted Poverty Alleviation

The Group actively responds to the national policy of "targeted poverty alleviation". Catering to different regional environment at project sites and the different conditions of the poor farmers, the Group makes accurate identification and carries out targeted poverty alleviation activities to fulfill its social responsibilities.

回饋社會，積極參與公益事業

作為對社會負責的企業，無論是在集團內部或外部，維持緊密關係，積累社會資本至關重要。為確保得到社會民眾的認同，踐行企業的使命和價值觀，我們不但要取得業務所在地社區的信任，亦要讓他們認同協合新能源集團能為他們社區的可持續發展作出貢獻。因此，我們倡議集團成員積極參與公益事業，促進當地教育、經濟、文化及環境的發展。

精准扶貧

集團積極回應國家精准扶貧政策，在項目所在地根據不同貧困區域環境、不同貧困農戶狀況，結合自身集團業務特點，對扶貧對象實施精確識別、精確幫扶，踐行社會責任。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE (CONTINUED)

Targeted Poverty Alleviation (Continued)

Case: Poverty Alleviation through Solar Power Generation Project

666 beneficiaries

RMB 3,000 per person per year

A donation of **RMB 1.998 Million** per year

A duration of **20** years

As one of the major national poverty alleviation projects, poverty alleviation through solar power generation project injects new vitality into poverty alleviation. We seize the opportunity of innovative policy, and make use of the Group's advantages to give back to the society.

As a key poverty alleviation project in Hebei Province, the Group's Hebei Haixing Project helped 666 poor people in the local area with RMB 3,000 per person per year, accounting for 1.998 million yuan annually and lasting for 20 years. In the meantime, the project delivered about 25.17 million kWh of clean energy to the area every year. We make full use of the advantages of regional resources and the poverty alleviation project to improve the living standards of local residents and bring economic and social benefits to the community.

回饋社會，積極參與公益事業(續)

精準扶貧(續)

案例：光伏扶貧

幫扶人口 **666** 人

每人每年 **3,000** 元

扶貧款 **199.8** 萬元／年

扶貧年限 **20** 年

光伏扶貧作為國家精準扶貧重大工程項目之一，為扶貧開發注入新的活力。我們抓住創新政策機遇，利用集團優勢，順勢而為，回饋社會。

作為河北省重點扶貧項目，集團旗下河北海興光伏項目幫扶當地貧困人口666人，每人每年3,000元，每年提供扶貧款199.8萬元，扶貧年限20年。該項目每年向當地輸送約2,517萬千瓦時清潔能源。我們充分利用地區資源優勢，通過扶貧項目，改善當地居民生活水平，為當地帶來一定的經濟和社會效益。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE (CONTINUED)

Targeted Poverty Alleviation (Continued)

Case: Donation by Project Company

A donation of **RMB80,000** for poverty alleviation to Caohe Village, Chenghe Town, Xiangzhou District

In response to the call of targeted poverty alleviation policy, the Group's Hubei Yushan Wind Power Project proactively participated in the targeted poverty alleviation actively at Caohe Village, Chenghe Town, Xiangzhou District.

On November 1, 2017, Hubei Yushan Project cooperated with Xiangzhou District Branch of the Land and Resources Bureau to carry out poverty alleviation activity in Caohe Village, donating RMB 80,000 to the village for infrastructure construction and improving people's production and living.

回饋社會，積極參與公益事業(續)

精准扶貧(續)

案例：項目捐款

為襄州區程河鎮曹河村
扶貧捐款**8萬元**

為響應國家精准扶貧政策的號召，集團旗下湖北襄陽峪山風電項目積極參與襄州區精准扶貧工作。

2017年11月1日，湖北峪山項目配合襄州區國土局對襄州區程河鎮曹河村進行扶貧工作，為該村捐贈八萬元，用於該村基礎設施建設和改善人民群眾生產、生活。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE (CONTINUED)

Targeted Poverty Alleviation (Continued)

Case: Poverty Alleviation through Education

In 2017, the Group's Yanyuan Solar Power Project made donation to the primary school in at Beishan Village, Dahe Town, Yanyuan County, Liangshan Prefecture, Sichuan Province, where the project is located. On June 1, the subsidiary carried out an activity themed "Caring to Students at Mountainous Area, and Igniting Dreams via True Love on June 1". Daily supplies such as clothes and hats, and school supplies such as books donated by employees were delivered to and distributed among local residents and students. The Group's employees practiced the traditional virtues of philanthropy and helping the poverty and the needed.

During the donation, the Group's employees conducted education on fire prevention to local villagers through various forms such as posters, exhibition boards and speeches so as to enhance their awareness of fire safety, which also mitigate the pressure of fire prevention work at the solar power plant. As a result, such an activity formed a benign interaction between the company and local people, and promoted win-win development.

回饋社會，積極參與公益事業(續)

精準扶貧(續)

案例：教育扶貧

2017年，集團旗下公司四川鹽源光伏項目向所在地的四川鹽源縣大河鄉北山村小學開展愛心捐贈活動，並於6月1日開展了「情系山區學子、6.1真愛點燃夢想」活動，將捐贈的衣帽、書本等各類生活物資及學習用品現場分發給當地民戶和學生，集團員工也用實際行動踐行著樂善好施、扶貧幫困的傳統美德。

在捐贈活動現場，集團成員以海報、展板、演講等多種形式向當地村民進行消防教育，以此加強當地村民的防火安全意識，同時為電廠光伏區的消防工作減輕了壓力，形成了公司與地方民眾的良性互動，推動雙方的發展和共贏。

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE (CONTINUED)

School-Enterprise Cooperation

Education, like the new energy development, is a cause of “achievement at the present and benefit for the future.” The Group attaches great importance to the investment in education by continuous donation on education and school-enterprise cooperation, so as to support training talents for the new energy industries and the society as a whole.

Case: Ulanqab Vocational Educational Union Platform

The Group and Ulanqab Vocational College in Inner Mongolia have maintained long-term communication and cooperation. In June 2017, the Group’s O&M Company joined Ulanqab Vocational Educational Union, realizing exchanges of advantages and resources sharing in equipment, teachers, technology, information, teaching, internship, production area, skill appraisal and graduate employment, so as to optimize allocation of vocational education resources.

In order to help students quickly adapt to work after graduation, and to enable them to combine the theory and practice, the Group’s O&M Company received over 30 students for cognitive learning at the power plant in July, 2017, so that the students could gain a preliminary understanding about wind plants. In November, the O&M Company dispatched technical experts to schools to launch a one-month pre-job skill upgrading training on safety, power transformation, wind turbines and corporate culture so that students formed a deeper understanding of the company, which laid a foundation for students to adapt to work faster.

回饋社會，積極參與公益事業(續)

校企合作

教育與新能源開發事業一樣，是一項「功在當代、利在千秋」的事業。集團重視在教育領域的投入，堅持捐資助學、校企合作，通過教育投入助力新能源行業以及社會的人才培養。

案例：烏蘭察布職業教育聯盟平台

集團與內蒙古烏蘭察布職業學院長期保持良好的溝通與合作。2017年6月，集團運維公司加入烏蘭察布職業教育聯盟，與烏蘭察布職業教育聯盟之間實現設備、師資、技術、信息、教學、實習、生產基地、技能鑒定、畢業生就業等方面優勢互補、資源分享，通過校企合作達到職業教育資源的優化配置。

為了讓學生畢業後能更快地投入和適應實際工作，將理論與實踐相結合，2017年7月集團運維公司接收了30多名學生到電廠進行了為期一個月的認知學習，讓學生對風電場整體情況有了初步的認識。11月，運維公司派技術專家進駐學校，從安全、變電、風機基礎知識以及企業文化方面開展了為期一個月的崗前技能提升培訓，讓學生對公司有了更深刻的瞭解，為學生更快投入工作打下了基礎。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE (CONTINUED)

School-Enterprise Cooperation (Continued)

Case: Scholarship at North China Electric Power University (NCEPU)

RMB200,000 per year

A consecutive **10** years of scholarship

Accumulatively **1,110** beneficiaries

In order to jointly promote the development of renewable energy education, the Group keeps investing RMB 200,000 each year to establish “NCEPU China Wind Power Scholarship”, “NCEPU China Wind Power Subsidy”, “NCEPU China Wind Power Science and Technology Innovation Scholarship”, “NCEPU Wind Power Talent Scholarship”, “NCEPU China Wind Power Graduate Admission Scholarship” to reward outstanding students with good academic performance, to help families with financial difficulties, to reward outstanding students with scientific innovation and inventions, to reward outstanding teachers and management staff, and also to encourage outstanding undergraduate students for further study.

By 2017, the Group had been cooperating with the NCEPU Foundation for 10 years, and the total number of students that won the scholarship had reached 1,110.

回饋社會，積極參與公益事業(續)

校企合作(續)

案例：華北電力大學獎學金

每年出資 **20 萬元**

已連續 **10** 年設立獎學金

累計獲獎學生 **1,110** 人

為共同促進國家可再生能源教育事業的發展，集團每年出資20萬元，在華北電力大學可再生能源學院設立「華北電力大學中國風電獎學金」、「華北電力大學中國風電助學金」、「華北電力大學中國風電科技創新獎」、「華北電力大學中國風電育才獎」、「華北電力大學中國風電研究生入學獎」，分別用於獎勵品學兼優的優秀學生、幫助家庭經濟困難學生完成學業、獎勵在科技創新、發明製造等方面有突出表現的學生、獎勵優秀的教師和管理人員、激勵優秀的本科生繼續深造。

截至2017年，集團與華北電力大學基金會已合作十年，累計獲獎學生已達1,110人。

GIVING BACK TO SOCIETY BY PARTICIPATING IN PUBLIC WELFARE (CONTINUED)

Supporting Communities

As a responsible enterprise, the Group maintains interaction with local residents, and helps them solve difficulties and problems in daily life, which resulted in good social impact.

On the early morning of November 27, 2017, while three employees of the Group's O&M Company were making daily inspection at Inner Mongolia Mengdong Concord Shuangjinzi Project, they found that an empty-nest elderly couple living in Gahaimiao Village had been suffering from power cut and water shortage for more than 10 days. Soon after, the three employees went to the couple's home to examine and solve the circuit problems, and eliminate potential safety problems, so that the power and water supply were restored. Such behavior was widely recognized and praised by local residents.

By understanding others' needs need and solving their difficulties, the Group's employees continuously start from small to give back to the society and practice the Group's mission through selfless contribution.

LOOKING AHEAD

The Group has been committed to growing to be an international world-class clean energy enterprise, with a social mission of providing quality clean energy and professional services and striving for harmonious development between man and nature. Against the current background of favorable opportunity, the Group will strengthen the control for environmental and social risks, and carries out work with focus on the four parts of ESG (energy development, employee growth, enterprises operation, and public welfare) to realize sustainable development.

回饋社會，積極參與公益事業(續)

助力社區

作為對社會負責的企業，集團保持與項目所在地民眾的交流與互動，幫助當地民眾解決生活中的困難與問題，在當地產生了良好的社會效應。

2017年11月27日清晨，集團旗下運維公司的三名成員在內蒙古蒙東協合雙井子風電項目日常巡視中，發現家住嘎海廟村的一對空巢老人家中停電停水已10餘天。隨後，三名成員前往老人家中，對電路故障進行逐一排查，之後進行了相應整修，排除安全隱患，老人家中供水供電得以恢復。運維巡檢組的行為在當地得到廣泛認可與稱讚。

知人所需，解其所難，集團員工不斷用點滴善舉溫暖著社會，用無私奉獻踐行企業使命。

展望未來

協合新能源始終致力於發展成為一流的國際化清潔能源企業，提供優質的清潔能源及專業服務，促進人與自然的和諧發展。在當前有利的發展機遇條件下，集團將加強對環境風險及社會風險的把控，圍繞ESG工作的四大方面——能源開發、員工發展、企業運營、社會公益——開展工作，實現可持續發展。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

LOOKING AHEAD (CONTINUED)

Energy development

We will firmly adhere to the path of developing new energy sources, so as to continuously and stably provide clean energy for society. We also stick to green operation and green business. At the same time, we will enhance the foundation and pioneer in innovation by vigorously promote the innovation and application of the Internet of Things in terms of smart energy, and stably developing business in electricity allocation and sales as well as leasing, so as to provide richer energy products to customers.

Employee growth

We will continue to uphold the “people-oriented” talent growth principle, by providing employees good salary, welfare, and development platform, constructing a safe work place, and advocating a healthy working and living style, so as to ensure sufficient human capital for the Group’s development.

Enterprises operation

We will cherish the opportunities for development, rapidly expand our capacity, and make determined efforts to improve our ideology and style of work, in order to enhance our core competencies and overall management of the Group. Through solid style building, we will realize standardized enterprise management.

Public welfare

We will actively fulfill corporate responsibilities by paying more attention to the needs of communities and increasing manpower and material resources on public welfare, so as to share the gains of the Group with the society.

展望未來(續)

能源開發

我們將始終堅定走開發新能源這條正確道路，為社會持續、穩定提供清潔能源；堅持綠色營運和綠色辦公；與此同時，我們將夯實基礎，開拓創新，大力推動物聯網智慧能源創新及應用，穩步發展配售電及租賃業務，為客戶提供更豐富的能源產品。

員工發展

我們將繼續秉持「以人為本」的人才發展理念，為員工提供良好的薪資福利和發展平台、構建健康安全的工作環境、倡導健康的工作和生活方式，為集團的發展確保充足的人才資本。

企業運營

我們將珍惜發展機遇，快速壯大企業實力，並在思想意識提高及作風建設上做堅決努力，增強企業核心競爭力、提升集團整體經營管理水平；通過扎實的作風建設，實現企業的規範管理。

社會公益

我們將繼續積極履行企業公民責任，更加關注社區所需，增加社區公益的人力物力投入，與社會共享企業發展成果。



德勤

To the shareholders of Concord New Energy Group Limited

(incorporated in Bermuda with limited liability)

致協合新能源集團有限公司股東

(於百慕大註冊成立之有限公司)

OPINION

意見

We have audited the consolidated financial statements of Concord New Energy Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 140 to 315, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審計列載於第140至315頁協合新能源集團有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一七年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註和主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，該等綜合財務報表已按照香港會計師公會頒佈之「香港財務報告準則」真實而公允地反映貴集團於二零一七年十二月三十一日之財務狀況，以及貴集團於截至該日止年度之財務業績及現金流量，並已按照香港「公司條例」之披露規定妥為編制。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

意見基準

我們已按照由香港會計師公會頒佈之「香港審計準則」進行審計。根據該等準則我們之責任詳細載列於本報告核數師審計綜合財務報表之責任中。根據「香港會計師公會會計師執業道德準則」(「準則」)，我們獨立於貴集團之外，並根據該準則履行了其他道德責任。我們相信，我們所獲得之審計憑證是充足且適當地為我們之審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們之職業判斷對當前綜合財務報表審計產生重大影響之事項。該等事項作為一個整體，在我們審計綜合財務報表並形成意見之過程中提出。我們不對該等事項發表單獨意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 我們在審計中如何處理關鍵審計事項 |
|--|---|
| <p>Goodwill impairment assessment 商譽減值評估</p> <p>We have identified the goodwill impairment assessment on power generation segment as disclosed in Note 16 to the consolidated financial statements as a key audit matter because significant management judgements and assumptions are involved as part of the impairment review, any impairment charge could have a significant financial impact on the consolidated financial statements.</p> <p>因減值審核包含重大管理層判斷和假設，且任何減值之發生都將給合併財務報表帶來重大財務影響，因此，我們將在綜合財務報表附注16披露之商譽減值評估識別為關鍵審計事項。</p> <p>The Group conducted an annual impairment review on goodwill by assessing the recoverable amount of goodwill based on fair value less cost of sell of the relevant groups of cash-generating units under Hong Kong Accounting Standard 36 — Impairment of Assets.</p> <p>貴集團根據香港會計準則第36號 — 資產減值規定通過評價現金產生單位之相關群組公允價值減處置成本評估商譽之可收回金額，對商譽執行了年度減值測試。</p> <p>The impairment review performed by the management involves assumptions as set out below, amongst others, that are subjective in nature and the Company is required to use judgement in applying such information:</p> <p>由管理層執行之減值測試涉及下述主觀假設，且貴公司在應用上述資訊時需要進行判斷：</p> <ul style="list-style-type: none"> — Estimated online power quantity of each wind farm; — 各風電廠之預計上網發電量； — Projected installation capacity; — 預測裝機容量； — Expected tariff rate; and — 預期電價；和 — Discount rate. — 貼現率。 | <p>Our procedures in relation to goodwill impairment assessment included:</p> <p>我們針對商譽減值評估所採用之相關程式如下：</p> <ul style="list-style-type: none"> • assessing the valuation methodology and discount rate used in determining the recoverable amount of goodwill by consulting internal valuation specialists; • 通過諮詢內部估值專家，對商譽可回收金額確定過程中使用之估值技術和貼現率予以評估； • comparing the key assumptions applied in the impairment assessment, amongst others, the estimated online power quantity of each wind farm, projected installation capacity and expected tariff rate to historical performance of the Group; • 對減評估核中使用之關鍵假設，如各風電廠之預計上網發電量、預測裝機容量、預期電價和貼現率等，與貴集團之歷史業績進行比較； • reconciling input data to supporting evidence, such as approved budgets, and considering the reasonableness of these budgets; • 將輸入資料，如已批准預算等，與支持證據進行對賬，並考慮該等預算之合理性； • examining the management's sensitivity analysis over the key assumptions applied in the impairment assessment; and • 審核管理層就減值評估中採用之關鍵假設而進行之敏感性分析；以及 • checking the adequacy of disclosures in Note 16 to the consolidated financial statements. • 檢查綜合財務報表附注16中披露之充分性。 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 我們在審計中如何處理關鍵審計事項 |
|---|--|
| Impairment assessment of tariff adjustment receivables 應收電價補助減值測試 | |
| <p>We have identified the impairment assessment of such tariff adjustment receivables as disclosed in Notes 4 and 21 to the consolidated financial statements as a key audit matter because the impairment assessment of such tariff subsidy entails a significant degree of management judgement.</p> <p>因在綜合財務報表附注4和21中披露之電價補助應收款之減值測試需要管理層在很大程度上進行判斷，因此，我們將上述電價補助應收款減值測試識別為關鍵審計事項。</p> <p>Tariff subsidy on sales of electricity is recognised as revenue for the Group's power plants eligible for the subsidy. The settlement of such electricity tariff is subject to government authorities' approval by agreeing to include the electricity power plants into the Reusable Energy Tariff Subsidy Catalogue (the "Catalogue").</p> <p>對於有資格獲得補助之本集團電廠，電力銷售電價補助被確認為收入。上述電價付款之前提條件是，政府部門批准同意將發電廠納入「可再生能源電價附加資金補助目錄」(「目錄」)。</p> <p>As at 31 December 2017, the tariff adjustment receivables recognised by the power plants which have not been included in the Catalogue was RMB140,377,000 and the impairment assessment of such tariff adjustment receivables requires management judgement about whether the power plants are eligible for the application of entering the Catalogue.</p> <p>在2017年12月31日，尚未納入目錄之電廠確認之電價補助應收款金額為人民幣140,377,000元，上述電價補助應收款之減值測試需要管理層判斷電廠是否有資格申請列入目錄。</p> | <p>Our procedures in relation to impairment assessment of tariff adjustment receivables included:</p> <p>我們針對應收電價補助款減值測試所採用之相關程式如下：</p> <ul style="list-style-type: none"> • obtaining a list of the Group's power plants of which tariff subsidy is recognised as revenue but yet to register in the Catalogue, and discussing the requirements and conditions for the registration in the Catalogue with the directors of the Company; • 獲取將電價補助確認為收入但尚未登記入目錄之貴集團電廠清單，與貴集團董事討論得以登記入目錄之要求和條件； • obtaining an opinion from the Group's legal advisor to confirm that the power plants in the list above are qualified for, and had met, all the requirements and conditions for the registration in the Catalogue; and • 獲取貴集團法律顧問之意見，以確認上述電廠有資格且滿足登記入目錄之要求和條件；以及 • checking, on a sample basis, of the past results of the registration of the Group's power plants in the Catalogue. • 抽樣檢查貴集團電廠以往在目錄中之登記情況。 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

其他信息

貴公司董事對該等其他資訊負責。年報中之資訊構成其他資訊，不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不包括該等其他資訊，我們亦不發表任何形式之保證結論。

作為綜合財務報表審計之一部分，我們之責任是閱讀該等其他資訊，並通過閱讀該等資訊考慮其是否與合併財務報表或我們在審核過程中獲取之資訊出現重大不一致，或者似乎存在重大錯誤陳述之情況。倘根據我們已經執行之工作，我們發現該等其他資訊中出現了重大錯報，我們有責任報告事實。在此方面，我們並無報告事項。

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責遵照香港會計師公會頒佈之「香港財務報告準則」及香港「公司條例」之披露規定，編制真實而公允之綜合財務報表以及維護董事認為必要之內部控制，以確保綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事及治理層就綜合財務報表須承擔之責任 (續)

在編制綜合財務報表時，董事負責評估貴集團是否有能力進行持續經營、適當披露與持續經營相關之事項，並使用持續經營會計基礎(但董事有意圖清算貴集團或終止經營或別無其他實際替代方案除外)。

治理層負責監管集團財務報告之編制流程。

核數師就審計綜合財務報表須承擔之責任

我們之責任是根據「百慕大公司條例」第90條，對該等綜合財務報表整體獲取合理保證其是否存在由於欺詐或錯誤而導致之重大錯報，並僅向整體股東報告發表包含我們意見之核數師報告，除此之外，本報告並無其他目之。我們不對其他任何人士就本報告之內容承擔或附上任何責任。合理保證屬於高水準保證，但並不能保證根據「香港審計準則」執行之審計可以發現全部存在之重大錯誤陳述。錯誤陳述可以產生自欺詐或錯誤，如果合理預期其單獨或整體上可能影響使用者根據本合併財務報表作出經濟決策時，有關之錯誤陳述被視為重大。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表須承擔之責任(續)

作為按照「香港審計準則」執行之審計工作之一部分，我們在審計過程中運用了職業判斷，並維持職業懷疑。同時，我們還：

- 識別及評估本綜合財務報表由於欺詐或錯誤導致之重大錯報風險，設計並執行程式回應該等風險，並獲取充分、適當之審計證據為我們之意見提供基礎。由於欺詐可能涉及合謀、造假、蓄意忽略，虛假陳述，或管理層凌駕，未能識別由於欺詐導致之重大錯報之風險高於由於錯誤導致之重大錯報風險。
- 瞭解與審計相關之內部控制以設計適合當時情況之審計程式，但並非為對貴集團內部控制之效能發表意見。
- 評價董事所採用之會計政策之合適性，以及作出之會計估計及相關披露之合理性。
- 根據獲取之審計證據，對董事採用持續經營作為會計基礎之合適性做出結論，判斷是否存在可能導致懷疑貴集團持續經營能力之事項或情況相關之重大不確定性。如果我們認為存在重大不確定性，我們有責任在本綜合財務報表中相關披露中提醒或倘若披露不夠充分時修正我們之意見。我們之結論基於截至我們核數師報告日所獲取之審計證據。但是，未來事項或情況有可能導致本集團不能持續經營。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

核數師就審計綜合財務報表須承擔之責任(續)

- 評價本綜合財務報表之整體列報，結構及內容，包括披露以及本綜合財務報表是否公允列報了相關交易及事項。
- 獲取關於貴集團內部業務活動或實體財務資訊之充分且適當之審計證據，對本綜合財務報表發表意見。我們負責指導、監督及執行貴集團之審計。我們對審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃之審計範圍，時間安排以及重大審計發現，包括我們在審計過程中識別出內部控制之任何重大缺陷。

我們還向治理層提供了聲明，說明我們已經符合有關獨立性相關專業要求，並與他們溝通了有可能合理地被認為會影響我們獨立性之所有關係或其他事項，以及在適用之情況下，相關之防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Mak Chi Lung.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

16 March 2018

核數師就審計綜合財務報表須承擔之責任(續)

根據我們與治理層溝通之事項，我們將在本綜合財務報表審計中之重大事項確定為關鍵審計事項。我們將在核數師報告中描述該等事項，除非法律法規禁止公開該等事項，或在極其罕見之情形下，如果合理預期在我們報告中溝通該等事項造成之負面後果超過產生之公眾利益，則決定不在核數師報告中披露該等事項。

該獨立核數師報告中之審計約定項目合夥人為麥志龍。

德勤•關黃陳方會計師行

執業會計師

香港

2018年3月16日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2017

截至2017年12月31日止年度

| | | | 2017 | 2016 |
|---|-------------------------|-------|------------------|-------------|
| | | Notes | RMB'000 | RMB'000 |
| | | 附註 | 人民幣千元 | 人民幣千元 |
| Revenue | 收入 | 6 | 1,035,967 | 1,785,166 |
| Cost of sales and services rendered | 服務成本及銷售成本 | 10 | (643,752) | (1,266,974) |
| Gross profit | 毛利 | | 392,215 | 518,192 |
| Other income | 其他收入 | 6 | 43,593 | 49,189 |
| Other gains and losses, net | 其他收益及虧損，淨額 | 7 | 72,023 | 130,839 |
| Distribution and selling expenses | 銷售費用 | | (530) | (6,992) |
| Administrative expenses | 管理費用 | | (179,018) | (167,728) |
| Finance costs | 財務成本 | 9 | (184,903) | (141,677) |
| Share of profit of joint ventures, net | 應佔合營企業收益，淨額 | | 102,940 | 73,445 |
| Share of profit of associates, net | 應佔聯營公司收益，淨額 | | 24,246 | 19,366 |
| Profit before income tax | 除所得稅前溢利 | 10 | 270,566 | 474,634 |
| Income tax expense | 所得稅開支 | 11 | (63,948) | (13,018) |
| Profit for the year | 本年度溢利 | | 206,618 | 461,616 |
| Profit for the year attributable to: | 溢利歸屬於： | | | |
| Owners of the Company | 本公司擁有人 | | 200,036 | 457,815 |
| Non-controlling interests | 非控制性權益 | | 6,582 | 3,801 |
| | | | 206,618 | 461,616 |
| | | | RMB cents | RMB cents |
| | | | 人民幣分 | 人民幣分 |
| Earnings per share attributable to owners of the Company during the year | 本年度本公司擁有人應佔之每股盈利 | 12 | | |
| Basic earnings per share | 每股基本盈利 | | 2.33 | 5.32 |
| Diluted earnings per share | 每股攤薄盈利 | | 2.33 | 5.30 |

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2017
截至2017年12月31日止年度

| | | 2017 | 2016 |
|---|---------------------|-----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Profit for the year | 本年度溢利 | 206,618 | 461,616 |
| <hr/> | | | |
| Other comprehensive (expense)/ income: | 其他全面(開支)/收益： | | |
| <i>Item that may be reclassified subsequently to profit or loss</i> | 可能重分類至損益之項目 | | |
| Exchange differences on translation of foreign operations | 貨幣匯兌折算差額 | (11,239) | 6,654 |
| <hr/> | | | |
| Other comprehensive (expense)/ income for the year, net of tax | 本年度其他全面(開支)/收益，扣除稅項 | (11,239) | 6,654 |
| <hr/> | | | |
| Total comprehensive income for the year | 本年度全面收益總額 | 195,379 | 468,270 |
| <hr/> | | | |
| Total comprehensive income attributable to: | 全面收益總額歸屬： | | |
| Owners of the Company | 本公司擁有人 | 188,816 | 464,593 |
| Non-controlling interests | 非控制性權益 | 6,563 | 3,677 |
| <hr/> | | | |
| | | 195,379 | 468,270 |
| <hr/> | | | |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合資產負債表

As at 31 December 2017

於2017年12月31日

| | | | 2017 | 2016 |
|--|----------------|-------------|-------------------|-------------------|
| | | Notes 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 14 | 7,171,794 | 4,259,254 |
| Land use rights | 土地使用權 | 15 | 355,001 | 232,948 |
| Intangible assets | 無形資產 | 16 | 1,004,608 | 1,067,511 |
| Interests in associates | 於聯營公司之權益 | 17 | 281,386 | 280,975 |
| Interests in joint ventures | 於合營企業之權益 | 18 | 1,396,107 | 1,294,357 |
| Available-for-sale financial assets | 可供出售金融資產 | 19 | 4,726 | 4,826 |
| Trade and bill receivables | 應收貿易賬款及票據 | 21 | 140,377 | — |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 22 | 692,334 | 496,868 |
| Finance lease receivables | 融資租賃應收款項 | | 19,100 | — |
| Deferred tax assets | 遞延稅項資產 | 32 | 33,256 | 24,791 |
| | | | 11,098,689 | 7,661,530 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 20 | 50,269 | 81,447 |
| Trade and bill receivables | 應收貿易賬款及票據 | 21 | 1,227,743 | 1,157,909 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 22 | 897,837 | 884,401 |
| Finance lease receivables | 融資租賃應收款項 | | 5,100 | — |
| Amounts due from associates | 應收聯營公司款項 | 17 | 28,250 | 99,204 |
| Amounts due from joint ventures | 應收合營企業款項 | 18 | 354,167 | 782,893 |
| Financial assets at fair value through profit or loss | 按公允價值計入損益之金融資產 | 23 | 34,280 | 43,948 |
| Cash and cash equivalents | 現金及現金等值項目 | 24 | 1,011,294 | 1,891,277 |
| Restricted deposits | 受限制存款 | 24 | 99,509 | — |
| | | | 3,708,449 | 4,941,079 |
| Assets of a disposal company classified as held for sale | 歸類為持有待售附屬公司之資產 | 26 | — | 1,736,740 |
| | | | 3,708,449 | 6,677,819 |
| Total assets | 資產總額 | | 14,807,138 | 14,339,349 |
| LIABILITIES | 負債 | | | |
| Non-current liabilities | 非流動負債 | | | |
| Bank borrowings | 銀行借款 | 29 | 3,575,599 | 3,060,785 |
| Other borrowings | 其他借款 | 30 | 1,380,555 | — |
| Bonds payable | 應付債券 | 31 | 299,324 | 199,451 |
| Loans from a joint venture | 合營企業之貸款 | 18 | — | 40,500 |
| Deferred tax liabilities | 遞延稅項負債 | 32 | 3,900 | 4,463 |
| Deferred government grants | 遞延政府補助 | 33 | 24,136 | 20,267 |
| Payables for construction in progress | 項目建造之應付款項 | 28 | 652,033 | — |
| | | | 5,935,547 | 3,325,466 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合資產負債表(續)

As at 31 December 2017
於2017年12月31日

| | | | 2017 | 2016 |
|---|-----------------------|-------------|-------------------|------------------|
| | | Notes 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Current liabilities | 流動負債 | | | |
| Trade and bill payables | 應付貿易賬款及票據 | 27 | 1,644,387 | 3,600,452 |
| Payables for construction in progress, other payables and accruals | 項目建造之應付款項、其他應付款項及應計費用 | 28 | 1,409,986 | 729,183 |
| Amounts due to associates | 應付聯營公司款項 | 17 | 3,502 | 12,632 |
| Amounts due to joint ventures | 應付合營企業款項 | 18 | 13,471 | 79,132 |
| Bank borrowings | 銀行借款 | 29 | 513,246 | 365,875 |
| Other borrowings | 其他借款 | 30 | 28,120 | — |
| Current income tax liabilities | 應付稅項 | | 3,733 | 11,321 |
| | | | 3,616,445 | 4,798,595 |
| Liabilities directly associated with a disposal company classified as held for sale | 歸類為持有待售附屬公司之負債 | 26 | — | 989,538 |
| | | | 3,616,445 | 5,788,133 |
| Total liabilities | 負債總額 | | 9,551,992 | 9,113,599 |
| Net current assets | 流動資產淨值 | | 92,004 | 889,686 |
| Total assets less current liabilities | 資產總值減流動負債 | | 11,190,693 | 8,551,216 |
| Net assets | 資產淨值 | | 5,255,146 | 5,225,750 |
| EQUITY | 權益 | | | |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | | |
| Share capital | 股本 | 34 | 75,164 | 75,645 |
| Reserves | 儲備 | | 5,082,632 | 4,994,632 |
| | | | 5,157,796 | 5,070,277 |
| Non-controlling interests | 非控制性權益 | | 97,350 | 155,473 |
| Total equity | 權益總額 | | 5,255,146 | 5,225,750 |

The consolidated financial statements on pages 140 to 315 were approved and authorised for issue by the Board of Directors on 16 March 2018 and are signed on its behalf by:

載於第140頁至315頁之財務報表於二零一八年三月十六日獲董事會批准及授權刊發並代表簽署：

Liu Shunxing
劉順興
Director
董事

Liu Jianhong
劉建紅
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 December 2017
截至2017年12月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | | |
|---|-------------------------|---|------------------------------|------------------|---------------------|---|------------------|------------------------------|---------------------------------|------------------|---------------------------|------------------|
| | | Share capital (Note 34) | Treasury shares (Note 34) | Share premium | Contributed surplus | Premium arising on acquisition of non-controlling interests 收購非控制性權益所產生之溢價 | Exchange reserve | Other reserves (Note (b)) | Retained earnings (Note (a)) | SubTotal | Non-controlling interests | Total equity |
| | | 股本 (附註34) | 庫存股 (附註34) | 股份溢價 | 繳入盈餘 | 之溢價 | 匯兌儲備 | 其他儲備 (附註(b)) | 保留盈利 (附註(a)) | 總計 | 非控制性權益 | 權益總計 |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Balance at 1 January 2017 | 於2017年1月1日 | 75,645 | (62,674) | 449,816 | 2,359,063 | (31,099) | 17,100 | 102,625 | 2,159,801 | 5,070,277 | 155,473 | 5,225,750 |
| Profit for the year | 本年度溢利 | — | — | — | — | — | — | — | 200,036 | 200,036 | 6,582 | 206,618 |
| Other comprehensive expense | 其他全面開支 | — | — | — | — | — | (11,220) | — | — | (11,220) | (19) | (11,239) |
| Total comprehensive (expense)/ income for the year | 本年度全面(開支)/收益總額 | — | — | — | — | — | (11,220) | — | 200,036 | 188,816 | 6,563 | 195,379 |
| Cancellation of treasury shares (Note 34 (i) & (iii)) | 註銷庫存股(附註34 (i) & (iii)) | (481) | 18,731 | (18,250) | — | — | — | — | — | — | — | — |
| Repurchase of ordinary shares (Note 34 (iii)) | 普通股回購 (附註34(iii)) | — | (11,784) | — | — | — | — | — | — | (11,784) | — | (11,784) |
| Vesting of shares under share award scheme (Note 35) | 獎勵股份之歸屬 (附註35) | — | 8,134 | (842) | — | — | — | (7,292) | — | — | — | — |
| Share-based compensation | 以股份為基準之付款 | — | — | — | — | — | — | 3,152 | — | 3,152 | — | 3,152 |
| 2016 final dividends | 年度股息 | — | — | — | — | — | — | — | (74,758) | (74,758) | — | (74,758) |
| Contributions by non-controlling interests | 非控制性權益出資 | — | — | — | — | — | — | — | — | — | 10,000 | 10,000 |
| Acquisition of non-controlling interests | 非控制性權益收購 | — | — | — | — | (17,907) | — | — | — | (17,907) | (83,311) | (101,218) |
| Disposal of partial interest in subsidiaries | 處置附屬公司部分股權 | — | — | — | — | — | — | — | — | — | 12,375 | 12,375 |
| Dividend paid to non-controlling interests | 支付股息予非控制性權益 | — | — | — | — | — | — | — | — | — | (3,750) | (3,750) |
| Balance at 31 December 2017 | 於2017年12月31日 | 75,164 | (47,593) | 430,724 | 2,359,063 | (49,006) | 5,880 | 98,485 | 2,285,079 | 5,157,796 | 97,350 | 5,255,146 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31 December 2017
截至2017年12月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | | |
|---|-------------------------|---|------------------------------|------------------|---------------------|---|------------------|------------------------------|---------------------------------|------------------|---------------------------|------------------|
| | | Share capital (Note 34) | Treasury shares (Note 34) | Share premium | Contributed surplus | Premium arising on acquisition of non-controlling interests | Exchange reserve | Other reserves (Note (b)) | Retained earnings (Note (a)) | SubTotal | Non-controlling interests | Total equity |
| | | 股本 (附註34) | 庫存股 (附註34) | 股份溢價 | 繳入盈餘 | 收購非控制性權益所產生之溢價 | 匯兌儲備 | 其他儲備 (附註(b)) | 保留盈利 (附註(a)) | 總計 | 非控制性權益 | 權益總計 |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Balance at 1 January 2016 | 於2016年1月1日 | 77,449 | (94,468) | 518,172 | 2,359,063 | (31,099) | 10,322 | 104,496 | 1,777,174 | 4,721,109 | 100,796 | 4,821,905 |
| Profit for the year | 本年度溢利 | — | — | — | — | — | — | — | 457,815 | 457,815 | 3,801 | 461,616 |
| Other comprehensive income/(expense) | 其他全面收益/(開支) | — | — | — | — | — | 6,778 | — | — | 6,778 | (124) | 6,654 |
| Total comprehensive income for the year | 本年度全面收益總額 | — | — | — | — | — | 6,778 | — | 457,815 | 464,593 | 3,677 | 468,270 |
| Cancellation of treasury shares (Note 34 (ii) & (iii)) | 註銷庫存股(附註34(ii) & (iii)) | (1,804) | 68,783 | (66,979) | — | — | — | — | — | — | — | — |
| Repurchase of ordinary shares (Note 34 (ii)) | 普通股回購 (附註34(ii)) | — | (47,834) | — | — | — | — | — | — | (47,834) | — | (47,834) |
| Vesting of shares under share award scheme (Note 35) | 獎勵股份之歸屬 (附註35) | — | 10,845 | (1,377) | — | — | — | (9,468) | — | — | — | — |
| Share-based compensation | 以股份為基準之付款 | — | — | — | — | — | — | 7,597 | — | 7,597 | — | 7,597 |
| Interim dividends paid | 已付中期股息 | — | — | — | — | — | — | — | (75,188) | (75,188) | — | (75,188) |
| Contributions by non-controlling interests | 非控制性權益出資 | — | — | — | — | — | — | — | — | — | 51,000 | 51,000 |
| Balance at 31 December 2016 | 於2016年12月31日 | 75,645 | (62,674) | 449,816 | 2,359,063 | (31,099) | 17,100 | 102,625 | 2,159,801 | 5,070,277 | 155,473 | 5,225,750 |

Notes:

附註:

- (a) Pursuant to the relevant laws in the People's Republic of China (the "PRC"), each of the subsidiaries established in the PRC is required to allocate 10% of its profit after tax to the statutory reserves fund until such fund reaches 50% of the companies' registered capital. The statutory reserves fund can be utilised, upon approval by the relevant authorities, to offset accumulated losses or to increase registered capital of the subsidiaries, provided that such fund is maintained at a minimum of 25% of the subsidiaries' registered capital. As at 31 December 2017, retained profits of the Group comprised statutory reserves fund amounting to RMB397,359,000 (2016: RMB272,650,000).
- (a) 按照中國相關法律，中國境內公司規定須分配公司淨利潤之10%至法定盈餘公積，直至此公積達到公司註冊資本之50%。當取得相關授權批准時，保證公積保持不少於公司註冊資本25%，法定盈餘公積可被使用抵銷累計虧損或增加公司註冊資本金。於2017年12月31日，本集團包含法定盈餘公積之留存收益金額為人民幣397,359,000元(2016：人民幣272,650,000元)。
- (b) Other reserves mainly represented share-based compensation recognised in prior years of which the related share options have forfeited after the vesting date or were still not exercised at the expiry date.
- (b) 其他儲備主要包括以往年度確認之以股份為基礎之支付，該等支付之股權已於行權日後予以放棄或直至失效日都未行使。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017

截至2017年12月31日止年度

| | | | 2017 | 2016 |
|---|---------------------|-------------|--------------------|------------------|
| | | Notes 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Cash flows from operating activities | 來自經營活動之現金流量 | | | |
| Cash generated from operations | 經營業務所得之現金 | 36(a) | 355,180 | 456,758 |
| Income tax paid | 支付所得稅 | | (80,548) | (16,517) |
| Net cash generated from operating activities | 經營活動所產生之現金淨額 | | 274,632 | 440,241 |
| Cash flows from investing activities | 來自投資活動之現金流量 | | | |
| Payments for property, plant and equipment | 購買物業、廠房及設備 | | (2,473,637) | (1,605,968) |
| Payments for land use rights | 購買土地使用權 | | (113,599) | (94,563) |
| Capital injection to joint ventures | 向合營企業註資 | | (27,061) | (15,190) |
| Net proceeds from disposal/de-registration of subsidiaries | 處置/註銷附屬公司所得款項淨額 | 36(b) | 409,362 | 275,549 |
| Settlement of prior year disposal consideration receivable | 收回過往期間出售公司之對價 | 36(b) | 28,512 | 7,157 |
| Net proceeds from disposal of joint ventures | 處置合營企業所得款項淨額 | 36(c) | — | 81,429 |
| Net proceeds from disposal of associates | 處置聯營公司所得款項淨額 | 36(d) | 29,704 | — |
| Payments in relation to disposal of subsidiaries in prior years | 以往年度處置附屬公司所支付款項 | | (4,030) | (8,450) |
| Net proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | 36(e) | 170 | 8,809 |
| Acquisition of a subsidiary | 收購附屬公司 | 39 | 2,948 | — |
| Net proceeds from disposal of other financial assets | 出售其他金融資產所得款項 | | 3,486,516 | 2,745,493 |
| Purchase of other financial assets | 購置其他金融資產 | | (3,460,204) | (2,767,878) |
| Net proceeds from disposal of available-for-sale financial assets | 出售可供出售金融資產所得淨額 | | — | 22,160 |
| Purchase of available-for-sale financial assets | 購置可供出售金融資產 | | — | (1,750) |
| Dividends received from joint ventures | 已收合營企業之股息 | | 77,213 | 8,150 |
| Dividends received from associates | 已收聯營公司之股息 | | — | 14,214 |
| Deposits received for disposal of subsidiaries | 處置附屬公司預收股權款 | | 31,705 | 124,285 |
| Deposits paid for project investments | 項目投資預付 | | (80,000) | (62,616) |
| Refund of deposits paid for project investments | 收回電廠投資 | | 16,718 | — |
| Repayment of loan from a joint venture | 收回合營企業之貸款 | | — | 49,492 |
| Advance to joint ventures | 向合營企業之墊款 | | — | (4,788) |
| Repayment from joint ventures | 收回合營企業之墊款 | | 9,853 | 18,003 |
| Receipts of government grants | 政府補助之收款 | | 5,777 | 3,216 |
| Interest received | 已收利息 | | 22,638 | 16,956 |
| Placement of restricted deposits | 新增受限制存款 | | (175,966) | — |
| Withdrawal of restricted deposits | 受限制存款返還 | | 76,457 | — |
| Net cash used in investing activities | 投資活動所用之現金淨額 | | (2,136,924) | (1,186,290) |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017

截至2017年12月31日止年度

| | | | 2017 | 2016 |
|---|---------------------------|-------------|------------------|------------------|
| | | Notes 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Cash flows from financing activities | 來自融資活動之現金流量 | | | |
| Payment for share repurchase | 股份註銷之回購 | 34 | (11,784) | (47,834) |
| Proceeds from bank borrowings | 借款所得款項 | | 1,021,338 | 1,549,640 |
| Repayment of bank borrowings | 償還借款 | | (359,153) | (409,694) |
| Proceeds from other borrowings | 其他借款所得款項 | | 538,413 | — |
| Repayments of other borrowings | 償還其他借款 | | (37,403) | — |
| Issue of bonds | 發行債券 | 31 | 100,000 | 200,000 |
| Bond issue expense | 發行債券之費用 | 31 | (136) | (720) |
| Dividends paid to owners of the Company | 支付股息予公司擁有人 | | (74,758) | (75,188) |
| Dividends paid to non-controlling interests | 支付股息予非控制性權益持有人 | | (3,750) | — |
| Acquisition of non-controlling interests of subsidiaries | 收購附屬公司非控制性權益 | | (21,304) | — |
| Proceeds from disposal of partial interest in subsidiaries without losing control | 部分出讓附屬公司股權 | | 9,282 | — |
| Contributions by non-controlling interests | 非控制性權益供款 | | 10,000 | 51,000 |
| Interest paid | 已付利息 | | (225,574) | (187,419) |
| Net cash generated from financing activities | 融資活動所產生之現金淨額 | | 945,171 | 1,079,785 |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等值項目(減少)/增加淨額 | | (917,121) | 333,736 |
| Cash and cash equivalents at beginning of the year | 年初之現金及現金等值項目 | | 1,934,280 | 1,596,081 |
| Effect of foreign exchange rate changes | 現金及現金等值項目之匯兌盈利 | | (5,865) | 4,463 |
| Cash and cash equivalents at end of the year | 年終之現金及現金等值項目 | | 1,011,294 | 1,934,280 |
| Analysis of balances of cash and cash equivalents | 現金及現金等值項目結餘之分析 | | | |
| Cash and bank balances | 現金及銀行結餘 | 24 | 1,110,803 | 1,891,277 |
| Restricted deposits | 受限制存款 | 24 | (99,509) | — |
| Cash and bank balances attributable to a disposal company classified as held for sale | 分類為持有待售資產的處置公司之現金及銀行結餘 | 26 | — | 43,003 |
| | | | 1,011,294 | 1,934,280 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. GENERAL INFORMATION

Concord New Energy Group Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The address of principal place of business is Room 204-205, China Wind Power Building, No. 9, South Shou Ti Road, Haidian District, Beijing, Mainland China.

During the year, the Company and its subsidiaries (together the “Group”) were involved in the following principal activities of investment in power plants, engineering, procurement, construction and equipment manufacturing, and provision of power plant operation and maintenance services.

These consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

2.1 Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) for the first time in the current year.

Amendments to HKAS 7
Disclosure Initiative

Amendments to HKAS 12
Recognition of Deferred Tax Assets for Unrealised Losses

Amendments to HKFRS 12

As part of the Annual Improvements to HKFRSs 2014-2016 Cycle

1. 基本資料

協合新能源集團有限公司(本公司)是在百慕大群島註冊成立之有限公司，公司股份在香港證券交易所上市(「香港證券交易所」)。本公司註冊地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。主要營業地址為中國北京市海澱區首體南路9號中國風電大廈204-205室。

在本年度內，本公司及其附屬公司(統稱「本集團」)主要從事下列業務：設計、採購及施工、設備製造、電廠運行及維護及電廠投資。

除非另有說明，本綜合財務報表均以人民幣(「人民幣」)列報。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

2.1 本年度強制生效之香港財務報告準則之修訂

本集團已於本年度首次採納由香港會計師公會頒佈之香港財務報告準則之下述修訂。

香港會計準則第7號(修訂本)
披露計劃

香港會計準則第12號(修訂本)
未變現虧損之遞延稅項資產之確認

香港財務報告準則第12號
(修訂本)

香港財務報告準則2014-2016週期之年度改進

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 7 Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in Note 37. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in Note 37, the application of these amendments has had no impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.1 本年度強制生效之香港財務報告準則之修訂(續)

除下述外，本年度採用香港財務報告準則修訂對本年度本集團財務表現及本年度及以往年度財務狀況及／或綜合財務報表中所列載披露並無重大影響。

香港會計準則第7號披露計劃之修訂

本集團於本年度首次應用該香港會計準則修訂。修訂闡明一個實體必須披露包括現金及非現金之融資活動帶來之負債變動，使財務報告使用者可以通過這些披露資訊評估實體在融資活動中形成之負債之變動情況。此外，修訂本中同時要求披露現金流量表中已含或將來包含之融資活動現金流中金融資產之變動情況。

特別需要注意，本修訂要求以下內容之披露：(i) 融資現金流之變動；(ii) 收購或失去對附屬公司或其他業務之控制權之變動；(iii) 匯兌差異變動之影響；(iv) 公允價值之變動；(v) 其他變動。

這些資料之期初及期末餘額之對賬在附註37號中列示。與修訂本中過度條款相一致，本集團沒有披露上一年度對比資訊。除附註37號披露之資訊外，修訂對本集團綜合財務報表並無其他重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

| | |
|---|--|
| HKFRS 9 香港財務報告準則第9號 | <i>Financial Instruments</i> ¹ 金融工具 ¹ |
| HKFRS 15 香港財務報告準則第15號 | <i>Revenue from Contracts with Customers and related Amendments</i> ¹ 基於客戶合同之收入確認及相關修訂 ¹ |
| HKFRS 16 香港財務報告準則第16號 | <i>Leases</i> ² 租賃 ² |
| HKFRS 17 香港財務報告準則第17號 | <i>Insurance Contracts</i> ⁴ 保險合約 ⁴ |
| HK(IFRIC)-Int 22 香港(國際財務報告詮釋委員會) — 詮釋第22號 | <i>Foreign Currency Transactions and Advance Consideration</i> ¹ 外幣交易及預付對價 ¹ |
| HK(IFRIC)-Int 23 香港(國際財務報告詮釋委員會) — 詮釋第23號 | <i>Uncertainty over Income Tax Treatments</i> ² 所得稅處理之不確定性 ² |
| Amendments to HKFRS 2 香港會計準則第2號(修訂本) | <i>Classification and Measurement of Share-based Payment Transactions</i> ¹ 股份支付交易之分類與計量 ¹ |
| Amendments to HKFRS 4 香港會計準則第4號(修訂本) | <i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ¹ 根據香港財務報告準則第4號保險合同應用香港財務報告準則第9號金融工具 ¹ |
| Amendments to HKFRS 9 香港財務報告準則第9號 (修訂本) | <i>Prepayment Features with Negative Compensation</i> ² 預付費功能與負補償 ² |

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則

本集團並未提前採納以下截至2017年12月31日已頒佈但尚未生效之新訂及經修訂之香港財務報告準則：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)
(Continued)

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)*(續)*

2.2 New and revised HKFRSs in issue but not yet effective *(Continued)*

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則*(續)*

| | |
|---|--|
| <p>Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計準則第28號(修訂本)</p> | <p><i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>³ 投資方與其聯營公司／合營企業間之資產出售／投入³</p> |
| <p>Amendments to HKAS 28 香港會計準則第28號(修訂本)</p> | <p><i>Long-term Interests in Associates and Joint Ventures</i>² 於聯營公司／合營企業中之長期權益²</p> |
| <p>Amendments to HKAS 40 香港會計準則第40號(修訂本)</p> | <p><i>Transfers of Investment Property</i>¹ 投資性物業之轉讓¹</p> |
| <p>Amendments to HKAS 28 香港會計準則第28號(修訂本)</p> | <p><i>As part of Annual Improvements to HKFRSs 2014-2016 Cycle</i>¹ 香港財務報告準則2014-2016週期之年度改進¹</p> |
| <p>Amendments to HKFRSs 香港財務報告準則之修訂</p> | <p><i>Annual Improvements to HKFRSs 2015-2017 Cycle</i>² 香港財務報告準則2015-2017年第2輪年度更新²</p> |

- 1 Effective for annual periods beginning on or after 1 January 2018
- 2 Effective for annual periods beginning on or after 1 January 2019
- 3 Effective for annual periods beginning on or after a date to be determined
- 4 Effective for annual periods beginning on or after 1 January 2021

1. 於二零一八年一月一日或其後開始之年度期間生效
2. 於二零一九年一月一日或其後開始之年度期間生效
3. 生效之日期或其後開始之年度期間待確定
4. 於二零二一年一月一日或其後開始之年度期間生效

HKFRS 9 *Financial Instruments*

香港財務報告準則第9號金融工具

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

香港財務報告準則第9號引入金融資產和金融負債之歸類及計量、一般對沖會計法之新規定以及金融資產之減值規定：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第9號金融工具 (續)

與本集團相關之香港財務報告準則第9號之主要規定：

- 香港財務報告準則第9號確認範圍內之所有金融資產須其後按攤銷成本或公允價值計量。特別是在以收取合約現金流量為目之之業務模式下持有，且僅為支付本金額及未償還本金額之利息而產生合約現金流量之債務投資，一般於其後之會計期末按攤銷成本一般計量。以目之為同時收取合約現金流量及出售金融資產之業務模式持有，以及合約條款令特定日期所產生現金流量純粹為支付本金及未償還本金之利息之債務工具，以按其他全面收入按公允價值列賬之方式計量。所有其他債務投資及股本投資於其後之會計期末按公允價值計量。此外，根據香港財務報告準則第9號，實體不可撤回地選擇於其他全面收入內呈列股權投資(並非確認為持作買賣)公允價值之其後變動，僅股息收入一般於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group’s financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9.

Classification and measurement:

- Debt instruments classified as loans and receivables carried at amortised cost as disclosed in Notes 17, 18, 21 and 22 other than bill receivables as described below: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9;

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第9號金融工具 (續)

- 關於金融資產減值，香港財務報告準則第9號要求設定預期信貸損失模型，該模型與香港會計準則第39號之已發生信貸損失模型相反。預期信貸損失模型規定，實體須於各報告日期入賬預期信貸損失及該等預期信貸損失之變化，以反映信貸風險自首次確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸損失。

基於本集團截至2017年12月31日之金融工具及風險管理政策，於未來應用香港財務報告準則第9號將對本集團金融資產歸類及計量產生重大影響。

分類與計量

- 被歸類為應收借款按照攤余成本計量之債務工具於附註17、18、21和22中披露：該等債務工具以目之為收取合約現金流量之業務模式持有，現金流量純粹為支付本金及未償還本金之利息。據此，該等金融資產在應用香港財務報告準則第9號之後將繼續以攤余成本計量；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Classification and measurement: (Continued)

- Bill receivables classified as loans and receivables carried at amortised cost as disclosed in Note 21: these are held within a business model whose objective is achieved by both collecting contractual cash flows and for selling the bill receivables (through endorsing to suppliers or discounting to banks), and have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Accordingly, bill receivables will be measured at FVTOCI upon the application of HKFRS 9, with movements in the fair value taken through other comprehensive income, which is different from the current account treatment. When the bill receivable is derecognised, the cumulative fair value gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains and losses. However, due to the short-term nature of the bill receivables, their carrying amount is considered approximate to their fair value, and therefore the directors of the Company do not anticipate the change of the accounting treatment will have a material impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第9號金融工具 (續)

分類與計量(續)

- 被歸類為應收借款按照攤余成本計量之應收票據於附註21中披露：該等應收票據以目的為(通過向供應商背書或向銀行貼現)收取合約現金流量及出售應收票據之業務模式持有，其合約條款於指定日期產生純粹支付本金及未償還本金之利息之現金流量。據此，應收票據在採用香港財務報告準則第9號之時按公允價值計量且其變動計入其他綜合收益，公允價值變動計入其他綜合收益，其有異于現有會計處理。終止確認應收票據時，之前於其他綜合收益中確認之累計公允價值收益或虧損從股本重新分類為收益或虧損並在其他收益及虧損中予以確認。但是，由於應收票據之短期性質，認為其帳面價值近似於其公允價值，因此，本公司董事預判會計處理變更不會對本集團之合併財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Classification and measurement: (Continued)

- Equity securities classified as available-for-sale investments carried at cost less impairment as disclosed in Note 19: these securities are qualified for designation as measured at FVTOCI under HKFRS 9, however, the Group plans not to elect the option for designating these securities as FVTOCI and will measure these securities at fair value with subsequent fair value gains or losses to be recognised in profit or loss. Upon initial application of HKFRS 9, fair value gains relating to these securities, representing the differences between cost less impairment and fair value would be adjusted to retained profits as at 1 January 2018.
- Listed equity securities classified as at fair value through profit or loss (“FVTPL”) as disclosed in Note 23: these securities will continue to be measured on the same basis under HKFRS 9.
- All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第9號金融工具 (續)

分類與計量(續)

- 分類為可供出售投資且按成本減去減值計量之權益性證券於附註19中披露：該等證券符合香港財務報告準則第9號下按公允價值計量且其變動計入其他綜合收益之指定，但本集團不計畫將該等證券指定為按公允價值計量且其變動計入其他綜合收益之證券，且會按公允價值計量該等證券並於損益內確認後續之公允價值利得或損失。首次採用香港財務報告準則第9號後，與該等證券相關之公允價值利得，即成本減去減值後金額與公允價值之間之差額將於2018年1月1日調整至留存收益。
- 如附註23中所披露，歸類為以公允價值計量且其變動計入損益之上市之權益性證券：該等證券將繼續按照香港財務報告準則第9號之規定計量。
- 所有其他金融資產及金融負債將繼續按照現行香港會計準則第39號之規定計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Impairment:

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model was to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 January 2018 would not be significantly increased as compared to the accumulated amount recognised under HKAS 39, which mainly attributable to expected credit loss provision on trade receivables, and amounts due from joint ventures and associates.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第9號金融工具(續)

減值：

一般來說，本公司董事預期應用香港財務報告第9號之預計信貸損失模型將導致尚未產生之信貸損失之進行提前撥備。該等信貸損失與本集團按照攤銷成本計量之金融資產及需遵循應用香港財務報告第9號進行減值撥備之其他項目相關。

根據公司董事之評估，若本集團採用預期信用模型，則將於2018年1月1日確認之累計減值損失金額將比香港會計準則第39號下確認之累計金額輕微增加，這主要是由於對應收貿易賬款之預期信用損失計提。

香港財務報告準則第15號與客戶之合約收益

頒佈香港財務報告準則第15號，設定單一全面模式供實體用於入賬來自客戶合約之收益。香港財務報告準則第15號生效後將取代現時收益確認指引(包括香港會計準則第18號收益、香港會計準則第11號建築合約)及相關詮釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第15號與客戶之合約收益(續)

香港財務報告準則第15號之核心原則為實體所確認說明向客戶轉讓承諾貨品或服務之收益金額，應為能反映該實體預期就交換該等貨品或服務可獲得之代價。具體而言，該準則引入五個確認收益之步驟：

- 第一步：識別與客戶之合約
- 第二步：識別合約之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約之履約責任
- 第五步：於實體完成履約責任時確認收益

根據香港財務報告準則第15號，實體於完成履約責任時(即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時)確認收益。香港財務報告準則第15號已就特別情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更詳盡之披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Group’s revenue is mainly generated from the provision of engineering, procurement, construction and equipment manufacturing (“EPC”), the sale of electricity and the provision of power plant operation and maintenance services. The expected impacts arising from the adoption of HKFRS 15 on the Group are summarised as follows:

The Group’s existing contracts for engineering, procurement and construction (“EPC contracts”) with customers normally have multiple deliverables (mainly including design, construction, sale of equipment and installation). Currently under HKAS 18, the Group recognises the revenue from the construction under EPC contracts on the percentage of completion basis; and the revenue from the sale of equipment under EPC contracts when the goods are delivered and titles have passed to customer and the significant risks and rewards of ownership of the equipment have been transferred to the customer. Based on the terms of the existing EPC contracts, the Group’s customer controls the assets during construction period, therefore, the directors of the Company consider that the revenue from EPC contracts will be recognised over time under HKFRS 15. The directors of the Company intend to apply the limited retrospective method with cumulative effect of initial application recognised in opening balance of retained earnings at 1 January 2018, and apply this standard retrospectively only to contracts that are not completed at 1 January 2018. Based on the assessment of the existing contracts, expected period in fulfilling the contract obligation and the gross margin relevant to sale of equipment, the directors of the Company do not anticipate that the application of IFRS 15 will have a material impact on the opening balance of retained earnings as at 1 January 2018 timing.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第15號與客戶之合約收益(續)

2016年，香港會計師公會頒佈針對香港財務報告準則第15號之闡明，涉及履約責任識別，主體代價和代理代價比對，以及許可應用指引。

本集團之收入主要來自提供工程、採購、施工及設備生產(「工程總承包」)、電力銷售及提供發電廠運營及維護服務。採用香港財務報告準則第15號而對本集團產生之影響總結如下：

本集團與客戶之間現有之工程、採購和施工合同(「EPC合同」)通常具有多項交付成果(主要包括設計、施工、設備銷售和安裝)。目前，根據香港會計準則第18號，本集團根據EPC合同按完工比例確認營建收入，並在貨物交付和產權轉讓給客戶，以及設備所有權之重大風險和回報已轉移給客戶時，根據EPC合同確認設備銷售收入。根據現有EPC合同之條款，本集團之客戶在施工期間對資產具有控制權，因此，董事認為EPC合同收入將根據香港財務報告準則第15號按時間確認。董事擬將有限之追溯法於2018年1月1日之期初餘額中確認初始應用之累計影響，並僅將該標準追溯應用到於2018年1月1日尚未完成之合同。根據對現有合同之評估、履行合同義務之預計期限以及與銷售設備相關之毛利率，董事預期，應用國際財務報告準則第15號將不會對截至2018年1月1日之留存收益期初餘額產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

Regarding the revenue from the sale of electricity by power plants not yet registered in the Catalogue, the directors of the Company have evaluated the terms and conditions of, and the counterparties to, the contracts which may impact revenue recognition. The related receivables are mainly from the PRC state grid companies, which would normally be settled within one and a half year based on past experience. The directors of the Company have also assessed the impact of the existence of any significant financing component in the contracts and will adjust the amount of promised consideration and recognise revenue at the cash selling price in accordance with the requirement of HKFRS 15 if the financing component is material at a contract level.

Based on the above assessments on the existing contracts and arrangements, except for the potential impact for the revenue recognition for EPC contracts and financing component in the contracts of sale of electricity by power plants not yet registered in the Catalogue as mentioned above, the directors of the Company do not anticipate other material impact on the timing and amounts of the Group’s revenue recognised in the respective reporting periods.

However, the directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures.

The directors of the Company intend to apply the limited retrospective method with cumulative effect of initial application recognised in opening balance of equity at 1 January 2018.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第15號與客戶之合約收益(續)

關於尚未在目錄中登記之發電廠電力銷售收入，董事已評估可能影響收入確認之合同條款條件以及合同之交易對方。有關應收款項主要來自中國國家電網公司，通常根據過往經驗可在一年半內結算。董事亦已評估合同中是否存在重大融資組成部分之影響，如果融資組成部分在合同層面重大，則將根據香港財務報告準則第15號之要求調整承諾代價金額並按現金銷售價格確認收入。

根據對現有合同及安排之上述評估，除EPC合同和上述尚未在目錄中登記之發電廠電力銷售合同的融資組成部分之收入確認之潛在影響外，董事預期不會對於各報告期間本集團收入之確認時間及金額產生其他重大影響。

但是，本公司董事預判日後採用香港財務報告準則第15號可能導致更為詳細之披露。

本公司董事計劃於2018年1月1日採用有限追溯法，以將首次應用之累計影響於權益之期初餘額內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use assets is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to land use rights for owned use while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be both presented as financing cash flows by the Group.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第16號租賃

香港財務報告準則第16號將對出租人及承租人引入租賃安排及會計處理識別之綜合模型。香港財務報告準則第16號將於生效日期後取代香港會計準則第17號*租賃*及其相關詮釋。

香港財務報告準則第16號以可識別資產是否由客戶控制為基準區分租賃及服務合約。在承租人會計處理中移除經營租賃(不納入財務狀況表)和融資租賃(納入財務狀況表)之差別，並以一種模式取代。在此種模式下，除短期租賃及低價值資產租賃外，使用權資產及相關負債需對承租人全部租賃確認(即，所有租賃均納入財務狀況表)。

使用權資產初始按成本計量，後續按成本(受制於若干例外情況)扣減累計折舊及減值虧損計量，並根據租賃負債之重新計量進行調整。租賃負債初始以該日尚未支付之租賃支付現值計量。之後，租賃負債根據利息及租賃支付，以及租賃變更之影響等進行調整。此外，經營租賃支付以經營現金流列報，而根據香港財務報告準則第16號，租賃支付則拆分為將本金部分和利息部分，本集團均以融資現金流列報，因此現金流分類亦將受到影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

Under HKAS 17, the Group has already recognised an asset and related finance lease liability for finance lease arrangement and prepaid lease payments for land use rights where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of RMB163,359,000 as disclosed in Note 41. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

根據香港會計準則第17號所要求，本集團已將融資租賃安排確認為資產及相關融資租賃負債，且確認了本集團作為承租人之租賃地預付租賃款。應用香港會計準則第16號可能導致上述資產分類之潛在變更，變更取決於本集團是否單獨列報其使用權資產亦或是按自有資產列報方式列報於同一科目內。

相比承租人會計處理，香港財務報告準則第16號大體上保留了香港會計準則第17號中對出租人之會計處理規定，並繼續要求出租人將租賃歸類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求進行更廣泛之資料披露。

於2017年12月31日，如附註41號之披露，本集團已擁有人民幣163,359,000元不可撤銷之經營租賃承諾。經初步評估確定，這些安排符合租賃之性質。根據香港財務報告準則16號要求，本集團將要就這些安排確認相應之資產及負債，除非該類資產為低值或短期租賃資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New and revised HKFRSs in issue but not yet effective (Continued)

HKFRS 16 Leases (Continued)

In addition, the Group currently considers refundable rental deposits paid as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效之新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

此外，本集團目前將支付之可退還租賃按金視為香港會計準則第17號適用之租賃下之權利。根據香港財務報告準則第16號對租賃付款之定義，該等按金並非與相關資產使用權有關之款項，因此，該等按金之帳面價值將調整為攤余成本，且此類調整被視為額外租賃付款。已支付之可退還租賃按金之調整將計入使用權資產之帳面價值。

此外，應用新規定可能導致上述計量、呈報及披露之變化。

3. 主要會計政策

本綜合財務報表根據香港會計師公會發佈之香港財務報告準則編製。此外，綜合財務報表還包括《香港聯合交易所有限公司證券上市規則》和香港公司條例規定之適用披露。

如下列會計政策所述，除了在每一報告期末按重估金額或公允價值計量之某些金融工具之外，本合併財務報表是在歷史成本基礎上編制之。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 主要會計政策(續)

歷史成本一般是基於為取得產品和服務所支付之對價之公允價值。

公允價值是指市場參與者之間在計量日進行之有序交易中出售一項資產所收取之價格或轉移一項負債所支付之價格，無論該價格是直接取得還是採用其他估值技術作出之估計。在對資產或負債之公允價值作出估計時，本集團考慮了市場參與者在計量日為該資產或負債進行定價時將會考慮之資產特性。在本合併財務報表中計量和／或披露之公允價值均在此基礎上予以確定，除香港財務報告準則第2號規定之以股份為基礎之支付交易、香港會計準則第17號規定之租賃範圍內之租賃交易、以及與公允價值類似但並非公允價值之計量，例如，香港會計準則2號規定之存貨中之可變現淨值或香港會計準則第36號規定之資產減值中之使用價值。

此外，出於財務報告目之，公允價值計量應基於公允價值計量之輸入值之可觀察程度以及該等輸入值對公允價值計量整體之重要性，被歸入第一層、第二層或第三層級之第公允價值級次，具體如下所述：

- 第一層級輸入值是指主體在計量日能獲得之相同資產或負債在活躍市場中未經調整之報價；
- 第二層級輸入值是指除了第一層級輸入值所包含之報價以外之，資產或負債之其他直接或間接可觀察之輸入值；以及
- 第三層級輸入值是指資產或負債之不可觀察輸入值。

主要之會計政策請見下文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 主要會計政策(續)

合併基礎

合併財務報表包括本公司及本公司及其附屬公司控制之主體(包括結構化主體)之財務報表。當本公司符合以下條件時，其具有對該主體之控制：

- 擁有對被投資者之權力；
- 通過對被投資者之涉入而承擔或有權獲得可變回報；以及
- 有能力運用對被投資者之權力影響所得到回報之金額。

如有事實和情況表明上述控制三要素中之一項或多項要素發生了改變，本集團將重新評估其是否具有對被投資者之控制。

附屬公司之合併始於本集團獲得對該附屬公司之控制權之時，並止於本集團喪失對該附屬公司之控制權之時。特別是，在本年度購入或處置之附屬公司產生之收益和費用自本集團獲得控制權日起直至本集團停止對附屬公司實施控制之日為止納入綜合損益及其他全面收益表內。

損益和其他全面收益之各個組成部分歸屬於本公司之所有者及非控制性權益。附屬公司之綜合收益總額歸屬於本公司之所有者及非控制性權益，即使這將導致非控制性權益之金額為負數。

為使附屬公司之會計政策與本集團之會計政策一致，必要時已對附屬公司之財務報表進行調整。

合併時，與集團成員之間發生之交易相關之所有集團內部資產和負債、權益、收益、費用和現金流量均全額抵銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of the relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策(續)

本集團在現有附屬公司中之所有者權益變動

本集團在附屬公司中不會導致本集團喪失對附屬公司控制之所有者權益變動作為權益交易核算。本集團持有之權益和非控制性權益之賬面金額應予調整以反映附屬公司中相關權益之變動。調整之非控制性權益之金額與收取或支付之對價之公允價值之間差額直接計入權益並歸屬於本公司之所有者。

任何非控制性權益調整之差異及公允對價之支付或收取均直接確認於權益及歸屬於本公司所有者持有之權益中。

當本集團喪失對附屬公司之控制權時，將確認利得或損失並計入損益，該利得或損失之計算為(1)所收到之對價之公允價值和任何保留權益之公允價值總額與(2)附屬公司資產(包括商譽)和負債以及非控制性權益之原賬面金額之間之差額。此前計入其他全面收益之與附屬公司相關之全部金額應視同本集團已直接處置該附屬公司之相關資產或負債進行核算，即重分類到損益或結轉到適用之國際財務報告準則規定／允許之其他權益類別。在前附屬公司中保留之投資在喪失控制權之日之公允價值應作為按照HKAS 39進行初始確認之公允價值，或者作為在聯營企業或合營企業中之投資之初始確認成本(如適當)。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

3. 主要會計政策(續)

企業合併

購買業務採用購買法進行會計處理。在企業合併中轉讓之對價按公允價值計量(即,按下列各項在購買日之公允價值之和來計算:本集團轉讓之資產、本集團對被購買方之前所有者發生之負債、以及本集團為換取被購買方之控制權而發行之權益)。與購買相關之成本通常在發生時計入損益。

在購買日,所取得之可辨認資產和所承擔之負債應按公允價值予以確認,但以下各項除外:

- 遞延所得稅資產或負債及僱員福利安排之相關資產或負債應分別遵循《香港會計準則第12號—所得稅》和香港會計準則第19號僱員福利予以確認和計量;
- 與被購買方以股份為基礎之支付安排、或為替換被購買方以股份為基礎之支付安排所簽訂之本集團以股份為基礎之支付安排相關之負債或權益工具應在購買日遵循香港財務報告準則第2號以股份為基礎之交易予以計量;以及
- 按照《香港財務報告準則第5號—持有待售之非流動資產和終止經營》,劃歸為持有待售之資產(或處置組)應遵循該準則予以計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at the acquisition date. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. 主要會計政策(續)

企業合併(續)

商譽應按所轉讓之對價、在被購買方之任何非控制性權益金額以及購買方先前在被購買方持有之權益(如有)之公允價值之總額超過購買日所取得之可辨認資產和所承擔之負債相抵後之淨額之差額進行計量。如果在重新評估後，購買日所取得之可辨認資產和所承擔之負債相抵後之淨額超過了所轉讓之對價、在被購買方之任何非控制性權益金額以及購買方先前在被購買方持有之權益(如有)之總額，超出之差額立即作為廉價購買利得計入損益。

代表當前所有者權益並使其持有者有權在清算時享有主體淨資產之比例份額之非控制性權益，可按其公允價值或非控制性權益享有被購買方可辨認淨資產已確認金額之份額進行初始計量。應在逐筆交易基礎上選擇所採用之計量基礎。其他類型之非控制性權益應按公允價值計量。

如果某業務合併之初始核算在合併業務發生之報告期末未完成，本集團報告對於未完成事項進行預提處理。預提數字在計量期間內(不能超過收購日期一年)進行調整，並且確認新增資產或負債以反映新取得之收購日已存在之事實及情況之資訊對於已確認事項之影響。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit (or groups of cash-generating units) is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or groups of cash-generating units).

Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal (or any of the cash-generating unit within the group of cash-generating units in which the Group monitors goodwill).

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

3. 主要會計政策(續)

商譽

購買業務所產生之商譽應按在業務購買日確定之成本(參見上文會計政策)減累計減值損失(如有)計量。

為進行減值測試，商譽應分配到本集團預計能從企業合併之協同效應中受益之每一現金產出單元(或現金產出單元組合)，其代表了因內部管理目之而對商譽監督之最低水準，並且不得超過運營分部。

獲分配商譽之現金產出單元(或現金產出單元組合)會每年進行減值測試，但如果跡象顯示該現金產出單元可能會發生減值，則會更頻繁地進行減值測試。如若在報告期內因並購產生商譽，則獲分配商譽之現金產出單元(或現金產出單元組合)將在該報告期期末之前進行商譽減值測試。如果現金產出單元(或現金產出單元組合)之可收回金額低於其賬面金額，減值損失會首先沖減分配到該單元之商譽之賬面金額，然後根據該單元每一資產之賬面金額之比例將減值損失分攤到該單元(或該組合)之其他資產。

商譽之減值損失直接計入損益。商譽之減值損失不可在後續期間轉回。

處置相關之現金產出單元時，所佔分攤商譽均計入處置損益中(或本集團監控商譽之現金產出單元組中之任何現金產出單元)。

本集團有關購買聯營企業所產生之商譽之政策將於下文闡述。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances.

Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

3. 主要會計政策(續)

聯營公司和合營企業中之投資

聯營公司是指本集團對其實施重大影響之主體。重大影響是指參與決定被投資者之財務及經營政策之權力，但不是控制或共同控制這些政策。

合營企業是指共同控制一項安排之參與方對該項安排之淨資產享有權利之合營安排。共同控制是指按合同約定分享對一項安排之控制權，並且僅在對相關活動之決策要求分享控制權之參與方一致同意時才存在。

對聯營公司或合營企業之經營成果、資產及負債按權益法會計納入本合併財務報表。使用權益法核算之聯營公司或合營企業之財務報表採用與本集團對類似情況交易和事件所採用之統一會計準則編制。

根據權益法，聯營公司或合營企業中之投資在綜合財務狀況表中按成本進行初始確認，並在其後進行調整，以確認本集團在該聯營公司或合營企業之損益及其他全面收益中所佔之份額。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures
(Continued)

Changes in net assets of the associate or joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 主要會計政策(續)

聯營公司和合營企業中之投資(續)

如果本集團在聯營公司或合營企業之損失中所佔之份額超過本集團在該聯營公司或合營企業中之權益(包括任何實質上構成本集團對該聯營公司或合營企業之淨投資之長期權益)，本集團應終止確認其在進一步損失中所佔之份額。額外損失僅在本集團發生之法定或推定義務或代表聯營公司或合營企業進行之支付範圍內進行確認。

聯營公司或合營企業中之投資應自被投資者成為聯營公司或合營企業之日起採用權益法進行核算。取得聯營公司或合營企業中之投資時，投資成本超過本集團在被投資者之可辨認資產及負債之公允價值淨額中所佔份額之部份確認為商譽(商譽會納入投資之賬面金額內)。如果本集團在此類可辨認資產及負債之公允價值淨額中所佔之份額超過投資成本，而且在重新評估後亦是如此，則超出之金額會在取得該項投資之當期立即計入損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures
(Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3. 主要會計政策(續)

聯營公司和合營企業中之投資(續)

在確定是否有必要就本集團在聯營公司或合營企業中之投資確認任何減值損失時，應採用香港會計準則第39號之規定。如有必要，投資(包括商譽)之全部賬面金額應按照《香港會計準則第36號—資產減值》之規定，作為一項單項資產通過將其可收回金額(使用價值和公允價值減去銷售費用後之餘額兩者中之較高者)與其賬面金額進行比較來進行減值測試。已確認之任何減值損失構成投資賬面金額之一部分。該項減值損失之任何轉回金額應按照香港會計準則第36號之規定，以投資之可收回金額其後增加為限進行確認。

當本集團不再對聯營公司或合營企業擁有重大影響，則計量為處置被投資者全部權益，其損益計入當期損益。

當某集團主體與本集團之聯營公司或合營企業進行交易時，此類與聯營公司或合營企業進行之交易所產生之損益將僅按聯營公司或合營企業中之權益與本集團無關之份額，在本集團之合併財務報表中予以確認。

3. SIGNIFICANT 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 liabilities 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.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. The assets and liabilities included within a disposal group classified as held for sale are presented separately in the consolidated statement of financial position.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

3. 主要會計政策(續)

持有待售之非流動資產

若非流動資產及處置組之帳面值主要通過出售交易而非持續使用得以收回，則被歸類為持有待售之非流動資產及處置組。僅當資產(或處置組)在其當前條件下可即刻出售且僅需遵循出售該資產(或處置組)之常規慣例條款，且極可能出售時，視為滿足條件。管理層必須遵循出售之承諾，預計該出售應在分類日期起之後之十二個月以內符合確認為完成之出售之要求。

當本集團兌現涉及失去附屬公司控制權之出售計畫時，若滿足上述標準，在出售之後，無論本集團在是否在其前附屬公司中保留有非控制性權益，該附屬公司之所有資產及負債被歸類為持有待售資產／負債。

被歸類為持有待售之非流動資產(及處置組)按照其以前之帳面值與抵減銷售成本後之公允價值孰低計量。處置組中包含之資產和負債若被歸類為持有待售，則於綜合財務狀況表中單獨列報。

收入確認

收入按已收或應收對價之公允價值計量。而預期之銷售退回、回扣和其他類似之折讓將抵減收入。

當收入之金額能夠可靠地計量；未來經濟利益很可能流入本集團；以及集團之各活動能夠符合下文所述特定標準時，確認收入金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

The Group's accounting policy for the recognition of revenue from construction contracts is described in the accounting policy for construction contracts below.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed and the goods are accepted by the customers and collectability of the related receivables is reasonably assured.

Revenue from rendering of services are recognised when the services are rendered.

Dividend income from investments is recognised when the rights to receive payment have been established.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Electricity income is recognised when electricity is generated and transmitted.

Tariff subsidy is recognised at its fair value where there is a reasonable assurance that the tariff will be received and the Group will comply with all attached conditions, if any.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

3. 主要會計政策(續)

收入確認(續)

本集團有關建造合同收入確認之政策詳見下文建造合同會計政策。

當商品已交付、產權已轉移，商品已為客戶接受且相關應收賬款可以被合理收回時，應確認銷售商品之收入：

提供服務之收入於提供相應服務之時確認。

投資之股利收益在股東之收款權利確立時予以確認。

利息收益按照未償還之本金和適用之實際利率，按時間比例之基礎計提。實際利率是指將金融資產在預計存續期內之估計未來現金收款折現至該金融資產初始確認時賬面淨額之利率。

當電力產生並傳送時，應確認電力收入。

如存在合理保證，將會收到額外電價且本集團符合所有附加條件(如有)，則電價補助確認為其公允價值。

經營租賃之租金收入按直線法於相關租賃期內予以確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured by reference to the percentage of surveys of work performed for individual contract up to the reporting date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profit less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under 'trade and bill receivables'.

Leasing

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

3. 主要會計政策(續)

建造合同

當建造合同之結果能夠可靠地估計時，與其相關之收入和成本應根據在報告期末合同之完工進度予以確認。完工進度是按截至財務報表日止已進行調查工作佔單個合同之比例進行計量。因合同工程變更產生之收入、以及索償及獎勵性收入會在其金額能可靠地計量並被認為很可能收回時確認為合同收入。

當建造合同之結果不能可靠地估計時，合同收入應按照已發生且可收回之成本確認，合同成本應在發生期間確認為費用。

當總合同成本很可能將超過總合同收入時，預計損失應立即確認為費用。

如果截至目前所發生合同成本加上已確認利潤減已確認損失超過了按進度付款之金額，則超過部分顯示為應收客戶合同款項。如果按進度付款之金額超過了截至目前所發生合同成本加上已確認利潤減已確認損失，則超過部分顯示為應付客戶合同款項。在執行相關工作前所收到之款項已作為預收款項(負債科目)計入綜合財務狀況表中。已完工且已開具發票但尚未由客戶支付之款項已計入綜合財務狀況表下「應收貿易賬款及票據」項目。

租賃

租約為一種協議，根據該協議出租人轉讓予承租人在約定期限內使用資產之權利以換取一筆付款或多筆付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

A series of transactions that involve the legal form of a lease is linked and accounted for as one transaction when the overall economic effect cannot be understood without reference to the series of transactions as a whole. The accounting reflects the substance of the arrangement.

An arrangement that involves a legal form of a lease is not, in substance, accounted for as a lease if:

- the Group retains all the risks and rewards incident to ownership of an underlying asset and enjoys substantially the same rights to its use as before the arrangement;
- the primary reason for the arrangement is not to convey the right to use an asset; and
- an option is included on terms that make its exercise almost certain.

Leases are classified as finance lease whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

3. 主要會計政策(續)

租賃(續)

如果不把這一系列交易作為一個整體就無法理解其總體經濟影響，那麼，涉及租約法律形式之一系列交易是相關聯的，應當作為一項交易進行會計處理。會計處理反映出了該安排之實質。

涉及租約法律形式之安排實質上不作為一份租約進行會計處理之條件為：

- 本集團保留標的資產所有權所附之所有風險及回報，並享有與協議前相同之使用權；
- 該安排之主要原因不是為了轉移資產使用權；且
- 包含根據條款幾乎能夠確定行使之購股權。

倘租約條款將所有權絕大部分風險及回報轉讓予承租人，則租約被分類為融資租約。所有其他租約被分類為經營租約。

本集團作為出租方

融資租賃中應向承租人收取之款項應按本集團對租賃之投資淨額確認為應收款項。而融資租賃收益應分攤至各個會計期間，以反映本集團在租賃中之淨投資餘額能在每個期間獲得固定之回報率。

經營租賃之租金收益在相關租賃期內按直線法確認。在協商和安排經營租賃時發生之初始直接費用應計入租賃資產之帳面金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and building for own use

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted for as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as 'land use rights' in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人

經營租賃付款額，包括獲取經驗租賃項下持有土地之成本，應按直線法在租賃期內確認為費用。

租賃土地和自用建築物

當租賃既包括土地和建築物部分，本集團以各個部分之擁有權所承擔之絕大部分風險及回報是否已轉移本集團作為分開評估其分類屬於融資或經營租賃之依據，除非該兩個部分明顯屬於經營租賃，在此情況下，整項租賃歸類為經營租賃。具體而言，最低租金付款額(包括任何一次性預付款)被分配到土地及建築物部分，以其租賃在開始時土地部分租賃權益和樓宇部分租賃權益之相對公允價值比例分配。

倘能可靠地分配租賃款項，則列作經營租賃之租賃土地權益將作為「租賃土地和土地使用權」於綜合財務狀況表列賬，並按租賃年期以直線法攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Renminbi) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of "exchange reserve" (attributed to non-controlling interests as appropriate).

3. 主要會計政策(續)

外幣

在編制集團內個別主體之財務報表時，以主體之功能貨幣以外之其他貨幣(外幣)進行之交易會按交易發生日之現行匯率進行折算。在每一報告期末，以外幣計價之貨幣性項目應按資產負債表日之現行匯率重新折算。以公允價值入賬之以外幣計價之非貨幣性項目應按公允價值確定日之現行匯率重新折算。以歷史成本計量之以外幣計價之非貨幣性項目不再重新折算。

貨幣項目結算和貨幣項目重新折算產生之匯兌差額，在其產生之當期計入損益。

出於本合併財務報表之列報目之，本集團之境外經營之資產和負債均採用每個報告期末之現行匯率折算為本集團之列報幣種(如：人民幣)。收益和費用項目均按當期平均匯率折算。所產生之匯兌差額(如有)均計入其他全面收益並累積計入權益(如適當，則分攤至非控制性權益)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualified assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策(續)

借款費用

可直接歸屬於符合條件之資產之購置、建造或生產之借款費用，直至此類資產實質上已達到可使用或可銷售狀態之前均計入此類資產之成本。

所有其他借款費用應在其發生之當期計入損益。

政府補助

政府補助只有在能夠合理保證本集團將符合補助之附加條件並且能夠收到補助時才予以確認。

政府補助應採用系統之方法在本集團將此類補助擬補償之相關成本確認為費用之期間內計入損益。特別是，如果取得政府補助之基本條件是本集團應購買、建造或以其他方式取得非流動資產，則應將政府補助在綜合財務狀況表中確認為遞延收入，並在相關資產之使用年限內按系統合理之方法轉入損益。

作為本集團已發生之費用或損失之補償，或是為本集團提供直接財務支援而未來不會發生任何相關成本之應收政府補助，應在其確認應收款項之期間計入損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

The employees of the Group in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The Group's PRC companies are required to contribute certain percentage of their payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share-based payment arrangements

Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments of the Group, namely the share award scheme.

3. 主要會計政策(續)

退休福利費用

當僱員已提供使其有權利獲得設定提存退休福利計劃之提存金之服務時，為設定提存退休福利計劃支付之金額應確認為費用。

本集團中國境內僱員為中國政府運營之國家管理退休福利計劃成員。本集團之中國公司需要從僱員工資中拿出一定比例之金額繳付至退休福利計劃，為福利提供資金支援。本集團對退休福利計劃之相關義務僅為根據計劃繳付所要求之供款。

短期僱員福利

短期僱員福利相關已確認負債將按照預計將支付給僱員以交換服務之福利未折現金額計量。所有短期僱員福利確認為費用。除非其他香港財務報告準則要求或允許將福利計入資產成本。

在僱員提供服務期間，所產生之工資、以及年假、病假等福利確認為負債，作為預計將支付給僱員以交換服務之福利未折現金額。

以股份為基礎之支付安排

以權益結算之以股份為基礎之支付安排交易

本集團經營一項以權益結算之以股份為基礎之補償計劃，根據該計畫，將實體獲得之僱員服務作為本集團權益工具之對價，該計劃亦叫做股份獎勵計劃。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment arrangements (Continued)

Equity-settled share-based payment transactions
(Continued)

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (other reserves). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the other reserves.

Under the share award scheme, when the awarded shares are vested the related cost of the vested shares is released from the other reserves to eliminate the related amount of treasury shares held for the share award scheme. Any difference between the cost of the vested shares and the related amount of treasury shares is transferred to share premium.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

以股份為基礎之支付安排(續)

以權益結算之以股份為基礎之支付安排
交易(續)

對於在授予日確定之以權益結算的以股份為基礎之支付之公允價值金額，在不考慮所有非市場授予條件之情況下，會根據本集團對最終授予之權益工具數量之估計在等待期內按直線法確認為費用，並相應增加權益(其他儲備)。在每一報告期末，本集團會修改其對預計授予之權益工具數量之估計。對最初估計之修改產生之影響(如有)會計入損益以使累計費用反映修改後之估計，並相應調整以其他儲備。

當獎勵股份被授予時，所授予股份之相關成本將從僱員以股份為基礎之補償儲備中轉出，以扣除股份獎勵計劃持有股份之相關數額。行權股份及庫存股相關差額轉撥制股份溢價。

所得稅

所得稅費用包括當期所得稅和遞延所得稅。

當期所得稅是根據當年應納稅所得額計算得出。應納稅所得額與在綜合損益表上列報之「稅前利潤」不同，因為應納稅所得額不包括計入其他年度內之應稅收入或可抵稅支出等項目，也不包括不應稅或不可抵扣之項目。本集團之當期所得稅按截至報告期末止已執行或實質上已執行之稅率計算。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續)

所得稅(續)

遞延所得稅基於綜合財務報表中資產和負債之賬面金額與用於計算應納稅所得額時相應計稅基礎之間之暫時性差異進行確認。一般情況下，所有應納稅暫時性差異產生之遞延所得稅負債均予確認。遞延所得稅資產只在很可能取得能利用該可抵扣暫時性差異來抵扣之應納稅所得額之限度內予以確認。如果暫時性差異是在某一既不影響應納稅所得額也不影響會計利潤之交易中之其他資產和負債之初始確認下產生之，則不確認遞延所得稅資產和負債。倘若商譽初始確認時產生了暫時性差額，則不確認遞延所得稅負債。

對於與附屬公司和聯營公司中以及在合營企業中之權益相關之應納稅暫時性差異應確認遞延所得稅負債，除非本集團能夠控制這些暫時性差異之轉回，且該暫時性差異在可預見之未來很可能不會轉回。僅當很可能取得足夠之應納稅所得額以抵扣此類投資和權益相關之可抵扣暫時性差異，並且暫時性差異在可預見之未來將轉回時，才確認該可抵扣暫時性差異所產生之遞延所得稅資產。

遞延所得稅資產之賬面金額會在每一報告期末進行覆核，如果不再很可能獲得足夠之應納稅所得額來抵扣轉回全部或部分資產，則相應減少遞延所得稅資產之賬面金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment including buildings for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualified assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策(續)

所得稅(續)

遞延所得稅負債和資產，以報告期末已執行或實質上已執行之稅率(和稅法)為基礎，按預期清償該負債或實現該資產當期之稅率計量。

遞延所得稅負債和資產之計量，應反映本集團在報告期末預期收回或清償其資產和負債賬面金額之方式所導致之納稅後果。

當期和遞延所得稅應計入當期損益中，除非其與計入其他全面收益或直接計入權益之項目相關在這種情況下，當期和遞延所得稅也同樣計入其他全面收益或直接計入權益。倘於進行企業合併之初步會計時產生當期和遞延所得稅，則稅務影響計入企業合併之會計處理內。

物業、廠房及設備

用於生產商品或提供勞務，或為了行政目之而持有之建築物(除下文所述之在建工程外)，在綜合財務狀況表上按其重估金額(即該資產在重估日之公允價值)減去隨後發生之任何累計折舊和累計減值損失後之餘額列示。

為生產、供應或行政目之之在建房地產以成本減去已確認減值損失後之餘額列示。成本包括專業人員服務費，以及(對於符合條件之資產)遵循本集團會計政策予以資本化之借款費用。此類房地產在完工並達到可使用之狀態時，被歸入適當之物業、廠房及設備類別。這些資產在達到其可使用之狀態時，才按與其他房地產資產相同之基礎開始計提折舊。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of assets (other than construction in progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by the management).

3. 主要會計政策(續)

物業、廠房及設備(續)

除永久持有土地及在建不動產外，其他資產會以直線法在其估計使用壽命內對其成本或重估價減去殘值後進行折舊。估計使用壽命、殘值和折舊方法會在每一報告期末覆核，並採用未來適用法對估計變更之影響進行核算。

融資租賃下持有之資產按與自有資產相同之基礎，在其預計使用壽命內計提折舊。但是，如果不能合理確定在租賃期滿時將獲得資產之所有權，則該資產應在租賃期與使用壽命兩者孰短之期限內計提折舊。

當一項物業、廠房及設備被處置，或預期沒有來自繼續使用該資產之未來經濟利益流入時，應終止確認該物業、廠房及設備。處置或報廢一項物業、廠房及設備產生之任何利得或損失，應按銷售收入與該資產賬面金額之間之差額予以確定，並計入損益。

未來作為自用目的在建房屋

為生產或行政目之之在建房地產，其在本建造過程中之預付租賃款攤銷納入在建建築物成本部分。在建建築物按成本減去已確認減值損失計量。建築物自其可供使用時開始折舊(如自其位於並達到滿足管理層意圖經營方式之地域和條件時開始折舊)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Land use rights

Land use rights represent the Group's interests in land held under operating leases and are initially recognised at cost and subsequently amortised on the straight-line basis over the lease terms.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3. 主要會計政策(續)

土地使用權

土地使用權代表了本集團經營租賃項下持有之土地利益並按成本進行初始計量，後續在租賃期內按直線法進行攤銷。

無形資產

單獨取得之無形資產

單獨取得之使用壽命確定之無形資產，應按成本減去累計攤銷額和累計減值損失後之餘額列示。攤銷額在無形資產之預計使用壽命內按直線法確認。預計使用壽命和攤銷方法會在每一報告期末進行覆核，並採用未來適用法對估計變更之影響進行核算。

企業合併中取得之無形資產

企業合併中取得之並且與商譽分開確認之無形資產按其在購買日之公允價值(即被視為該等無形資產之成本)進行初始確認。

企業合併中取得之無形資產在初始確認之後，應按與單獨取得之無形資產相同之基礎，按成本減去累計攤銷額和累計減值損失後之餘額列示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策(續)

除商譽以外之無形資產及有形資產之減值虧損(見上述會計政策中商譽部分)

於報告期完結時，本集團檢討其使用年期有限之有形及無形資產之賬面值，以釐定有否跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則須估計資產之可收回金額，以釐定減值虧損(如有)之程度。

倘不可能估計個別資產之可收回金額，本集團會估計該資產所屬創現單位之可收回金額。倘能識別一項合理及貫徹之分配基準，企業資產亦會被分配至個別創現單位，否則會被分配至能就其識別合理及貫徹之分配基準之最小創現單位組別。

可收回金額為公平價值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值以反映市場現時所評估之資金時值及未來現金流量估計未經調整之資產之特定風險。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the specific identification of their individual costs. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 主要會計政策(續)

除商譽以外之無形資產及有形資產之減值虧損(見上述會計政策中商譽部分)
(續)

倘估計資產(或現金產出單元)之可收回金額少於其賬面值，資產(或現金產出單元)之賬面值被削減至其可收回金額。減值虧損即時於損益確認。在分配減值虧損中，減值虧損會首先沖減分配至該單元之商譽之賬面金額(如適當)，然後根據該單元每一資產賬面金額之比例將減值虧損分配至該單元之其他資產。資產之賬面值減記不得下述三者之最高者：其公允價值減其可計量處置成本、其可計量之使用中價值及零。可能分配至資產之減值虧損金額按比例分配至該單元之其他資產。資產減值虧損即時確認於損益中。

倘減值虧損於其後撥回，則該項資產(或現金產出單元)之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超出假設過往年度並無就該項資產(或現金產出單元)確認減值虧損原應釐定之賬面值。減值虧損撥回即時確認為收入。

存貨

存貨按成本與可變現淨值孰低計量。存貨之成本採用單個成本個別認定法確定。產成品和在製品之包括原材料、直接勞動成本，其他直接成本和相關生產開銷(基於日常經營能力)。可變現淨值指存貨之估計售價減去估計完工成本及銷售所必需之估計費用後之價值。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

3. 主要會計政策(續)

預計負債

當本集團因過去事項而承擔了現時義務(法定義務或推定義務)，並且很可能被要求履行該義務，而該義務之金額能夠可靠地估計時，本集團會對該義務確認預計負債。

確認為預計負債之金額應是在考慮到與義務相關之風險和不確定性之後，對報告期末履行現時義務所需支付對價之最佳估計。如果預計負債是以預期履行現時義務所需支出之估計現金流量來計量，其賬面金額為該等現金流量之現值(當貨幣之時間價值具有重大影響時)。

金融工具

當集團主體成為金融工具合同規定之參與方時，應確認金融資產和金融負債。

金融資產和金融負債按公允價值進行初始計量。除了以公允價值計量且其變動計入損益之金融資產和金融負債，其餘金融資產或金融負債在初始確認時按公允價值加上或減去可直接歸屬於金融資產和金融負債之購買或發行之交易成本(如適當)予以計量。對於以公允價值計量且其變動計入損益之金融資產或金融負債，可直接歸屬於金融資產或金融負債之購買之交易成本會立即計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

Financial assets are classified into the following specified categories: financial assets at FVTPL, available-for-sale (“AFS”) financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Dealings in securities and sale of investments are recognised on the transaction dates when the relevant contract notes are exchanged on the trade dates when the securities are delivered.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策(續)

金融工具(續)

金融資產

金融資產應被歸類為以下類別：以公允價值計量且其變動計入損益之金融資產、可供出售之金融資產以及貸款和應收款項。金融資產之分類取決於其性質和用途並在初始確認時予以確定。所有常規方式購買或出售之金融資產應以交易日為基礎進行確認和終止確認。常規方式購買或出售是指按照法規或市場慣例所確立之時間安排來交付資產之金融資產之購買或出售。

當相關股票買賣通知在交易日進行交換，或證券在結算日進行交付時，確認證券處理和投資銷售。

實際利率法

實際利率法是計算債務工具攤余成本以及在相關期間內分配利息收益之一種方法。實際利率是指將債務工具在預計存續期或更短期間內(如適當)之估計未來現金收款額(包括支付或收取之構成實際利率組成部分之所有費用和貼息、交易費用以及其他溢價或折價)恰好折現為該工具初始確認時賬面淨額所使用之利率。

就債務工具而言，利息收入按實際利息基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is held for trading. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other gains and losses line item. Fair value is determined in the manner described in Note 46.

AFS financial assets

Available-for-sale financial assets are non-derivatives that are not classified as loans and receivables, held-to-maturity investment or financial assets at FVTPL.

Equity securities held by the Group that are classified as AFS financial assets are unquoted equity investments whose fair value cannot be reliably measured. These AFS equity investments are measured at cost less any identified impairment losses at the end of the reporting period. Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

以公允價值計量且其變動計入損益之金融資產

如果金融資產是為交易而持有或被指定為以公允價值計量且其變動計入損益，則應歸類為以公允價值計量且其變動計入損益之金融資產。滿足下述條件之金融資產會被歸類為為交易而持有之金融資產：

- 取得該金融資產之目的，主要是為近期出售；或
- 在初始確認時是本集團集中管理之可辨認金融工具組合之一部分，並且近期實際採用短期獲利方式對該組合進行管理；或
- 是一項衍生工具(被指定為有效套期工具之衍生工具除外)。

以公允價值計量且其變動計入損益之金融資產以公允價值入賬，重新計量產生之任何利得或損失會計入損益。計入損益之利得或損失淨額包括金融資產賺取之任何股利或利息，並且被納入「其他利得和損失」單列項目中，公允價值是按附註46所述方式確定。

可供出售之金融資產

可供出售金融資產為未被歸類為貸款和應收款項或以公允價值計量且其變動計入損益之金融資產之非衍生金融資產。

本集團所持歸類為可供出售金融資產之權益證券為沒有活躍市場標價且其公允價值不能可靠計量之無報價權益投資。該等可供出售權益投資按成本減去報告期末已識別減值損失後之金額計量。倘確定本集團有權收取可供出售權益工具之股息，則於損益內確認有關股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and bills receivables, deposits and other receivables, amounts due from and loans to joint ventures, amounts due from associates, restricted deposits and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any identified impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款和應收款項

貸款和應收款項是指具有固定或可確定付款額、但沒有活躍市場標價之非衍生金融資產。初始確認後，貸款和應收款項(包括應收貿易賬款和票據，存款及其他應收款、應收合資企業貸款、應收聯營公司款項、受限制存款及現金及現金等值項目)按以實際利率法計算之攤余成本減去任何已確認減值後之金額計量。

除利息確認影響甚微之短期應收款項外，利息收入按實際利率確認。

金融資產減值

除以公允價值計量且其變動計入損益之金融資產外，會評估其他金融資產在每一報告期末是否存在減值跡象。如果存在客觀證據表明金融資產初始確認後發生之一個或多個事項影響到投資之預計未來現金流量，則該金融資產發生減值。

可供出售權益投資方面，該證券之公允價值明顯或長期下降至低於其成本值時，即被視為減值之客觀證據。

對於所有其他金融資產，減值之客觀證據可包括：

- 發行人或交易對方發生重大財務困難；或
- 合同違約，例如拖欠利息或本金之支付；或

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

- 借款人很可能破產或進行財務重組；

應收款項組合減值之客觀證據可包括：本集團以往之收款經驗、組合中超過平均信用期限之延遲支付數量增加、以及與拖欠應收款項相聯繫之國內或當地經濟條件之可觀察之變化。

對於按攤余成本計量之金融資產，減值損失之金額為該金融資產之賬面金額與按其初始實際利率折現之預計未來現金流量現值之間之差額。

對於按成本計量之金融資產，減值損失之金額為該資產之賬面金額與按類似金融資產之現行市場回報率折現之預計未來現金流量現值之間之差額。此類減值損失在後續期間不予轉回。

除了通過使用備抵賬戶抵減其賬面金額之應收款項外，金融資產發生減值損失時會直接沖減該金融資產之賬面金額。備抵賬戶賬面金額之變動應計入損益。如果應收款項被視為不可收回，則應與備抵賬戶進行沖銷。以後收回此前已沖銷金額之應收款項，應貸記備抵賬戶。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

對於按攤余成本計量之金融資產，如果在後續期間減值損失之金額減少並且該減少客觀上與確認減值之後發生之事項相關，則此前確認之減值損失應通過損益轉回，但該轉回不應使在減值轉回日之投資賬面金額超過假定其未確認減值情況下之攤余成本。

金融負債和權益工具

本集團發行之債務和權益工具根據合同協定之實質以及金融負債和權益工具之定義被歸類為金融負債或權益。

權益工具

權益工具是指證明享有主體在扣除所有負債後之資產之剩餘利益之合同。由集團主體發行之權益工具以取得之收入扣除直接發行成本後之金額確認。

本公司回購之自身權益工具直接在權益中確認並扣除。在購買、出售、發行或取消本公司自身權益工具時不確認任何利得或損失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities of the Group (including trade and bill payables, payables for construction in progress, other payables and accruals, amounts due to joint ventures and associates, bank borrowings, other borrowings, loans from a joint venture and bonds payable) are subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

3. 主要會計政策(續)

金融工具(續)

金融負債和權益工具(續)

實際利率法

實際利率法是計算金融負債攤余成本以及在相關期間內分配利息收益之一種方法。實際利率是指將金融負債在預計存續期或更短期間內(如適當)之估計未來現金收款額(包括支付或收取之構成實際利率組成部分之所有費用和貼息、交易費用以及其他溢價或折價)恰好折現為該工具初始確認時賬面淨額所使用之利率。

利息支出按實際利率法確認。

以攤餘成本計量之金融負債

金融負債(包括應付貿易賬款及票據, 在建工程應付款, 其他應付款和應計開支, 應付合營公司款項及應付債券)均按實際利息法於其後以攤余成本計算。

財務擔保合同

財務擔保合同是指要求簽發人當特定債務人不能到期償債, 按照債務工具條款給發生損失之合同持有人賠付特定金額之合同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial guarantee contracts (Continued)

Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融負債和權益工具(續)

財務擔保合同(續)

由本集團主體簽發之財務擔保合同按其公允價值進行初始計量，並按下列兩項金額中之較高者進行後續計量：

- (i) 根據香港會計準則第37確定之合同義務金額；以及
- (ii) 初始確認金額減去(如適當)於擔保期間確認之累計攤銷額。

終止確認

僅在獲取金融資產所產生現金流量之合同權利到期時，本集團終止確認金融資產。

金融資產整體終止確認時，下述兩者之間之差額計入損益：(1)資產之賬面金額；與(2)所收到／應收到之對價之和。

僅在本集團之義務已經履行、解除或到期時，本集團才終止確認金融負債。終止確認之金融負債之賬面金額與所支付／應支付之對價之間之差額會計入損益。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparation of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Revenue recognition on tariff subsidy on sales of electricity and impairment assessment of tariff adjustment receivables

Tariff subsidy represents subsidy received and/or receivable from the government authorities in respect of the Group's power generation business. As mentioned in the accounting policy above, tariff subsidy is recognised at its fair value where there is a reasonable assurance that the additional tariff will be received and the Group will comply with all attached conditions, if any.

4. 主要會計判斷及不確定估計之主要來源

在採用附註3所述之本集團會計政策時，本公司之董事必須對從其他來源並不易得出之資產及負債之帳面金額作出判斷、估計和假設。有關估計和假設是基於以往經驗及其他被視為相關之因素而作出之，而實際結果可能與此類估計存在差異。

本集團會持續地對上述估計和相關假設進行覆核。如果會計估計之變更僅對變更之當期構成影響，則在變更之當期予以確認，或者，如果變更對當期和未來期間均構成影響，則同時在變更之當期和未來期間內予以確認。

採用會計政策時之關鍵判斷

以下為本公司之董事在採用本集團會計政策過程中所作之、對合併財務報表中確認之金額最具重大影響之關鍵判斷（涉及之估計除外，參見下文）。

電力銷售之電價補助收入確認及應收電價補貼款減值評估

電價補貼指就本集團發電業務從政府機關收到及／或應收之補助。如上述會計政策所述，如存在合理保證將會收到電價且本集團符合所有附加條件（如有），則電價補助將按其公允價值確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Critical judgements in applying accounting policies (Continued)

Revenue recognition on tariff subsidy on sales of electricity and impairment assessment of tariff adjustment receivables (Continued)

According to the tariff notice released by the National Development and Reform Commission of the PRC (the "Tariff Notice"), for power plants which obtained on-grid approval and commence in generating electricity will be eligible for on-grid tariff subsidy, which is determined by deducting the basic electricity price from the total electricity price set out in respective electricity purchase agreement.

Pursuant to the Tariff Notice, a set of standardised procedures for the settlement of the tariff subsidy has come into force since 2013 and approvals for the registration in the Reusable Energy Tariff Subsidy Catalogue (可再生能源電價附加資金補助目錄) (the "Catalogue") on a project-by-project basis are required before the allocation of funds to the state grid companies, which then would make settlement to the Group.

In making their judgement, the directors of the Company, taking into account the legal opinion as advised by the Group's legal advisor, considered that all of the Group's power plants (including power plants held by the Group's joint ventures and associates) of which tariff subsidy is recognised as revenue but yet to register in the Catalogue currently in operation had been qualified for and had met, the requirements and conditions as stipulated in the Tariff Notice for the entitlement of the tariff subsidy when the electricity was delivered on grid.

4. 主要會計判斷及不確定估計之主要來源(續)

採用會計政策時之關鍵判斷(續)

電力銷售之電價補助收入確認及應收電價補貼款減值評估(續)

根據中華人民共和國國家發展與改革委員會發佈之電價通知(以下簡稱「電價通知」)，獲得上網批准並開始發電之電廠將有資格享受電價補貼，這是通過從各電購協議中規定之總電價中扣除基本電價確定之。

根據電價通知，電價補助結算全套標準程式於2013年起生效，在資金分配給中國國家電網公司之前，要求獲得批准將項目逐個登記到可再生能源電價附加資金補助目錄(簡稱「目錄」)，之後再對本集團進行結算。

在作出判斷時，本公司董事考慮了本集團法律顧問所建議之法律意見，認為本集團之所有電廠(包括由本集團合營企業及聯營公司所持有之電廠)之電價補助均被確認為收入但尚未登記在目錄中，且已符合或已滿足電價通知中有關上網電量享受電價補貼之要求和條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

Revenue recognition on tariff subsidy on sales of electricity and impairment assessment of tariff adjustment receivables (Continued)

The directors of the Company are confident that all of the Group's operating power plants (including power plants operated by the Group's joint ventures and associates) are able to be registered in the Catalogue in due course and the accrued revenue on tariff subsidy are fully recoverable but only subject to timing of allocation of funds from the PRC government, after considering that there are no bad debt experiences with the state grid companies in the past and the tariff subsidy is fully funded by the PRC government.

Any deferral on the timing of receiving the tariff subsidy relative to the directors' estimation in performing impairment assessment may result in potential impairment.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating units ("CGUs") to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss may arise.

4. 主要會計判斷及不確定估計之主要來源(續)

採用會計政策時之關鍵判斷(續)

電力銷售之電價補助收入確認及應收電價補貼款減值評估(續)

本公司董事相信，本集團全部運營電廠(包括本集團合營企業和聯營公司控股電廠)可以通過正當程式進行目錄登記，並且，考慮到過去國家電網公司無壞賬經歷，且電價補助由國家政府負擔，電價補助可以全額收回，不過需遵從中國政府之資金分配時間安排。

在執行減值評估時，延遲(相對於董事之估計)收取電價補助可能因折現影響而導致潛在之減值損失。

估計不確定性之主要來源

以下為在報告期末有關未來之關鍵假設和估計不確定性之其他關鍵來源之資訊，其存在會導致對下一個會計年度之資產帳面金額作出重大調整之重大風險。

商譽之估計減值

要確定商譽是否已發生減值，須對包含分配商譽在內之現金產出單元之可收回金額作出估計，其為使用價值或公允價值減去處置成本之較高者。計算使用價值時，本集團須估計現金產出單元預期產生之未來現金流量以及用以計算現值之適當折現率。如果實際之未來現金流量低於預期，或事實或情況之改變導致未來現金減少，則可能產生重大之減值損失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimated impairment of goodwill (Continued)

As set out in Note 16 to the consolidated financial statements, the annual impairment review performed by the management involves assumptions, including estimated online power quantity of each wind farm, projected installation capacity, expected tariff rate and discount rate, amongst others, that are subjective in nature and the Company is required to use judgment in applying such information. Depending on the complexity of deriving reasonable estimates of the recoverable amount of the CGU, the Group may perform such assessment utilising internal resources or the Group may engage external advisors to counsel the Group in making this assessment.

An impairment loss is recognised in the consolidated statement of profit or loss whenever the carrying amount of an asset or a CGU or groups of CGUs exceeds its recoverable amount.

As at 31 December 2017, the carrying amount of goodwill was RMB1,000,060,000 (2016: RMB1,062,644,000). An impairment loss of RMB62,584,000 was recognised during the year (2016: nil). Details of the recoverable amount calculation are disclosed in Note 16.

4. 主要會計判斷及不確定估計之主要來源(續)

估計不確定性之主要來源(續)

商譽之估計減值(續)

如綜合財務報表附註16所載，管理層所執行之年度減值覆核涉及假設，包括各風電場之估計網上電量，預計裝機容量，預期電價稅率及折現率等主觀因素，公司需要判斷性地應用這些資訊。根據對現金產出單元可收回金額作出合理估計之複雜程度，本集團可利用內部資源進行評估，或聘請外部顧問以獲取相關意見。

當一項資產或現金產出單元或現金產出單元組之帳面價值超過其可收回金額時，在綜合損益表中確認減值損失。

於2017年12月31日，商譽之帳面價值為人民幣1,000,060,000元(2016年：人民幣1,062,644,000元)。本年度確認之減值為人民幣62,584,000元(2016年：無)。有關可收回金額計算之詳細信息於附註16中披露。

5. SEGMENT INFORMATION

(a) Business segments

The management has determined the operating segments based on the internal reports reviewed and used by executive directors of the Company, who are the chief operating decision makers (“CODM”), for strategic decision making.

The CODM considers the business from a product and service perspective. The Group is organised into certain business units according to the nature of the products sold or services provided. The CODM reviews operating results and financial information of each business unit separately. Accordingly, each business unit (including joint ventures and associates) is identified as an operating segment. These operating segments with similar economic characteristics and similar nature of products sold or services provided have been aggregated into the following reporting segments.

- Power generation segment — operation of wind and solar power plants through subsidiaries, generating electric power for sale to external power grid companies, investing in power plants through joint ventures and associates;
- Engineering, procurement, construction and equipment manufacturing segment — providing technical and consultancy services, securing power resources in renewable energy industry, undertaking electrical engineering and construction of power plant projects; and
- “Others” segment — provision of power plant operation and maintenance services, provision of finance lease services and energy internet services.

5. 分類資料

(a) 業務分類

管理層已根據本公司執行董事即主要經營決策者所審閱及於作出策略性決定時採用之內部報告作運營分類。

本公司主要經營決策者從產品及服務角度分析業務。本集團按出售產品或提供服務之性質確定業務組織。主要經營決策者分別檢查分項業務之經營成果及財務架構，因此，每一個業務單元(包括合營企業及聯營公司)，被認定為一個經營分類。此類具有類似經濟特徵及出售類似產品或提供類似服務之運營分類分為下述報告分類：

- 發電業務分類 — 運營附屬公司之風力及太陽能發電電廠，生產電力出售予外部電網公司，並投資於合營企業及聯營公司電廠；
- 設計、採購、施工及設備製造分類 — 提供技術及諮詢服務，取得可再生能源行業之資源，承攬電廠項目之電力工程及建設；及
- 其他分類 — 電廠運行及維護服務，提供融資租賃服務及能源互聯網服務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

The CODM assess the performance of the operating segments based on a measure of adjusted earnings before interest and income tax. This measurement basis excludes the effects of non-recurring income and expenditure from the operating segments.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to the third parties at the then prevailing market prices.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' remuneration, certain other income, finance income and finance costs.

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated to operating segments other than assets and liabilities attributable to head office.

5. 分類資料(續)

(a) 業務分類(續)

本公司主要經營決策者根據經調整息稅前盈利之計量評估運營分類之表現。該計量基準不包括來自運營分類之非經常性收入及開支之影響。

集團分類間銷售及轉讓參考以當時現行市價向獨立第三方進行銷售所採用之售價進行。

經營分部之會計政策與附注3中所述本集團之會計政策相同。分部收益指在未分配中心管理費用、董事報酬、其他收入、財務收入及財務成本情況下由各分部賺取之收益。

為監控分部履約及分配分部間資源之目的，將所有資產及負債分配給經營分部，歸屬於總部的資產和負債除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

Segment revenues and results, and segment assets and liabilities

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable and operating segment.

| | | Power generation 發電業務 | Engineering, procurement, construction and equipment manufacturing 設計、採購、施工及設備製造 | Others 其他 | Segment total 分類總計 | Elimination 抵銷 | Total 總計 |
|--|-------------------------|--------------------------|---|------------------|-----------------------|--------------------|--------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| For the year ended 31 December 2017 | 截至2017年12月31日止年度 | | | | | | |
| Segment revenue | 分類收入 | | | | | | |
| Sales to external customers* | 售予對外客戶* | 717,548 | 235,817 | 82,602 | 1,035,967 | — | 1,035,967 |
| Inter-segment sales | 集團分類間銷售 | — | 1,386,271 | 46,306 | 1,432,577 | (1,432,577) | — |
| | | 717,548 | 1,622,088 | 128,908 | 2,468,544 | (1,432,577) | 1,035,967 |
| Segment results | 分類業績 | 467,153 | (107,703) | 10,486 | 369,936 | | 369,936 |
| Unallocated other gains and losses, net | 不予分配之其他收益及虧損，淨額 | | | | | | 72,023 |
| Unallocated income | 不予分配之收入 | | | | | | 6,438 |
| Unallocated expenses | 不予分配之開支 | | | | | | (15,565) |
| Finance income | 財務收入 | | | | | | 22,637 |
| Finance costs | 財務成本 | | | | | | (184,903) |
| Profit before income tax | 除所得稅前溢利 | | | | | | 270,566 |
| Income tax expense | 所得稅開支 | | | | | | (63,948) |
| Profit for the year | 本年度溢利 | | | | | | 206,618 |
| At 31 December 2017 | 於2017年12月31日 | | | | | | |
| Segment assets | 分類資產 | 12,210,238 | 2,172,713 | 360,602 | 14,743,553 | | 14,743,553 |
| Unallocated assets | 不予分配之資產 | | | | | | 63,585 |
| Total assets | 資產總值 | | | | | | 14,807,138 |
| Segment liabilities | 分類負債 | (6,369,865) | (3,123,334) | (48,240) | (9,541,439) | | (9,541,439) |
| Unallocated liabilities | 不予分配之負債 | | | | | | (10,553) |
| Total liabilities | 負債總額 | | | | | | (9,551,992) |

* Revenue from power generation comprised revenue generated from wind power plants and solar power plants of RMB366,295,000 and RMB351,253,000, respectively.

5. 分類資料(續)

(a) 業務分類(續)

分類收入及業績，及分類資產與負債

下表中列式本集團運營分類之收入、業績、資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

Segment revenues and results, and segment assets and liabilities (Continued)

| | | Power generation 發電業務 | Engineering, procurement, construction and equipment manufacturing 設計、採購、施工及設備製造 | Others 其他 | Segment total 分類總計 | Elimination 抵銷 | Total 總計 |
|--|-------------------------|--------------------------|---|------------------|-----------------------|-------------------|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| For the year ended 31 December 2016 | 截至2016年12月31日止年度 | | | | | | |
| Segment revenue | 分類收入 | | | | | | |
| Sales to external customers* | 售予對外客戶* | 674,032 | 1,043,685 | 67,449 | 1,785,166 | — | 1,785,166 |
| Inter-segment sales | 集團分類間銷售 | — | 1,633,471 | 26,916 | 1,660,387 | (1,660,387) | — |
| | | 674,032 | 2,677,156 | 94,365 | 3,445,553 | (1,660,387) | 1,785,166 |
| Segment results | 分類業績 | 425,308 | 37,198 | 17,083 | 479,589 | | 479,589 |
| Unallocated other gains and losses, net | 不予分配之其他收益及虧損·淨額 | | | | | | 130,839 |
| Unallocated income | 不予分配之收入 | | | | | | 7,842 |
| Unallocated expenses | 不予分配之開支 | | | | | | (18,915) |
| Finance income | 財務收入 | | | | | | 16,956 |
| Finance costs | 財務成本 | | | | | | (141,677) |
| Profit before income tax | 除所得稅前溢利 | | | | | | 474,634 |
| Income tax expense | 所得稅開支 | | | | | | (13,018) |
| Profit for the year | 本年度溢利 | | | | | | 461,616 |
| At 31 December 2016 | 於2016年12月31日 | | | | | | |
| Segment assets | 分類資產 | 10,704,210 | 3,272,461 | 329,310 | 14,305,981 | | 14,305,981 |
| Unallocated assets | 不予分配之資產 | | | | | | 33,368 |
| Total assets | 資產總值 | | | | | | 14,339,349 |
| Segment liabilities | 分類負債 | (5,207,945) | (3,888,437) | (14,683) | (9,111,065) | | (9,111,065) |
| Unallocated liabilities | 不予分配之負債 | | | | | | (2,534) |
| Total liabilities | 負債總額 | | | | | | (9,113,599) |

* Revenue from power generation comprised revenue generated from wind power plants and solar power plants of RMB88,100,000 and RMB585,932,000, respectively.

5. 分類資料(續)

(a) 業務分類(續)

分類收入及業績，及分類資產與負債(續)

* 發電業務收入分別來自於風力發電廠及太陽能電廠，金額分別為人民幣88,100,000元及人民幣585,932,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

Other segment information

For the year ended 31 December 2017

| | Power generation 發電業務 | Engineering, procurement, construction and equipment manufacturing 設計、採購、施工及設備製造 | Others 其他 | Unallocated 不可分配 | Total 總計 |
|---|---------------------------------------|---|------------------|---------------------|------------------|
| | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Amounts included in the measure of segment profit or segment assets: | 總額計量包含於分類收益或分類資產： | | | | |
| Additions to non-current assets (including property, plant and equipment and land use rights) | 3,295,579 | 5,027 | 4,402 | — | 3,305,008 |
| Depreciation of property, plant and equipment | 213,740 | 13,770 | 3,979 | — | 231,489 |
| Amortisation of other intangible assets and land use rights | 9,207 | 4,648 | — | 319 | 14,174 |
| Share-based compensation | 945 | 315 | 105 | 1,787 | 3,152 |
| Interests in joint ventures and associates | 1,677,493 | — | — | — | 1,677,493 |
| Share of profit/(loss) of joint ventures and associates, net | 127,451 | (265) | — | — | 127,186 |
| Amounts regularly provided to the CODM but not included in the measure of segment profit or segment assets: | 該金額為定期向主要經營決策者提供之金額，並未計入分類收益或分類資產計量中： | | | | |
| Write-down of inventories | 3,518 | 13,353 | — | — | 16,871 |
| Loss on disposal of property, plant and equipment, net | 4,462 | 1,598 | — | — | 6,060 |
| Impairment loss on goodwill | — | 62,584 | — | — | 62,584 |
| Impairment loss on trade receivables | — | 8,590 | 1,002 | — | 9,592 |
| Impairment loss on other receivables | 19,386 | — | — | — | 19,386 |
| Reversal of impairment loss on amounts due from joint ventures | — | (3,641) | — | — | (3,641) |
| Gain from a bargain purchase | — | — | 1,213 | — | 1,213 |
| Finance income | (6,968) | (15,614) | (55) | — | (22,637) |
| Finance costs | 172,838 | 12,065 | — | — | 184,903 |
| Income tax expense | 37,190 | 22,250 | 4,508 | — | 63,948 |

5. 分類資料(續)

(a) 業務分類(續)

其他分類資料

截至2017年12月31日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

Other segment information (Continued)

For the year ended 31 December 2016

| | Power generation 發電業務 | Engineering, procurement, construction and equipment manufacturing 設計、採購、施工及設備製造 | Others 其他 | Unallocated 不可分配 | Total 總計 |
|---|---------------------------------------|---|------------------|---------------------|------------------|
| | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Amounts included in the measure of segment profit or segment assets: | 總額計量包含於分類收益或分類資產： | | | | |
| Additions to non-current assets (including property, plant and equipment and land use rights) | 非流動資產之增加(包含物業、廠房、設備及土地使用權) | | | | |
| | 2,455,516 | 3,417 | 2,714 | — | 2,461,647 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | | | | |
| | 191,228 | 15,577 | 4,116 | — | 210,921 |
| Amortisation of other intangible assets and land use rights | 其他無形資產及土地使用權之攤銷 | | | | |
| | 10,420 | 4,648 | — | 319 | 15,387 |
| Share-based compensation | 以股份為基準之付款 | | | | |
| | 554 | 2,611 | 123 | 4,309 | 7,597 |
| Interests in joint ventures and associates | 於合營企業及聯營公司之權益 | | | | |
| | 1,567,630 | 7,702 | — | — | 1,575,332 |
| Share of profit of joint ventures and associates, net | 應佔合營企業及聯營公司應之溢利、淨額 | | | | |
| | 92,289 | 522 | — | — | 92,811 |
| Amounts regularly provided to the CODM but not included in the measure of segment profit or segment assets: | 該金額為定期向主要經營決策者提供之金額，並未計入分類收益或分類資產計量中： | | | | |
| Write-down of inventories | 存貨減值 | | | | |
| | — | 6,886 | — | — | 6,886 |
| Gain on disposal of property, plant and equipment, net | 出售物業、廠房及設備之收益、淨額 | | | | |
| | (395) | (16) | (3) | — | (414) |
| Impairment loss on other receivables | 其他應收款項減值 | | | | |
| | — | 1,050 | — | — | 1,050 |
| Impairment loss on amounts due from joint ventures | 應收合營企業款項減值 | | | | |
| | — | 25,024 | — | — | 25,024 |
| Finance income | 財務收入 | | | | |
| | (2,512) | (14,427) | (17) | — | (16,956) |
| Finance costs | 財務成本 | | | | |
| | 137,259 | 4,418 | — | — | 141,677 |
| Income tax expense/(credit) | 所得稅開支/(遞延所得稅項) | | | | |
| | (5,974) | 13,236 | 5,756 | — | 13,018 |

5. 分類資料(續)

(a) 業務分類(續)

其他分類資料(續)

截至2016年12月31日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(b) Geographical segments

The Group's operations are mainly located in the PRC and the remaining operations are located in the United States of America and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets (excluding deferred tax assets and financial instruments) is presented based on the geographical location of the assets.

5. 分類資料(續)

(b) 地區分類

本集團主要經營地址位於中華人民共和國(「中國」)，其他經營地址包括美國及香港。

本集團來自外部客戶之收入信息，根據外部客戶之地理位置確定。本集團之非流動資產信息根據資產之地理位置確認(除遞延所得稅資產及金融工具)。

| | | Revenue | | Non-current assets | |
|---------|------|------------------------|----------------|--------------------|----------------|
| | | Year ended 31 December | | At 31 December | |
| | | 收入 | | 非流動資產 | |
| | | 截至12月31日止年度 | | 於12月31日 | |
| | | 2017 | 2016 | 2017 | 2016 |
| | | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| The PRC | 中國 | 1,012,096 | 1,757,919 | 10,025,511 | 6,568,727 |
| Others | 其他地區 | 23,871 | 27,247 | 763,333 | 826,015 |
| | | 1,035,967 | 1,785,166 | 10,788,844 | 7,394,742 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

(c) Information about major customers

Three (2016: three) external customers contribute individually more than 10% of the total revenue of the Group. The revenue of these customers is summarised below:

| | | 2017 | 2016 |
|------------|------|----------------|----------------|
| | | RMB'000 | <i>RMB'000</i> |
| | | <i>人民幣千元</i> | <i>人民幣千元</i> |
| Customer A | 客戶 A | 195,227 | N/A* |
| Customer B | 客戶 B | 112,969 | N/A* |
| Customer C | 客戶 C | 109,038 | N/A* |
| Customer D | 客戶 D | N/A* | 316,588 |
| Customer E | 客戶 E | N/A* | 229,751 |
| Customer F | 客戶 F | N/A* | 205,312 |

Except for revenue from customers D and F which are attributable to engineering, procurement, construction and equipment manufacturing segment, revenue from other customers above are attributable to power generation segment.

* The corresponding revenue did not contribute over 10% of total revenue of the Group.

5. 分類資料(續)

(c) 主要客戶信息

三名(2016 : 三名)外部客戶均佔本集團收入逾10%。此等收入之客戶概述如下：

除客戶D及F之收入歸屬於設計、採購、施工及設備製造分類，其他上述客戶之收入均歸屬於發電業務分類。

* 相應之收入貢獻未超過全部集團收入之10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

6. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows.

6. 收入及其他收入

收入及其他收入之分析如下：

| | | 2017 | 2016 |
|--|---------------------|------------------|-----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Revenue | 收入 | | |
| Sales of electricity: | 售電收入： | | |
| Basic electricity price | 標杆電價收入 | 347,918 | 261,909 |
| Renewable energy subsidy (Note a) | 可再生能源補貼收入 (附註a) | 369,630 | 412,123 |
| Engineering, procurement, construction and equipment manufacturing | 設計、採購、施工及 設備製造收入 | 235,817 | 1,043,685 |
| Power plant operation and maintenance services | 電廠運行及維護收入 | 79,461 | 67,449 |
| Finance lease income | 融資租賃收入 | 3,035 | — |
| Others | 其他 | 106 | — |
| | | 1,035,967 | 1,785,166 |
| Other income | 其他收入 | | |
| Interest income | 利息收入 | 22,637 | 16,956 |
| Rental income | 租金收入 | 5,051 | 5,724 |
| Government grants (Note b) | 政府補助(附註b) | 1,908 | 1,529 |
| Tax refunds (Note c) | 稅費返還(附註c) | 2,412 | 23,921 |
| Guarantee income (Note d) | 擔保收入(附註d) | 8,364 | — |
| Others | 其他 | 3,221 | 1,059 |
| | | 43,593 | 49,189 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. REVENUE AND OTHER INCOME (Continued)

Notes:

- (a) Renewable energy subsidy is provided by the relevant PRC government authorities to the wind and solar power plants operate in the PRC, subject to the fulfilment of certain conditions. As further explained in Note 4, approval for the registration in the Catalogue is required before the allocation of renewable energy subsidy by the relevant PRC government authorities.
- (b) During the year, the Group obtained government grants of RMB5,777,000 (2016: RMB3,216,000) to promote the development of renewable energy and investments in certain provinces in the PRC. There are no unfulfilled conditions or contingencies relating to these grants. Government grants for which related to the investments in power plants are included in deferred income and are credited to profit or loss on a systematic basis over the useful lives of the related assets. Further details are disclosed in Note 33.
- (c) The amounts mainly represent refunds of value-added tax and other taxes received from the PRC tax authorities.
- (d) The amounts mainly represent guarantee fees earned for providing financial guarantees to a former subsidiary. The financial guarantees were expired during the year.

6. 收入及其他收入(續)

附註：

- (a) 可再生能源補貼收入是根據中國政府機關針對於中國經營之風力和太陽能電廠之資金分配額，並按照入網單位電價批復檔和電力供應合同規定確定。誠如附註4所述，在中國政府機關進行補助分配前，須申請註冊目錄。
- (b) 於本年內，本集團取得政府補助人民幣5,777,000元(2016：人民幣3,216,000元)用於推動位於中國之可再生能源之發展投資。目前已滿足該等補助之所有前提和條件。與電廠投資相關之政府補助計入遞延收益，並以系統基準在相關資產之使用年期內貸記入損益。詳情載列於附註33。
- (c) 該金額主要是從中國稅務機關收取之增值稅和其他稅款返還。
- (d) 該金額是對原附屬公司提供金融擔保賺取之擔保收入。該金融擔保已於本年內到期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

7. OTHER GAINS AND LOSSES, NET

7. 其他收益及虧損，淨額

An analysis of other gains and losses, net is as follows:

其他收益及虧損淨額之分析如下：

| | | 2017 | 2016 |
|--|--|-----------------|----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Gain on disposal/de-registration of subsidiaries, associates and joint ventures, net (Note 36(b), 36(c) and 36(d)) | 出售／註銷附屬公司、聯營公司及合營企業之收益，淨額(附註36(b)、36(c)及36(d)) | 172,198 | 160,808 |
| Fair value gains on financial assets at FVTPL | 按公允價值計入損益之金融資產之公允價值變動收益 | 16,644 | 5,168 |
| (Loss)/gain on disposal of property, plant and equipment (Notes 36(e)) | 出售物業、廠房及設備之(虧損)／收益(附註36(e)) | (6,060) | 414 |
| Impairment loss on goodwill (Note 16) | 商譽減值(附註16) | (62,584) | — |
| Reversal of impairment loss/ (impairment loss) on amounts due from joint ventures (Note 18) | 應收合營企業款項減值之轉回／(計提)(附註18) | 3,641 | (25,024) |
| Write-down of inventories (Note 20) | 存貨減值(附註20) | (16,871) | (6,886) |
| Impairment loss on trade receivables (Note 21) | 應收貿易賬款減值(附註21) | (9,592) | — |
| Impairment loss on other receivables (Note 22) | 預付款項、按金及其他應收款項減值(附註22) | (19,386) | (1,050) |
| Gain from a bargain purchase (Note 39) | 折價購買利得(附註39) | 1,213 | — |
| Exchange (loss)/gain, net | 匯兌(虧損)／收益，淨額 | (88) | 103 |
| Others | 其他 | (7,092) | (2,694) |
| | | 72,023 | 130,839 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

8. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) **8. 僱員福利開支(包含董事酬金)**

| | | 2017 | 2016 |
|--|-----------------------|-----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Wages, salaries and bonuses | 工資、薪金及獎金 | 144,647 | 132,124 |
| Pension costs — defined contribution plans (Note (i)) | 退休金成本 — 定額供款計劃(附註(i)) | 28,077 | 20,913 |
| Share-based compensation (Note 35) | 以股份為基準之付款(附註35) | 3,152 | 7,597 |
| | | 175,876 | 160,634 |
| Less: Employee benefit expense capitalised (Note (ii)) | 減：資本化僱員福利開支(附註(ii)) | (24,987) | (33,867) |
| | | 150,889 | 126,767 |

Notes:

- (i) As at 31 December 2017, the Group had no significant forfeited contributions available to reduce its contributions to the pension scheme in future years (2016: nil).
- (ii) Employee benefit expense has been capitalised as construction in progress under property, plant and equipment, work in progress under inventories and amounts due from/(to) customers for contract work as at 31 December 2017.

附註：

- (i) 於2017年12月31日，本集團無重大被沒收供款可用於扣減其未來年度退休金計劃供款(2016：無)。
- (ii) 此外，於2017年12月31日，僱員福利開支已資本化計入物業、廠房及設備中在建工程、存貨中在產品及合同工程之應收／(應付)款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the current and prior year are all directors whose emoluments are reflected in the analysis shown in Note 43.

9. FINANCE COSTS

Interest expenses:

- Bank borrowings
- Other borrowings
- Loans from a joint venture
- Bonds payable (Note 31)

Less: Interest capitalised (Note)

Note:

During the year, borrowing costs have been capitalised at various applicable rates ranging from 2.9% to 7.22% (2016: 2.75% to 6.55%) per annum for qualified assets classified as construction in progress under property, plant and equipment.

8. 僱員福利開支(包含董事酬金)(續)

五名最高薪人士

本集團年內及上年之五名最高薪人士全部是董事，其酬金反映在附註43之分析中。

9. 財務成本

| | 2017 | 2016 |
|-----------------------------------|-----------------|----------|
| | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 |
| Interest expenses: | | |
| — Bank borrowings | 203,599 | 138,606 |
| — Other borrowings | 27,450 | 40,087 |
| — Loans from a joint venture | 585 | 4,435 |
| — Bonds payable (Note 31) | 12,695 | 9,400 |
| | 244,329 | 192,528 |
| Less: Interest capitalised (Note) | (59,426) | (50,851) |
| | 184,903 | 141,677 |

附註:

本年度內，在物業、廠房及設備下之在建工程中，被界定為合格資產之借款費用按各自適用之2.9%至7.22%(2016年：2.75%至6.55%)之年利率進行資本化。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

10. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging the following:

10. 除所得稅前溢利

除所得稅前溢利已扣除下列各項：

| | | 2017 | 2016 |
|--|-------------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Cost of sales and services rendered included: | 銷售產品及服務成本包括： | | |
| Direct operating costs for power generation | 電廠運行之直接成本 | 289,319 | 256,295 |
| Cost of engineering, procurement, design and construction | 施工、採購、設計及製造 | 298,501 | 968,609 |
| Cost of power plant operations and maintenance, finance lease and others | 電廠運行及維護、租賃及其他 | 55,932 | 42,070 |
| | | 643,752 | 1,266,974 |
| Depreciation of property, plant and equipment* | 物業、廠房及設備之折舊* | 231,489 | 210,921 |
| Amortisation of land use rights* | 土地使用權攤銷* | 13,855 | 15,068 |
| Amortisation of other intangible assets | 其他無形資產攤銷 | 319 | 319 |
| Total depreciation and amortisation | 折舊及攤銷總額 | 245,663 | 226,308 |
| Less: Amount capitalised as construction in progress under property, plant and equipment | 減：計入物業、廠房及設備之在建工程之資本化金額 | (8,136) | (6,839) |
| Total depreciation and amortisation charged to profit or loss | 計入損益之折舊與攤銷總額 | 237,527 | 219,469 |
| Auditor's remuneration | 核數師酬金 | 2,492 | 2,516 |
| Operating lease payments | 經營租金 | 18,446 | 18,462 |

* Depreciation of property, plant and equipment of RMB219,212,000 (2016: RMB193,385,000) and amortisation of land use rights of RMB9,227,000 (2016: RMB10,204,000) were included in cost of sales and services rendered in the consolidated statement of profit or loss.

* 物業、廠房及設備之折舊金額人民幣219,212,000元(2016：人民幣193,385,000元)，土地使用權攤銷金額為人民幣9,227,000元(2016：人民幣10,204,000元)計入綜合損益表中之服務成本及銷售成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

11. INCOME TAX EXPENSE

11. 所得稅開支

| | | 2017 | 2016 |
|--|----------------|----------------|----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Current tax | 當期稅項 | | |
| — PRC corporate income tax | — 中國企業所得稅 | 49,658 | 27,689 |
| — PRC dividend withholding tax | — 中國股息預扣稅 | 15,861 | 3,181 |
| Underprovision/(overprovision) in prior years: | 過往期間少/(多)計提稅金： | | |
| — PRC corporate income tax | — 中國企業所得稅 | 7,441 | (5,278) |
| Deferred tax (Note 32) | 遞延稅項(附註32) | (9,012) | (12,574) |
| | | 63,948 | 13,018 |

No provision for taxation in Hong Kong has been made as the Group did not generate any assessable profits arising from Hong Kong during the year (2016: nil).

PRC corporate income tax is provided for at the rate of 25% (2016: 25%) for the year of the profits for the PRC statutory financial reporting purpose, adjusted for those items which are not assessable or deductible for the PRC corporate income tax purpose.

Taxation arising from other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. During the year, no provisions for income tax have been made in other jurisdictions as the Group had no assessable profit generated from other jurisdictions (2016: nil).

The law of the PRC on corporate income tax provides that qualified dividend income between two "resident corporates" that have a direct investment relationship is exempted from income tax. Otherwise, such dividends will be subject to 5% to 10% withholding tax under the tax treaty or the domestic law. The Group is currently subject to withholding tax at 5% to 10%.

本集團於本年度內未在香港產生任何可評估溢利，故未對香港利得稅計提撥備(2016：無)。

就中國法定財務申報而言，中國企業所得稅按照本年度溢利之25% (2016：25%)之稅率計提撥備，並根據中國企業所得稅，就毋須納稅或不可扣減之項目作出調整。

從其他司法權區所產生之稅收是在有關司法權區之現行稅率計算。本期本集團不存在來自其他管轄區之應稅收益，因此並未產生其他司法管轄區之稅收(2016年：無)。

根據中國人民共和國企業所得稅法規定，在擁有直接投資關係之兩個「居民企業」之間進行之股息分配，如符合規定條件，可以免稅。否則，根據此稅收規定或國內法律，將對上述股息代扣5%至10%之所得稅。本集團本年應遵循代扣5%至10%所得稅之規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

11. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit before income tax per the consolidated statement of profit or loss as follows:

11. 所得稅開支 (續)

本年度所得稅開支與綜合損益表之除所得稅前溢利對賬如下：

| | | 2017 | 2016 |
|--|---|-----------------|----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Profit before income tax | 除所得稅前溢利 | 270,566 | 474,634 |
| Tax calculated at domestic income tax rate of 25% (2016: 25%) (Note (i)) | 各地溢利按適用之當地稅率 25% (2016 : 25%) (附註(i))計算 | 67,642 | 118,659 |
| Effect of preferential tax rates of certain subsidiaries (Note (ii)) | 若干附屬公司優惠稅率之影響 (附註(ii)) | (15,190) | (30,501) |
| Tax effects of share of profit of associates and joint ventures | 所呈報聯營公司及合營企業 分享損益之稅項影響 | (31,797) | (23,203) |
| Income not subject to tax | 無需課稅之收入 | (11,979) | (46,485) |
| Expenses not deductible for tax purposes | 不可扣稅之開支 | 38,118 | 33,710 |
| Underprovision/(overprovision) in prior years | 過往期間少/(多)計提稅金 | 7,441 | (5,278) |
| Effects of tax holiday on assessable profits of subsidiaries established in the PRC (Note (iii)) | 免稅期對於中國註冊成立之附屬公司之應課稅溢利之影響 (附註(iii)) | (57,271) | (54,026) |
| Tax effect of tax losses not recognised | 沒有確認遞延稅項資產之虧損 | 25,230 | 14,032 |
| Utilisation of previously unrecognised tax losses | 利用過往未確認之稅項虧損 | (11,680) | (3,800) |
| Tax effect of temporary differences not recognised | 本集團之未變現收益所產生之 暫時差額 | 37,573 | 6,729 |
| Recognition of withholding tax | 確認預提稅項 | 15,861 | 3,181 |
| | | 63,948 | 13,018 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. INCOME TAX EXPENSE (Continued)

Notes:

- (i) The domestic tax rate (which is PRC corporate income tax rate) in the jurisdiction where the operation of the Group is substantially based is used.
- (ii) Certain subsidiaries resided in western China or engaged in high-technology industry were entitled to preferential income tax rate of 9% and 15% respectively (2016: 9% and 15% respectively).
- (iii) Certain subsidiaries of the Group established in the PRC are entitled to preferential tax treatments including three years exemption followed by three years of a 50% tax reduction. The first year exemption started from 2013 to 2017.

12. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company of RMB200,036,000 (2016: RMB457,815,000) by the weighted average number of 8,574,740,000 (2016: 8,607,151,000) ordinary shares in issue during the year, after adjusting the effect of shares repurchased and held by the Company's share award scheme.

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

11. 所得稅開支 (續)

附註：

- (i) 本集團使用運營實質所在管轄地區之稅率(即中國企業所得稅率)
- (ii) 部分屬於中國西部地區或從事高薪技術產業之附屬公司分別享受9%和15%之優惠所得稅率(2016年：9%和15%)。
- (iii) 本集團若干附屬公司享有稅務優惠，包括三年免稅期及於隨後三年獲減免一半稅項，免稅期第一年從2013至2017年開始。

12. 每股盈利

(a) 基本

基本每股盈利是通過調整本公司股份獎勵計畫回購和持有之股票之影響，將本公司股東應佔溢利人民幣200,036,000元(2016年：人民幣457,815,000元)除以年內已發行普通股之加權平均股數8,574,740,000(2016年：8,607,151,000)計算得出。

(b) 攤薄

每股攤薄盈利是經調整已發行普通股之加權平均數至假設兌換所有攤薄潛在普通股計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

12. EARNINGS PER SHARE (Continued)

(b) Diluted (Continued)

For the years ended 31 December 2017 and 2016, dilutive effects arose from share award scheme adopted during both years. The weighted average number of ordinary shares is adjusted for the diluted number effect of the shares granted to employees under share award scheme.

The diluted earnings per share for the year ended 31 December 2016 did not consider the exercise of the outstanding share options under the Company's share option scheme as the exercise prices are above average market price. All share options under the Company's share option scheme were expired during the year ended 31 December 2016.

12. 每股盈利(續)

(b) 攤薄(續)

截至2017年12月31日止年度及2016年12月31日止年度，在這兩個年度中採用之股份獎勵計劃均已對普通股產生了攤薄影響。普通股加權平均數已根據股份獎勵計劃之攤薄影響進行了調整。

2016年12月31日止年度，由於行權價格高於市場平均價格，每股攤薄盈利不考慮購股權行權之影響。本公司購股權計劃下之所有購股權已於2016年12月31日過期。

| | | 2017 | 2016 |
|---|---------------------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Earnings: | 溢利： | | |
| Profit used to determine diluted earnings per share (<i>RMB'000</i>) | 確定每股攤薄盈利採用之溢利(人民幣千元) | 200,036 | 457,815 |
| Number of shares: | 股份數： | | |
| Weighted average number of ordinary shares in issue (<i>thousands</i>) | 已發行股份之加權平均數(千股) | 8,574,740 | 8,607,151 |
| Adjustment for: | 調整： | | |
| Effect of dilutive potential shares issuable under the Company's share award scheme (<i>thousands</i>) | 根據本公司股份獎勵計劃可發行之攤薄潛在股份之影響之影響(千股) | 20,584 | 34,458 |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share (<i>thousands</i>) | 每股攤薄盈利之普通股加權平均數(千股) | 8,595,324 | 8,641,609 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

13. DIVIDEND

13. 股息

| | | 2017 | 2016 |
|--|----------------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Dividends for ordinary shareholders of the Company recognised as distribution during the year: | 於本年度內本公司普通股股東股息分配之確認： | | |
| 2017 Interim — nil (2016: HK\$0.01 per share) | 2017年中期 — 無(2016：每股0.01港元) | — | 75,188 |
| 2016 Final — HK\$0.01 (2016: nil) per share | 2016年末—每股0.01港元(2016: 無) | 74,758 | — |
| | | 74,758 | 75,188 |

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2017 of HK\$0.01 per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders at the forthcoming general meeting (2016: final dividend in respect of the year ended 31 December 2016 of HK\$0.01 per ordinary share in an aggregate amount of RMB74,758,000).

於本報告期期後，本公司董事已提呈截止2017年12月31日止年度之末期股息每股0.01港元，並須股東於即將舉行之股東周年大會上批准(2016：截止2016年12月31日止年度之末期股息每股0.01港元，合計人民幣74,758,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

| | | Buildings 樓宇 | Leasehold improvements 租賃物業裝修 | Power plant equipment 電廠設備 | Office furniture and fixtures 辦公傢俱 | Motor vehicles 汽車 | Construction In progress 在建工程 | Total 總額 |
|--|---------------------|------------------|-------------------------------------|----------------------------------|---|-------------------------|-------------------------------------|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Cost: | 成本值： | | | | | | | |
| As at 1 January 2017 | 於2017年1月1日 | 295,416 | 27,765 | 2,589,170 | 37,597 | 43,263 | 1,629,462 | 4,622,673 |
| Additions | 添置 | 336 | 98 | 9,859 | 6,653 | 10,015 | 3,134,888 | 3,161,849 |
| Disposals | 出售 | — | — | (2,595) | (462) | (2,621) | (4,383) | (10,061) |
| Reclassifications | 重分類 | 339,707 | — | 2,719,064 | — | — | (3,058,771) | — |
| Disposal of subsidiaries | 處置附屬公司 | — | — | — | (16) | — | (25,562) | (25,578) |
| Acquisition of a subsidiary (Note 39) | 收購附屬公司 (附註39) | — | — | — | 5 | — | — | 5 |
| As at 31 December 2017 | 於2017年12月31日 | 635,459 | 27,863 | 5,315,498 | 43,777 | 50,657 | 1,675,634 | 7,748,888 |
| Accumulated depreciation: | 累計折舊： | | | | | | | |
| As at 1 January 2017 | 於2017年1月1日 | 39,562 | 24,789 | 248,089 | 21,247 | 29,732 | — | 363,419 |
| Charge for the year | 本年度支出 | 16,152 | 1,302 | 191,088 | 3,660 | 4,337 | — | 216,539 |
| Disposals | 出售 | — | — | (767) | (436) | (1,648) | — | (2,851) |
| Disposal of subsidiaries | 處置附屬公司 | — | — | — | (13) | — | — | (13) |
| As at 31 December 2017 | 於2017年12月31日 | 55,714 | 26,091 | 438,410 | 24,458 | 32,421 | — | 577,094 |
| Net carrying value: | 賬面淨值 | 579,745 | 1,772 | 4,877,088 | 19,319 | 18,236 | 1,675,634 | 7,171,794 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14. 物業、廠房及設備(續)

| | | Buildings 樓宇 | Leasehold improvements 租賃物業裝修 | Power plant equipment 電廠設備 | Office furniture and fixtures 辦公傢俱 | Motor vehicles 汽車 | Construction In progress 在建工程 | Total 總額 |
|--|---------------------|------------------|-------------------------------------|----------------------------------|---|-------------------------|-------------------------------------|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Cost: | 成本值: | | | | | | | |
| As at 1 January 2016 | 於2016年1月1日 | 214,363 | 27,765 | 2,991,167 | 28,556 | 39,851 | 875,541 | 4,177,243 |
| Additions | 添置 | 2,390 | — | 9,502 | 9,304 | 6,090 | 2,315,187 | 2,342,473 |
| Disposals | 出售 | — | — | (8,761) | — | (1,813) | — | (10,574) |
| Reclassifications | 重分類 | 102,310 | — | 1,167,639 | — | — | (1,269,949) | — |
| Disposal of subsidiaries | 處置附屬公司 | (16,996) | — | (320,438) | (102) | (390) | (291,317) | (629,243) |
| Reclassified as held for sale (Note 26) | 重分類至持有待售 (附註26) | (6,651) | — | (1,249,939) | (161) | (475) | — | (1,257,226) |
| As at 31 December 2016 | 於2016年12月31日 | 295,416 | 27,765 | 2,589,170 | 37,597 | 43,263 | 1,629,462 | 4,622,673 |
| Accumulated depreciation: | 累計折舊: | | | | | | | |
| As at 1 January 2016 | 於2016年1月1日 | 33,287 | 19,395 | 177,981 | 16,995 | 26,273 | — | 273,931 |
| Charge for the year | 本年度支出 | 7,148 | 5,394 | 188,699 | 4,335 | 5,345 | — | 210,921 |
| Disposals | 出售 | — | — | (588) | — | (1,591) | — | (2,179) |
| Disposal of subsidiaries | 處置附屬公司 | (564) | — | (13,465) | (16) | (75) | — | (14,120) |
| Reclassified as held for sale (Note 26) | 重分類至持有待售 (附註26) | (309) | — | (104,538) | (67) | (220) | — | (105,134) |
| As at 31 December 2016 | 於2016年12月31日 | 39,562 | 24,789 | 248,089 | 21,247 | 29,732 | — | 363,419 |
| Net carrying value: | 賬面淨值 | 255,854 | 2,976 | 2,341,081 | 16,350 | 13,531 | 1,629,462 | 4,259,254 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (a) The above items of property, plant and equipment, except for construction in progress, depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

| | |
|-------------------------------|---|
| Buildings | 20 to 25 years |
| Leasehold improvements | Over the shorter of useful lives of 5 years and lease terms |
| Power plant equipment | 20 years |
| Office furniture and fixtures | 3 to 5 years |
| Motor vehicles | 5 years |

- (b) For the year ended 31 December 2017, depreciation of RMB6,719,000(2016: RMB5,366,000) has been capitalised as construction in progress under property, plant and equipment, work in progress under inventories and amounts due from/(to) customers for contract work as at 31 December 2017.

- (c) As at 31 December 2017, certain buildings and power plant equipment with an aggregate net carrying value of RMB134,342,000 (2016: nil) and RMB1,760,156,000 (2016: RMB927,388,000), respectively, have been pledged to banks to secure banking facilities granted to the Group (Note 29).

14. 物業、廠房及設備(續)

- (a) 以上固定資產，除在建工程外，折舊按預計可使用年期將其成本按直線法分攤至其剩餘價值計算如下：

| | |
|--------|-----------------|
| 樓宇 | 20至25年 |
| 租賃物業裝修 | 按可使用年限5年及租期之較短者 |
| 電廠設備 | 20年 |
| 辦公室傢私 | 3至5年 |
| 汽車 | 5年 |

- (b) 截至2017年12月31日，物業、廠房及設備項下之在建工程、存貨項下之在製品及合同工程應收／應付款項下之資本化折舊金額為人民幣6,719,000元(2016：人民幣5,366,000元)。

- (c) 於2017年12月31日，本集團因貸款餘額產生以樓宇及設備為抵押之資產賬面淨值分別人民幣134,342,000元(2016：人民幣零元)及人民幣1,760,156,000元(2016：人民幣927,388,000元)(附註29)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

15. LAND USE RIGHTS

15. 土地使用權

| | | 2017 | 2016 |
|---|---------------------------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Analysed for reporting purposes as: | 為呈報分析如下： | | |
| Current assets (included in prepayments, deposits and other receivables (<i>Note 22</i>)) | 流動資產(計入按金、預付賬款及其他應收款項(<i>附註22</i>)) | 18,115 | 10,860 |
| Non-current assets | 非流動資產 | 355,001 | 232,948 |
| | | 373,116 | 243,808 |

The Group's interests in land use rights represent prepaid operating lease payments in the PRC with remaining lease terms ranging from 4 years to 49 years, of which title certificates in respect of carrying amount totalling RMB123,317,000 (2016: RMB113,470,000) have been obtained as at 31 December 2017.

For the year ended 31 December 2017, amortisation of RMB1,417,000 (2016: RMB1,375,000) has been capitalised as construction in progress equipment and work in progress under inventories as at 31 December 2017.

本集團之土地使用權權益指預付經營租賃款，主要在中國地區，其剩餘租期一般從4年至49年，其中已獲得土地使用權證之金額為人民幣123,317,000元(2016年：人民幣113,470,000元)。

於2017年12月31日之年度，攤銷金額人民幣1,417,000元(2016：人民幣1,375,000元)已被資本化為在建工程及存貨項下之在製品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

16. INTANGIBLE ASSETS

16. 無形資產

| | | Goodwill | Other intangible assets | Total |
|--|-------------------------------|------------------|--|------------------|
| | | 商譽 | 其他無形資產 | 總額 |
| | | <i>RMB'000</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Net carrying value as at 1 January 2016 | 於2016年1月1日 之賬面淨值 | 1,063,851 | 5,186 | 1,069,037 |
| Amortisation | 攤銷 | — | (319) | (319) |
| Disposal of a subsidiary (Note 36(b)) | 出售附屬公司 (附註36(b)) | (1,207) | — | (1,207) |
| Net carrying value as at 31 December 2016 | 於2016年12月 31日之賬面淨值 | 1,062,644 | 4,867 | 1,067,511 |
| Amortisation | 攤銷 | — | (319) | (319) |
| Impairment (Note 7) | 減值(附註7) | (62,584) | — | (62,584) |
| Net carrying value as at 31 December 2017 | 於2017年12月31日 之賬面淨值 | 1,000,060 | 4,548 | 1,004,608 |

Goodwill

Goodwill mainly arose from the acquisition of China Wind Power Holdings Limited (“China Wind Power”) and its subsidiaries (collectively “China Wind Power Group”) which was completed on 1 August 2007. China Wind Power Group was engaged in investment in wind power plants, engineering, procurement, construction and equipment manufacturing and power plant operations and maintenance.

Upon application of HKFRS 8 *Operating Segment* in 2009, the relevant goodwill was reallocated to the respective groups of CGUs, which represent the lowest level within the Group at which the relevant goodwill is monitored for internal management purposes, and not larger than an operating segment. The reallocation was based on the relative value of the relevant groups of CGUs.

商譽

商譽是由於收購中國風電控股有限公司(「中國風電」)及其附屬公司(統稱「中國風電集團」)而產生之，收購與2007年8月1日完成。中國風電集團從事風電電廠投資，設計、採購、施工和設備製造以及電廠運行和維護。

於2009年使用香港財務報告準則第8號—*經營分類*時，相關商譽被重新分配至對應現金產出單位群組，現金產生單位群組代表在本集團內部為了內部管理目之對相關商譽進行監控且不大於相應經營分類之最低層級。重新分配基於相關現金產出單位群組之相對價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

16. INTANGIBLE ASSETS (Continued)

Goodwill (Continued)

The carrying amounts of goodwill are allocated to the groups of CGUs as follows:

| | | 2017 | 2016 |
|---|-------------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Investment in wind power plants | 風電場投資業務 | 926,157 | 926,157 |
| Engineering, procurement, construction and equipment manufacturing (“EPC Business”) | 施工、採購、建造及設備製造(「EPC 業務」) | 75,800 | 75,800 |
| Power plant operations and maintenance | 電場運行和維護 | 60,687 | 60,687 |
| | | 1,062,644 | 1,062,644 |
| Less: Impairment | 減：減值 | (62,584) | — |
| | | 1,000,060 | 1,062,644 |

Goodwill is monitored at the groups of CGUs, the lowest level at which goodwill is monitored for internal management purpose and not larger than the respective operating segments. The Group has assessed the recoverable amount of goodwill and determined that the goodwill has not been impaired, apart from the impairment provided for EPC Business CGUs as explained below.

16. 無形資產 (續)

商譽 (續)

商譽之賬面值將被分配到包含下列分類之現金產生單位群組中：

商譽在現金產生單位群組進行監控，現金產生單位群組是為了內部管理目之進行監控且不大於相應經營分部之最低層級。本集團已評估商譽之可回收金額，除下方披露之EPC業務現金產生單位已確認之減值外，並厘定該商譽並無減值。

16. INTANGIBLE ASSETS (Continued)

Goodwill (Continued)

Investment in wind power plants CGUs

The recoverable amount is determined based on fair value less costs of disposal calculations. These calculations use cash flow projections based on the financial forecast covering a ten-year period and a pre-tax discount rate of 15%. Cash flows beyond the ten-year period are extrapolated at zero % growth rate. The cash flows and discount rate reflect assumptions that market participants would use when pricing the relevant CGUs. Key assumptions include estimated online power quantity to be generated from the Group's existing and forthcoming projects, projected installation capacity, expected tariff rate and discount rate. The management determined these key assumptions based on past performance and expectation on market development.

EPC Business CGUs

During the year, the directors of the Company determine that the scale of EPC Business will be reduced in the foreseeable future and will principally focus on the provision of design and consultancy services. Accordingly, an impairment loss of RMB62,584,000 was recognised. The recoverable amount of the CGUs was determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 15% (2016: 15%) and cash flows beyond the five-year period were extrapolated using a growth rate of zero % (2016: zero %). Key assumptions include estimated revenue generated from the Group's existing and forthcoming design and consultancy services, expected profit margin and discount rate. The management determined these key assumptions based on past performance and expectation on market development.

16. 無形資產(續)

商譽(續)

於風電廠現金產出單位之投資

可收回金額按公允價值減出售成本計算。計算所用現金流基於涵蓋十年期之財務預測並採用15%之稅前貼現率。超過十年之現金流量以零增長率來推算。現金流及貼現率反應了市場參與者在對相關現金產出單元進行估值時所用之假設。關鍵假設包括本集團現有及未來項目預計產生之上網發電量、預測裝機容量、預期電價及貼現率。管理層基於過往經驗及對市場發展之預期確定這些關鍵假設。

設計、採購、施工及設備製造現金產生單位

本年度內，本公司董事決定在可預見之未來EPC業務營業範圍將縮減，本公司將主要著重與設計及諮詢服務。因此，本公司確定相關減值損失人民幣62,584,000元。現金產生單位可回收金額基於現金流預測計算出之使用價值而確定，而該現金流預測乃基於高級管理層批准之涵蓋五年期之財務預算。現金流預測採用之折現率為：15%（2016：15%），超過五年期之現金流則按0%增長率推算而來（2016：0%）。關鍵假設包括本集團現有及即將開展之設計及諮詢服務產生之估計收益，預期利潤率及折現率。管理層根據過往業績及市場發展預期厘定該等關鍵假設。

16. INTANGIBLE ASSETS (Continued)

Goodwill (Continued)

Power plant operations and maintenance CGUs

The recoverable amount of the CGUs was determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 15% (2016: 15%) and cash flows beyond the five-year period were extrapolated using a growth rate of zero % (2016: zero %). Key assumptions include estimated revenue generated from the Group's existing and forthcoming contracts, expected profit margin and discount rate. The management determined these key assumptions based on past performance and expectation on market development.

In the opinion of the directors of the Company, any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the CGUs' carrying amounts to exceed their respective recoverable amounts.

Other intangible assets

Other intangible assets, which arose from business combination completed on 1 August 2007, represent the Wind Power Plan Cooperation Agreements signed with relevant local government authorities in the PRC. This intangible assets are amortised over the duration of the agreements of 20 years.

16. 無形資產(續)

商譽(續)

電廠運營及維護現金產生單位

現金產生單位可回收金額基於現金流預測計算出之使用價值而確定，而該現金流預測乃基於高級管理層批准之涵蓋五年期之財務預算。現金流預測運用至貼現率為：15% (2016：15%)，五年期之外之現金流則按0%之增長率推算而來(2016：0%)。關鍵假設包括本集團現有及將來之合約產生之預期收益、利潤率及貼現率。管理層在過去業績及市場發展預期情況之基礎上確定了該等關鍵假設。

本公司董事認為任何關於可收回金額之關鍵假設可能發生之合理變動不會導致現金產出單元之賬面值超出其可收回金額。

其他無形資產

2007年8月1日因收購China Wind Power集團而產生了其他無形資產，即與相關中國地方政府機關簽訂之風力發電計劃合作協定。此無形資產按協議年限20年攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES

17. 於聯營公司之權益

The amounts recognised in the consolidated statement of financial position are as follows:

在綜合資產負債表中確認之金額如下：

| | | 2017 | 2016 |
|---|------------------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Non-current assets | 非流動資產 | | |
| Cost of investment in associates | 於聯營公司投資成本 | 243,464 | 273,240 |
| Share of post-acquisition results and other comprehensive income, net of dividends received | 應佔收購後業績及其他全面收益，扣除股息 | 37,922 | 7,735 |
| | | <hr/> | <hr/> |
| Share of net assets of associates (Note (i)) | 分享聯營公司之淨資產 (附註(i)) | 281,386 | 280,975 |
| | | <hr/> | <hr/> |
| Current assets | 流動資產 | | |
| Amounts due from associates (Note (ii)) | 應收聯營公司款項(附註(ii)) | 16,467 | 53,555 |
| Other receivables from associates (Note (iii)) | 應收聯營公司其他款項 (附註(iii)) | 1,411 | 10,139 |
| Amounts due from associates for contract work (Notes (iv) and 25) | 合同工程之應收聯營公司金額 (附註(iv)和25) | 10,372 | 35,510 |
| | | <hr/> | <hr/> |
| | | 28,250 | 99,204 |
| | | <hr/> | <hr/> |
| Current liabilities | 流動負債 | | |
| Amounts due to associates (Note (v)) | 應付聯營公司款項(附註(v)) | (3,502) | (12,632) |
| | | <hr/> | <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES (Continued)

Notes:

- (i) As at 31 December 2017 and 2016, particulars of the principal associates are as follows:

| Name of associates 聯營公司名稱 | Place of establishment and operations and kind of legal entity 註冊成立/註冊及營業地點及法律實體種類 | Nominal value of registered capital 註冊資本之面值 | Proportion of ownership interest and voting rights held by the Group — indirectly | | Principal activities 主要業務 |
|---|---|--|---|--------|---|
| | | | 2017 | 2016 | |
| Sihong Century Concord Wind power Co., Ltd. 泗洪協合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB83,660,000 人民幣 83,660,000 元 | (Note a) (附註 a) | 30% | Wind power plant investment and operation 風電廠投資及運行 |
| Zhengzhou Zhengji Century Concord Equipment Co., Ltd. 鄭州正機協合能源裝備科技有限公司 | The PRC, Sino-foreign equity joint venture 中國·中外合資企業 | RMB16,000,000 人民幣 16,000,000 元 | (Note a) (附註 a) | 28% | Manufacturing of wind power facilities 風電場設施建造 |
| Changtu Liaoneng Xiexin Wind Power Co., Ltd. 昌圖遼能協鑫風力發電有限公司 | The PRC, Sino-foreign equity joint venture 中國·中外合資企業 | USD24,819,000 24,819,000 美元 | 25% | 25% | Wind power plant investment and operation 風電廠投資及運行 |
| Jilin Province Zhanyu Wind Power Assets Management Co., Ltd. 吉林省贍榆風電資產經營管理有限公司 | The PRC, limited company 中國·有限公司 | RMB713,800,000 人民幣 713,800,000 元 | 17.15% (Note b) (附註 b) | 17.15% | Wind power plant investment and operation 風電廠投資及運行 |
| Fuxin Union Wind Power Co., Ltd. 阜新聯合風力發電有限公司 | The PRC, Sino-foreign equity joint venture 中國·中外合資企業 | RMB175,500,000 人民幣 175,500,000 元 | 24.5% | 24.5% | Wind power plant investment and operation 風電廠投資及運行 |
| Fuxin Century Concord-Shenhua Wind Power Co., Ltd. 阜新申華協合風力發電有限公司 | The PRC, Sino-foreign equity joint venture 中國·中外合資企業 | RMB160,000,000 人民幣 160,000,000 元 | 24.5% | 24.5% | Wind power plant investment and operation 風電廠投資及運行 |
| Chaoyang Century Concord Wanjia Wind Power Co., Ltd. 朝陽協合萬家風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB162,000,000 人民幣 162,000,000 元 | 30% | 30% | Wind power plant investment and operation 風電廠投資及運行 |
| Fuxin Taihe Wind Power Co., Ltd. ("Fuxin Taihe") 阜新泰合風力發電有限公司 ("阜新泰合") | The PRC, limited company 中國·有限公司 | RMB300,000,000 人民幣 300,000,000 元 | 30% | 30% | Wind power plant investment and operation 風電廠投資及運行 |

17. 於聯營公司之權益(續)

附註：

- (i) 於 2017 年和 2016 年 12 月 31 日，主要聯營公司之詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES (Continued)

Notes: (Continued)

- (i) As at 31 December 2017 and 2016, particulars of the principal associates are as follows: (Continued)

Notes:

- (a) These associates were disposed of during the year (Note 36(d)).
- (b) Even though the Group holds less than 20 percent of the voting power of this investee, the Group demonstrates significant influences on this investee by holding a seat on the board of directors for a board with 11 members and the 11 members each represents respective shareholders of this investee, and the Group is the second highest percentage in total shareholding of the investee while the largest shareholder hold 18.55% equity interest in this investee.
- (ii) Amounts due from associates represent trade receivables which are unsecured, interest-free and repayable based on terms of the relevant contracts. Included in trade receivables from associates as at 31 December 2017 are retention money held in respect of construction contracts and sales of equipment to associates of RMB11,510,000 (2016: RMB39,932,000), of which RMB11,510,000 (2016: RMB27,977,000) are aged over 1 year.

At 31 December 2017, the aging analysis of the above trade receivables, based on the invoice date, is as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月內 | 632 | 5,036 |
| 3 to 6 months | 3至6個月 | — | 634 |
| 6 to 12 months | 6至12個月 | 18 | — |
| Over 1 year | 1年以上 | 15,817 | 47,885 |
| | | 16,467 | 53,555 |

17. 於聯營公司之權益(續)

附註：(續)

- (i) 於2017年和2016年12月31日，主要聯營公司之詳情如下：(續)

附註：

- (a) 這些聯營公司與本年內處置(附註36(d))。
- (b) 即使本集團持有被投資公司投票權少於20%，本集團可通過以下方式顯示對被投資公司之重大影響力，在董事會11名成員中佔一席位，而11名成員每一名代表被投資者各自股東，本集團持有被投資公司總持股量第二高百分比，而最高百分比為18.55%。

- (ii) 應收聯營公司貿易款項為無抵押擔保、免息並按照相關合約約定之付款信貸期償還。截止2017年12月31日，應收聯營公司貿易款項為建造合同及銷售設備之尾款人民幣11,510,000元(2016年：人民幣39,932,000元)，其中人民幣11,510,000元(2016年：人民幣27,977,000元)賬期超過1年。

於2017年12月31日，基於發票日期之上述貿易應收款項之賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES (Continued)

Notes: (Continued)

(ii) (Continued)

At 31 December 2017, the aging analysis of the above receivables which are past due but not impaired is as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月內 | 11,510 | 634 |
| 6 to 12 months | 6至12個月 | — | 7,930 |
| Over 1 year | 1年以上 | 4,307 | 4,307 |
| | | 15,817 | 12,871 |

(iii) Other receivables due from associates are unsecured, interest-free, non-trade in nature and repayable on demand.

(iv) Amounts due from associates for contract work are contract costs incurred plus recognised profits less recognised losses, but not yet billed.

(v) Amounts due to associates mainly represent trade payable which are unsecured, interest-free and repayable based on relevant contracts, and aged within over 1 year.

17. 於聯營公司之權益(續)

附註：(續)

(ii) (續)

於2017年12月31日，逾期未減值應收貿易賬款賬齡分析如下：

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月內 | 11,510 | 634 |
| 6 to 12 months | 6至12個月 | — | 7,930 |
| Over 1 year | 1年以上 | 4,307 | 4,307 |
| | | 15,817 | 12,871 |

(iii) 其他應收聯營公司款項為無抵押擔保、免息、非貿易及無固定還款期。

(iv) 應收聯營公司之合約工程款項為已產生但未收費之建設成本。

(v) 應付聯營公司款項主要指應付貿易款。款項為無抵押擔保、免息及按合同條款償還(賬齡為超過1年)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES (Continued)

Summarised financial information of associates

Set out below is the summarised unaudited financial information for Fuxin Taihe, a material associate of the Group in the opinion of the directors of the Company, prepared under HKFRSs which is accounted for using the equity method.

Fuxin Taihe

Summarised statement of financial position

| | 資產負債表概述 | 2017 | 2016 |
|-------------------------|---------|-----------|-----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Current assets | 流動資產 | 187,881 | 161,534 |
| Non-current assets | 非流動資產 | 594,969 | 629,494 |
| Current liabilities | 流動負債 | (74,389) | (84,711) |
| Non-current liabilities | 非流動負債 | (332,500) | (375,300) |
| Net assets | 資產淨值 | 375,961 | 331,017 |

17. 於聯營公司之權益(續)

重大聯營公司之財務資訊概述

下表列示了採用權益法核算之阜新泰合(本公司董事認為該公司為本集團之重大聯營公司)未經審計概要核財務資訊。

阜新泰合

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES (Continued)

Fuxin Taihe (Continued)

Summarised statement of profit or loss and other comprehensive income

綜合損益及其他全面
收益表概述

| | | 2017 | 2016 |
|--|--------------|-----------------|----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Revenue | 收入 | 120,221 | 85,511 |
| Depreciation and amortisation | 折舊及攤銷 | (36,854) | (37,069) |
| Finance costs | 財務成本 | (20,204) | (24,447) |
| Other expenses | 其他支出 | (11,799) | (6,707) |
| Profit before tax | 除稅前溢利 | 51,364 | 17,288 |
| Income tax expense | 所得稅開支 | (6,420) | (2,161) |
| Profit and total comprehensive income for the year | 本年度溢利及全面收益總額 | 44,944 | 15,127 |
| Dividend received from the associate during the year | 本年收到聯營公司股息 | — | 7,434 |
| Share of profit by the Group | 本集團應佔溢利 | 13,483 | 4,538 |

17. 於聯營公司之權益 (續)

阜新泰合(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17. INTERESTS IN ASSOCIATES AND BALANCES WITH ASSOCIATES (Continued)

Fuxin Taihe (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements.

| | | 2017 | 2016 |
|---|------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Net assets of Fuxin Taihe as at 31 December | 年末資產淨值 | 375,961 | 331,017 |
| The Group's shareholding in Fuxin Taihe | 本集團持股權益 | 30% | 30% |
| The Group's share of net assets of Fuxin Taihe | 本集團應佔淨資產 | 112,788 | 99,305 |
| Unrealised profits, net | 未實現溢利，淨額 | (2,887) | (5,482) |
| Carrying amount of the Group's interest in Fuxin Taihe | 本集團權益之賬面值 | 109,901 | 93,823 |

Set out below is, in aggregate, the carrying amounts of the Group's interests in all individually immaterial associates that are accounted for using the equity method.

| | | 2017 | 2016 |
|---|--------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Aggregate carrying amount of the Group's interests in these associates | 本集團應佔業績之賬面價值 | 171,485 | 187,152 |
| The Group's share of profit and total comprehensive income for the year | 應佔本集團之本年度溢利及全面收益總額 | 10,320 | 14,183 |

17. 於聯營公司之權益(續)

阜新泰合(續)

上述匯總財務信息與合併財務報表中確認之於聯營公司權益賬面值之對賬如下：

下述為本集團採用權益法入賬之所有個別不重大聯營公司之權益賬面值合計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES

18. 於合營企業之權益

The amounts recognised in the consolidated statement of financial position are as follows:

綜合資產負債表中確認之金額如下：

| | | 2017 | 2016 |
|---|----------------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Non-current assets | 非流動資產 | | |
| Cost of investment in joint ventures | 合營企業投資成本 | 1,461,179 | 1,433,962 |
| Share of post-acquisition results and other comprehensive income, net of dividends received | 應佔收購後業績及其他全面收益，扣除股息 | (65,072) | (139,605) |
| Share of net assets of joint ventures (Note (i)) | 應佔合營企業資產淨值 (附註(i)) | 1,396,107 | 1,294,357 |
| Current assets | 流動資產 | | |
| Amounts due from joint ventures (Note (iv)) | 應收合營企業款項(附註(iv)) | 322,515 | 694,190 |
| Amounts due from joint ventures for contract work (Notes (v) and 25) | 合同工程之應收合營企業金額 (附註(v)和25) | 16,669 | 67,508 |
| Loans to joint ventures (Note (ii)) | 予合營企業之貸款(附註(ii)) | 36,366 | 46,219 |
| | | 375,550 | 807,917 |
| Less: Allowance for doubtful debts | 減：壞賬撥備 | | |
| — Allowance for amounts due from joint ventures (Note (iv)) | — 應收合營企業款項 (附註(iv)) | (21,383) | (17,865) |
| — Allowance for amounts due from joint ventures for contract work (Note (v)) | — 合同工程之應收合營企業金額(附註(v)) | — | (7,159) |
| | | 354,167 | 782,893 |
| Non-current liabilities | 非流動負債 | | |
| Loans from a joint venture (Note (iii)) | 合營企業之貸款(附註(iii)) | — | (40,500) |
| Current liabilities | 流動負債 | | |
| Amounts due to joint ventures (Note (vi)) | 應付合營企業款項 (附註(vi)) | (8,363) | (71,722) |
| Amounts due to joint ventures for contract work (Note (vii) and 25) | 合同工程之應付合營企業金額 (附註(vii)和25) | (5,108) | (7,410) |
| | | (13,471) | (79,132) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes:

- (i) As at 31 December 2017 and 2016, particulars of the principal joint ventures are as follows:

| Name of joint ventures 合營企業名稱 | Place of establishment and operations and kind of legal entity 註冊成立/註冊及營業地點及法律實體種類 | Nominal value of registered capital 註冊資本之面值 | Proportion of ownership interest held by the Group 本集團持有之價值比例 2017 and 2016 | Proportion of voting power held 持有投票權比例 2017 and 2016 | Principal activities 主要業務 |
|--|---|--|---|---|--|
| Jilin CWP-Milestone Wind Power Co., Ltd. 吉林里程協合風力發電有限公司 | The PRC, sino-foreign equity joint venture 中國·中外合資企業 | RMB150,000,000 人民幣150,000,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Erlanhaote Changfeng Century Concord Wind Power Exploiture Co., Ltd. 二連浩特長風協合風能開發有限公司 | The PRC, sino-foreign equity joint venture 中國·中外合資企業 | RMB76,000,000 人民幣76,000,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Jilin Taihe Wind Power Co., Ltd. 吉林泰合風力發電有限公司 | The PRC, sino-foreign equity joint venture 中國·中外合資企業 | RMB150,000,000 人民幣150,000,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Tongliao Taihe Wind Power Co., Ltd. 通遼泰合風力發電有限公司 | The PRC, sino-foreign equity joint venture 中國·中外合資企業 | RMB150,000,000 人民幣150,000,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Taipusiqi Century Concord-Shenhua Wind Power Investment Co., Ltd. 太僕寺旗中華協合風力發電投資有限公司 | The PRC, sino-foreign equity joint venture 中國·中外合資企業 | RMB136,000,000 人民幣136,000,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Taipusiqi Union Wind Power Co., Ltd. 太僕寺旗聯合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB89,000,000 人民幣89,000,000元 | 51% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Suqian Century Concord New Energy Co., Ltd. 宿遷協合新能源有限公司 | The PRC, limited company 中國·有限公司 | RMB30,000,000 人民幣30,000,000元 | 49% | 50% | Solar power plant investment and operation 太陽能電廠投資及運行 |

18. 於合營企業之權益(續)

附註：

- (i) 於2017年及2016年12月31日，主要合營企業詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

- (i) As at 31 December 2017 and 2016, particulars of the principal joint ventures are as follows: (Continued)

| Name of joint ventures 合營企業名稱 | Place of establishment and operations and kind of legal entity 註冊成立/註冊及營業地點及法律實體種類 | Nominal value of registered capital 註冊資本之面值 | Proportion of ownership interest held by the Group 本集團持有之價值比例 2017 and 2016 | Proportion of voting power held 持有投票權比例 2017 and 2016 | Principal activities 主要業務 |
|--|---|--|---|---|---|
| Mengdong Century Concord New Energy Co., Ltd. 蒙東協合新能源有限公司 | The PRC, limited company 中國·有限公司 | RMB810,940,000 人民幣810,940,000元 | 32.16% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Tianchang Century Concord Wind Power Co., Ltd. 天長協合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB55,000,000 人民幣55,000,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Gansu Guazhou Century Concord Wind Power Co., Ltd. 甘肅瓜州協合風力發電有限公司 | The PRC, sino-foreign equity joint venture 中國·中外合資企業 | RMB669,120,000 人民幣669,120,000元 | 51.45% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Wuchuan County Yihe Wind Power Co., Ltd. 武川縣義合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB100,000,000 人民幣100,000,000元 | 46% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Suzhou Century Concord Wind Power Co., Ltd. 宿州協合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB81,980,000 人民幣81,980,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Xiaoxian Century Concord Wind Power Co., Ltd. 蕭縣協合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB159,050,000 人民幣159,050,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Jianghua Yao Autonomous County Century Concord Wind Power Co., Ltd. 江華瑤族自治縣協合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB72,722,000 人民幣72,722,000元 | 59.3% | 50% | Wind power plant investment and operation 風電廠投資及運行 |

18. 於合營企業之權益(續)

附註：(續)

- (i) 於2017年及2016年12月31日，主要合營企業詳情如下：(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

- (i) As at 31 December 2017 and 2016, particulars of the principal joint ventures are as follows: (Continued)

| Name of joint ventures 合營企業名稱 | Place of establishment and operations and kind of legal entity 註冊成立/註冊及營業地點及法律實體種類 | Nominal value of registered capital 註冊資本之面值 | Proportion of ownership interest held by the Group 本集團持有之價值比例 2017 and 2016 | Proportion of voting power held 持有投票權比例 2017 and 2016 | Principal activities 主要業務 |
|--|---|--|---|---|---|
| Jingmen Century Concord Wind Power Co., Ltd. 荊門協合風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB73,308,000 人民幣73,308,000元 | 59.3% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Hebi Century Junlong Wind Power Co., Ltd. 鶴壁協合浚龍風力發電有限公司 | The PRC, limited company 中國·有限公司 | RMB123,495,900 人民幣123,495,900元 | 59.3% | 50% | Wind power plant investment and operation 風電廠投資及運行 |
| Yantai Yihao New Energy Development Co., Ltd. 煙臺億豪新能源開發有限公司 | The PRC, limited company 中國·有限公司 | RMB82,750,000 人民幣82,750,000元 | 49% | 50% | Wind power plant investment and operation 風電廠投資及運行 |

- (ii) Loans to joint ventures are unsecured, bear interest at 5.2% (2016: 4.4%) per annum.
- (iii) In prior years, certain subsidiaries of the Group have entered into sales and leaseback agreements with a joint venture to lease certain property, plant and equipment with an aggregate net carrying amount of RMB58,193,000 as at 31 December 2016. There are repurchase options stipulated in the agreements at the end of the lease, the Group considered that it is almost certain that they would exercise these repurchase options. As substantial risks and rewards of the secured assets were retained by the Group before and after these arrangements, the transactions were regarded as secured borrowings, rather than finance lease arrangement.

18. 於合營企業之權益(續)

附註：(續)

- (i) 於2017年及2016年12月31日，主要合營企業詳情如下：(續)

- (ii) 予合營企業之貸款未設抵押，按年利率5.2% (2016：4.4%)計息。
- (iii) 上一年度，本集團部分附屬公司通過售後回租安排從合營企業租賃部分物業、廠房及設備，帳面總價值截止2016年12月31日為人民幣58,193,000元。租賃協議中規定租期結束時具有回購權，本集團認為很大可能一定會行使該回購權。考慮到這些擔保資產之相關實質性風險與回報在租賃安排之前及之後均歸屬於本集團，則該交易被歸類為擔保借款，而非融資租賃。所提及安排已於本年內終止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

(iii) (Continued)

These loans were secured by the Group's property, plant and equipment by the same amount. The effective interest rate on the secured loans from a joint venture was 6.8% per annum. These arrangements were terminated during the current year.

(iv) Amounts due from joint ventures included trade receivables from joint ventures of RMB261,788,000 (2016: RMB448,517,000), net of impairment of RMB18,246,000 (2016: RMB17,865,000), are unsecured, interest-free and repayable according to the terms of the relevant contracts. The remaining balances of RMB39,344,000 (2016: RMB227,808,000), net of impairment of RMB3,137,000 (2016: nil), are unsecured, interest-free and repayable on demand. The balance in the prior year mainly related to the disposal of subsidiaries to a joint venture in prior years.

Included in trade receivables from joint ventures as at 31 December 2017 were retention money held in respect of sales of equipment to joint ventures of RMB84,072,000 (2016: RMB134,997,000) in which RMB69,122,000 (2016: RMB52,511,000) were aged over 1 year based on invoice date but not impaired. Included in the retention money is an aggregate amount of RMB56,421,000 (2016: RMB82,486,000) and is expected to be received after more than twelve months from the end of the reporting period.

18. 於合營企業之權益(續)

附註：(續)

(iii) (續)

貸款已由等值之物業、廠房及設備進行抵押。擔保貸款之實際利率為每年6.8%。所提及安排已於本年內終止。

(iv) 應收合營企業款項包括合營企業之應收貿易賬款淨額人民幣261,788,000元(2016：人民幣448,517,000元)，減值金額為人民幣18,246,000元(2016年：人民幣17,865,000元)。該金額無抵押擔保、免息並按相關合同進行償還。剩餘金額人民幣39,344,000元(2016年：人民幣227,808,000元)，減值金額為人民幣3,137,000元(2016：零)為無抵押擔保、免息及須按要求償還，前一年之餘額主要為以往年度處置附屬公司成為合營企業之相關應收款項。

截至2017年12月31日，應收合營企業貿易賬款包括合營企業設備銷售相關之質量保證金人民幣84,072,000元(2016年：134,997,000元)，其中人民幣69,122,000元(2016年：人民幣52,511,000元)為發票日一年後到期，但無減值。質量保證金包括總額人民幣56,421,000元(2016年：人民幣82,486,000元)，預計自報告期末起十二個月後將會收回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

(iv) (Continued)

At 31 December 2017, the aging analysis of the above trade receivables, net of allowance for doubtful debts, presented based on the invoice date, which approximates to the revenue recognition date, is as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 11,148 | 12,123 |
| 3 to 6 months | 3至6個月 | 1,121 | 8,845 |
| 6 to 12 months | 6至12個月 | 15,678 | 2,905 |
| Over 1 year | 1年以上 | 233,841 | 424,644 |
| | | 261,788 | 448,517 |

At 31 December 2017, an aging analysis of the above trade receivables which are past due but not impaired is as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 12,675 | 1,480 |
| 3 to 6 months | 3至6個月 | 10,836 | 1,426 |
| 6 to 12 months | 6至12個月 | — | 55,804 |
| Over 1 year | 1年以上 | 192,545 | 217,286 |
| | | 216,056 | 275,996 |

18. 於合營企業之權益(續)

附註：(續)

(iv) (續)

於2017年12月31日，基於與收入確認日期相近之發票日期，上述貿易應收賬款扣除壞賬撥備後淨額之賬齡分析如下：

於2017年12月31日，上述已逾期未減值之貿易應收款項之賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

(iv) (Continued)

An analysis of the movements in the allowance for doubtful debts during the year is as follows:

| | | 2017 | 2016 |
|---|-----------------|---------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January | 1月1日 | 17,865 | — |
| Impairment losses recognised during the year, net | 已確認應收款項之減值損失，淨額 | 3,518 | 17,865 |
| At 31 December | 12月31日 | 21,383 | 17,865 |

(v) The amounts due from joint ventures for contract work are contract costs incurred plus recognised profits less recognised losses, but not yet billed. The amounts in the prior year are net of provision for foreseeable losses of a contract of RMB7,159,000 charged to profit or loss, which was recovered during the year upon the completion of the relevant contract work.

(vi) The remaining amounts due to joint ventures are unsecured, interest-free and repayable on demand.

(vii) Amounts due to joint ventures for contract work are advances received from joint ventures but not yet provided the construction service.

As at 31 December 2017 and 2016, certain joint ventures which are principally engaged in wind power plant investment and operation, have yet to obtain the formal land use right certificates for certain wind power plants. The respective directors of these joint ventures believe that the use of and the conduct of relevant activities on the above mentioned land are not affected by the fact that the relevant land use right certificates have not been obtained. The respective directors of these joint ventures believe that this will not have any material adverse effect on joint ventures' results of operations and financial conditions.

18. 於合營企業之權益(續)

附註：(續)

(iv) (續)

呆賬撥備之變動分析如下：

| | 2017 | 2016 |
|---|---------|---------|
| | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 |
| At 1 January | 17,865 | — |
| Impairment losses recognised during the year, net | 3,518 | 17,865 |
| At 31 December | 21,383 | 17,865 |

(v) 應收合營企業之合約工程款項為已產生但未收費之建設成本。上一年度可預見合約虧損淨值人民幣7,159,000已計入損益表，但本年該合約工程已完工而該虧損已轉回。

(vi) 其他應付合營企業款項為無抵押擔保、免息及按要求償還。

(vii) 合同工程之應付合營企業款項為向合營企業收取但尚未提供建造服務之預收款項。

於2017年及2016年12月31日，主要從事風電廠投資及運行之部分合營企業尚未取得風電場之正式土地使用權證書。合營企業之董事相信，尚未取得有關土地使用權證不會影響使用上述土地及於其上進行有關業務。合營企業董事相信此情況將不會對合營企業之經營業績及財務狀況構成任何重大不利影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

Summarised financial information of joint ventures

The Group's joint ventures are involved in either wind or solar power plant investments and operations and related activities in the PRC, and each joint venture involved in wind power or solar plant investments and operations has similar risk and return. Accordingly, the directors of the Company consider that it is appropriate to aggregate the disclosures in accordance with HKFRS 12 *Disclosure of Interests in Other Entities* and present the summarised financial information of the Group's joint ventures engage in the same principal activities on an aggregate basis.

Summarised aggregate financial information of the Group's joint ventures involved in wind power plant investments and operations is as follows:

| | | 2017 | 2016 |
|-------------------------|-------------|--------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Current assets | 流動資產 | 1,497,901 | 1,396,851 |
| Non-current assets | 非流動資產 | 7,473,916 | 8,010,989 |
| Current liabilities | 流動負債 | (1,430,310) | (1,732,637) |
| Non-current liabilities | 非流動負債 | (4,237,346) | (4,445,044) |
| Net assets | 資產淨值 | 3,304,161 | 3,230,159 |

The above amounts of assets and liabilities include the following:

| | | 2017 | 2016 |
|---|----------------------|--------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Cash and cash equivalents | 現金及現金等值項目 | 421,542 | 377,626 |
| Current financial liabilities (excluding trade payables) | 流動金融負債 (不包括應付賬款) | (1,132,172) | (1,318,428) |
| Non-current financial liabilities (excluding trade payables) | 非流動金融負債 (不包括應付賬款) | (4,237,346) | (3,983,880) |

18. 於合營企業之權益(續)

附註：(續)

合營企業之財務信息概要

本集團之合營企業在中國境內主要從事風力及太陽能發電電場投資、運營及相關活動，每間風力發電合營企業具有相似風險及彙報。據此，本公司董事認為將合營企業按照香港財務報告準則12號其他主體權益之披露進行合併披露且在合併基礎上呈現合營企業匯總財務信息是適當的。

本集團風力發電合營企業之財務信息如下：

上述資產及負債之金額包含下述：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

Summarised financial information of joint ventures (Continued)

18. 於合營企業之權益 (續)

附註：(續)

合營企業之財務信息概要(續)

| | | 2017 | 2016 |
|---|---------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Revenue | 收入 | 1,139,175 | 1,082,239 |
| Depreciation and amortization | 折舊與攤銷 | (464,877) | (448,611) |
| Interest expense | 利息費用 | (243,636) | (266,569) |
| Other expenses | 其他費用 | (208,135) | (248,687) |
| Profit for the year | 本年度盈利 | 222,527 | 118,372 |
| Income tax expense | 所得稅開支 | (25,957) | (9,996) |
| Profit and total comprehensive income for the year | 本年度淨溢利和全面收益總額 | 196,570 | 108,376 |
| Dividend received from these joint ventures during the year | 本年度收到分紅 | 77,213 | 8,150 |

Summarised aggregate financial information of the Group's joint ventures involved in solar power plant investments and operations is as follows:

本集團太陽能發電合營企業之財務概要如下：

| | | 2017 | 2016 |
|-------------------------|-------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Current assets | 流動資產 | 14,049 | 15,570 |
| Non-current assets | 非流動資產 | 155,516 | 158,214 |
| Current liabilities | 流動負債 | (29,823) | (10,188) |
| Non-current liabilities | 非流動負債 | (110,000) | (136,500) |
| Net assets | 資產淨值 | 29,742 | 27,096 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

18. INTERESTS IN JOINT VENTURES AND BALANCES WITH JOINT VENTURES (Continued)

Notes: (Continued)

Summarised financial information of joint ventures (Continued)

The above amounts of assets and liabilities include the following:

18. 於合營企業之權益 (續)

附註：(續)

合營企業之財務信息概要(續)

上述資產及負債之金額包含下述：

| | | 2017 | 2016 |
|---|----------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Cash and cash equivalents | 現金及現金等值項目 | 7,031 | 13,909 |
| Current financial liabilities (excluding trade payables) | 流動金融負債 (不包括應付賬款) | (27,264) | (9,770) |
| Non-current financial liabilities (excluding trade payables) | 非流動金融負債 (不包括應付賬款) | (110,000) | (136,500) |
| | | 2017 | 2016 |
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Revenue | 收入 | 22,805 | 20,330 |
| Depreciation and amortization | 折舊與攤銷 | (7,275) | (7,590) |
| Interest expense | 利息費用 | (6,352) | (7,254) |
| Other expenses | 其他費用 | (3,600) | (3,151) |
| Profit for the year | 本年度盈利 | 5,578 | 2,335 |
| Income tax expense | 所得稅開支 | (668) | (131) |
| Profit and total comprehensive income for the year | 本年度淨溢利和全面收益總額 | 4,910 | 2,204 |
| Dividend received from these joint ventures during the year | 本年度收到分紅 | — | — |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets represent investment in equity securities issued by private entities incorporated and operate in the PRC. They are measured at cost less impairment at the end of the reporting period because the directors of the Company are of the opinion that insufficient information is available to measure their fair values.

20. INVENTORIES

| | |
|------------------|-----|
| Raw materials | 原材料 |
| Work in progress | 在製品 |
| Finished goods | 製成品 |

The cost of inventories recognised as expense and included in profit or loss amounted to RMB221,337,000 (2016: RMB815,549,000). During the year ended 31 December 2017, work in progress with an aggregate cost of RMB16,871,000 (2016: RMB6,886,000) was considered as obsolete and written-off.

19. 可供出售金融資產

可供出售金融資產包含投資中國境內註冊成立之私營實體發行之權益性證券。因本公司董事認為無充足資訊可計量上述資產之公允價值，該等資產於報告期末以成本扣除減值計量。

20. 存貨

| | 2017 | 2016 |
|--|----------------|----------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| | 人民幣千元 | 人民幣千元 |
| | 226 | 319 |
| | 34,045 | 52,266 |
| | 15,998 | 28,862 |
| | 50,269 | 81,447 |

存貨金額人民幣221,337,000元(2016: 人民幣815,549,000元)在損益內確認為開支。於2017年12月31日，已逾期而計提撥備之在製品成本額為人民幣16,871,000元(2016: 人民幣6,886,000元)，被視為呆滯及撤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

21. TRADE AND BILL RECEIVABLES

21. 應收貿易賬款及票據

| | | 2017 | 2016 |
|--------------------------------------|----------|------------------|-----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Trade receivables | 應收貿易賬款 | 853,640 | 981,576 |
| Tariff adjustment receivables | 應收電價調整款項 | 448,480 | 175,083 |
| Bill receivables | 應收票據 | 75,592 | 1,250 |
| | | 1,377,712 | 1,157,909 |
| Impairment loss on trade receivables | 應收貿易賬款減值 | (9,592) | — |
| | | 1,368,120 | 1,157,909 |

Analysed for reporting purposes as:

為呈報分析如下：

| | | 2017 | 2016 |
|--------------------|-------|------------------|-----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Current assets | 流動資產 | 1,227,743 | 1,157,909 |
| Non-current assets | 非流動資產 | 140,377 | — |
| | | 1,368,120 | 1,157,909 |

The Group's credit terms granted to customers ranging from 30 to 180 days, except for tariff adjustment receivables recognised by the power plants which have not been included in the Catalogue. On certain construction revenue and equipment sales projects, the Group generally grants project final acceptance period and retention period to its customers ranging from 1 to 2 years from the date of acceptance according to the sales agreements signed between the Group and customers.

本集團予客戶之付款信貸期為30天至180天，除未進入補貼名錄之電廠確認之應收電價調整款項。基於部分施工收入及設備銷售項目，本集團予客戶之最終確認期及質保期為本集團與客戶簽訂銷售協定之1至2年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

21. TRADE AND BILL RECEIVABLES (Continued)

The movements in the impairment loss on trade receivables during the year are as follows:

| | | 2017 | 2016 |
|--|------------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January | 於1月1日 | — | — |
| Impairment recognised during the year, net | 本年壞賬減值變動淨額 | 9,592 | — |
| At 31 December | 於12月31日 | 9,592 | — |

As at 31 December 2017, the aging analysis of the trade receivables, net of allowance for doubtful debts, presented based on invoice date, was as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 141,505 | 163,592 |
| 3 to 6 months | 3至6個月 | 26,645 | 224,941 |
| 6 to 12 months | 6至12個月 | 81,281 | 296,843 |
| 1-2 years | 1至2年 | 304,972 | 234,947 |
| Over 2 year | 2年以上 | 289,645 | 61,253 |
| | | 844,048 | 981,576 |

Included in trade receivables as at 31 December 2017, there were RMB40,355,000 (2016: RMB39,123,000) and RMB400,859,000 (2016: RMB408,825,000) retention money held in respect of construction revenue and equipment sales, respectively, in which retention money of RMB380,897,000 (2016: RMB170,129,000) were aged over 1 year based on invoice date but not impaired.

21. 應收貿易賬款及票據 (續)

壞賬撥備變動分析如下：

| | | 2017 | 2016 |
|--|------------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January | 於1月1日 | — | — |
| Impairment recognised during the year, net | 本年壞賬減值變動淨額 | 9,592 | — |
| At 31 December | 於12月31日 | 9,592 | — |

於2017年12月31日，應收貿易賬款扣除壞賬撥備後淨額之賬齡分析(以發票日期為準)如下：

| | | 2017 | 2016 |
|-----------------|--------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 141,505 | 163,592 |
| 3 to 6 months | 3至6個月 | 26,645 | 224,941 |
| 6 to 12 months | 6至12個月 | 81,281 | 296,843 |
| 1-2 years | 1至2年 | 304,972 | 234,947 |
| Over 2 year | 2年以上 | 289,645 | 61,253 |
| | | 844,048 | 981,576 |

於2017年12月31日，包含在貿易應收款項中之建造收入和設備銷售相關之質量保證金分別為人民幣40,355,000元(2016：人民幣39,123,000元)及人民幣400,859,000元(2016：人民幣408,825,000元)，其中人民幣380,897,000元(2016：人民幣170,129,000元)之品質保證金基於發票日期賬齡為1年以上但未減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

21. TRADE AND BILL RECEIVABLES (Continued)

As at 31 December 2017, trade receivables of RMB278,869,000 (2016: RMB347,582,000) are past due but not impaired. These relate to a number of independent customers for whom there is no financial difficulty and based on past experience, the overdue amounts can be recovered. The aging analysis of these receivables, based on due date, is as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 116,888 | 135,105 |
| 3 to 6 months | 3至6個月 | 11,295 | 77,263 |
| 6 to 12 months | 6至12個月 | 21,692 | 80,278 |
| Over 1 year | 1年以上 | 128,994 | 54,936 |
| | | 278,869 | 347,582 |

Tariff adjustment receivables represented government subsidies on renewable energy for ground projects to be received from the State Grid based on the existing government policies. As at 31 December 2017, tariff adjustment receivables of RMB352,375,000 and RMB94,941,000 were arising from electricity generated for the years ended 31 December 2017 and 2016, respectively. As at 31 December 2016, tariff adjustment receivables of RMB160,182,000 and RMB14,901,000 were arising from electricity generated for the years ended 31 December 2016 and 2015, respectively.

21. 應收貿易賬款及票據(續)

於2017年12月31日，應收貿易賬款人民幣278,869,000元(2016：人民幣347,582,000元)已逾期但並未減值。上述金額涉及若干名沒有財政困難之獨立客戶，且根據以往經驗，逾期款項可以收回。基於到期日，該應收貿易賬款之賬齡分析如下：

應收電價調整款項指根據現行政府政策，應從國家電網公司收取之可再生能源項目之政府補貼。於2017年12月31日，人民幣352,375,000元及人民幣94,941,000元之應收電價調整款項分別來自於2017年及2016年之發電量。於2016年12月31日，人民幣160,182,000元及人民幣14,901,000元之應收電價調整款項分別來自於2016年及2015年之發電量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21. TRADE AND BILL RECEIVABLES (Continued)

At 31 December 2017, the aging analysis of the tariff adjustment receivables, based on the revenue recognition date, was as follows:

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 127,841 | 64,890 |
| 3 to 6 months | 3至6個月 | 91,758 | 32,279 |
| 6 to 12 months | 6至12個月 | 132,776 | 63,013 |
| Over 1 year | 1年以上 | 96,105 | 14,901 |
| | | 448,480 | 175,083 |

The Group's tariff adjustment receivables from the sale of electricity are mainly receivables from the state grid companies. The collection of the tariff adjustment receivables is subject to settlement by state grid companies upon finalisation of the allocation of funds by relevant PRC government authorities to the state grid companies.

Pursuant to the Tariff Notice, a set of standardised procedures for the settlement of the tariff subsidy has come into force since 2013 and approvals for the registration in the Reusable Energy Tariff Subsidy Catalogue (可再生能源電價附加資金補助目錄) (the "Catalogue") on a project-by-project basis are required before the allocation of funds to the state grid companies, which then would make settlement to the Group.

21. 應收貿易賬款及票據(續)

於2017年12月31日，應收電價調整款項之賬齡分析(以收入確認日期為準)如下：

| | | 2017 | 2016 |
|-----------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 127,841 | 64,890 |
| 3 to 6 months | 3至6個月 | 91,758 | 32,279 |
| 6 to 12 months | 6至12個月 | 132,776 | 63,013 |
| Over 1 year | 1年以上 | 96,105 | 14,901 |
| | | 448,480 | 175,083 |

本集團電力銷售應收電價調整款主要為應收國家電網公司款項。在相關中國政府機構完成給國家電網公司之款項分配後，國家電網公司將結算相應電價調整款。

根據電價通知，電價補助結算全套標準程式於2013年起生效，在資金分配給中國國家電網公司之前，要求獲得批准將項目逐個登記到可再生能源電價附加資金補助目錄(簡稱「目錄」)，之後再對本集團進行結算。

21. TRADE AND BILL RECEIVABLES (Continued)

The directors of the Company are of the opinion that the recognition of accrued revenue on tariff subsidy is proper based on their judgement and taking into account the opinion from the Group's legal advisor, that all of the Group's power plants of which tariff subsidy is recognised as revenue but yet to register in the Catalogue had been qualified for, and had met, all the requirements and conditions for the registration in the Catalogue. The directors of the Company are confident that all of the Group's operating power plants (including power plants operated by the Group's joint ventures and associates) are able to be registered in the Catalogue in due course and the accrued revenue on tariff subsidy are fully recoverable but only subject to timing of allocation of funds from the PRC government, after considering that there are no bad debt experiences with the state grid companies in the past and the tariff subsidy is fully funded by the PRC government.

As at 31 December 2017, the tariff adjustment receivables of RMB140,377,000 (2016: RMB93,294,000) were recognised by the power plants which have not been included in the Catalogue.

As 31 December 2017, the Group endorsed certain bill receivables accepted by banks in Mainland China (the "Bills") to certain of its suppliers in order to settle the trade payables due to these suppliers with a carrying amount in aggregate of RMB618,080,000 (2016: RMB144,290,000). The Bills had a maturity of one to six months at the end of the reporting period. In the opinion of the directors of the Company, the Group has transferred substantially all risks and rewards relating to the Bills. Accordingly, it has derecognised the full carrying amounts of the Bills and the associated liabilities. The maximum exposure to loss from the Bills is equal to their carrying amounts. During the years ended 31 December 2017 and 2016, the Group has not recognised any loss in relation to the continuing involvement, both during the year or cumulatively.

The Group does not hold any collaterals over trade and bill receivables as security.

Certain of the Group's bank borrowings (Note 29) are pledged by the cash receipts from the sale of electricity by certain of the Group's power plants.

21. 應收貿易賬款及票據(續)

本公司董事認為，因為本集團之全部運營電廠均符合並滿足目錄登記規定之所有要求和條件，因此，在考慮本集團法律顧問意見之基礎上，根據董事判斷確認電價補助計提收入是適當的。本公司董事相信，本集團全部運營電廠(包括本集團合營企業和聯營公司控股電廠)可以通過正當程式進行目錄登記，並且，考慮到過去國家電網公司無壞賬經歷，且電價補助由國家政府負擔，電價補助可以全額收回，不過需遵從中國政府之資金分配時間安排。

在2017年12月31日，尚未納入目錄之電廠確認之電價補助應收款金額為人民幣140,377,000元(2016年：人民幣93,294,000元)。

截止2017年12月31日，本集團背書部分中國大陸銀行可承兌之應收票據(「票據」)給供應商用於結算到期之應付貿易款合計人民幣618,080,000元(2016：人民幣144,290,000元)。這些票據於本報告期末後一至六個月內到期。根據董事意見，本集團已經將這些票據之實質風險及回報轉移。相應之，公司已全額消除這些票據及相關負債之帳面價值。這些票據最大損失風險即為其票面價值。於2017年12月31日止年度及2016年12月31日止年度，本集團未於年內確認或累計確認過任何持續相關之損失。

本集團並未持有任何應收貿易賬款及票據相關之抵押品作擔保。

一些集團發電電廠之應收電價款收費權已為本集團若干之銀行借款擔保作質押(附註29)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES **22. 預付款項、按金及其他應收款項**

| | | 2017 | 2016 |
|---|-------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Deposits paid for purchase of property, plant and equipment | 預付物業、電廠及設備採購款 | 176,230 | 39,022 |
| Deposits paid for investment in power plants | 電廠投資保證金 | 125,898 | 62,616 |
| Other prepayments | 其他預付帳款 | 105,220 | 351,080 |
| Deposits for other borrowings | 其他借款保證金 | 72,203 | — |
| Other deposits | 其他按金 | 50,256 | 46,027 |
| Sales proceeds receivables from disposal of subsidiaries | 處置附屬公司應收款項 | 149,701 | 154,452 |
| Sales proceeds receivables from disposal of joint ventures | 處置合營企業應收款項 | — | 2,519 |
| Receivables from former subsidiaries (Note (i)) | 應收前附屬公司款項(附註(i)) | 83,661 | 238,150 |
| Other receivables | 其他應收款項 | 94,954 | 77,117 |
| Current portion of land use rights (Note 15) | 土地使用權之即期部分(附註15) | 18,115 | 10,860 |
| Value-added tax recoverable | 可收回增值稅 | 711,673 | 385,910 |
| Amounts due from customers for contract work (Note 25) | 合同工程之應收客戶金額(附註25) | 21,646 | 14,566 |
| | | 1,609,557 | 1,382,319 |
| Less: Impairment on sales proceeds receivables from disposals of subsidiaries | 減：處置附屬公司應收款項之減值 | (16,545) | — |
| Impairment on other receivables | 其他應收款項減值 | (2,841) | (1,050) |
| | | 1,590,171 | 1,381,269 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued) **22. 預付款項、按金及其他應收款項**
 (續)

| | | 2017 | 2016 |
|---|----------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Less: Non-current portion | 減：非流動部份 | | |
| Deposits paid for purchase of property, plant and equipment | 預付物業、電廠及設備採購款 | (176,230) | (39,022) |
| Deposits for other borrowings | 其他借款保證金 | (72,203) | — |
| Other deposits and prepayments | 其他按金及預付款項 | (17,546) | (44,660) |
| Sales proceeds receivables from disposal of subsidiaries | 處置附屬公司應收款項 | (20,679) | (130,452) |
| Receivables from former subsidiaries (Note (i)) | 應收前附屬公司款項 (附註(i)) | — | (22,000) |
| Other non-current receivables | 其他應收款項 | (38,707) | (40,060) |
| Value-added tax recoverable | 可收回增值稅 | (384,618) | (220,674) |
| Less: Impairment on sales proceeds receivables from disposals of subsidiaries | 減：處置附屬公司應收款項之減值 | 16,545 | — |
| Impairment on other receivables | 其他應收款項減值 | 1,104 | — |
| Non-current portion classified under non-current assets | 非流動部分分類至非流動資產 | (692,334) | (496,868) |
| Current portion classified under current assets | 流動部分分類至流動資產 | 897,837 | 884,401 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

The movements in the allowance for doubtful debts during the year are as follows:

| | | 2017 | 2016 |
|--|-------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January | 於1月1日 | 1,050 | — |
| Written-off during the year | 於本年撇銷 | (1,050) | — |
| Impairment recognised during the year, net | 本年確認之壞賬減值淨額 | 19,386 | 1,050 |
| At 31 December | 於12月31日 | 19,386 | 1,050 |

Note:

- (i) The balances are unsecured, interest-free and repayable within 1 year.

22. 預付款項、按金及其他應收款項 (續)

本年度壞賬撥備變動表

附註：

- (i) 此金額為無抵押擔保，免息且將於一年內償還。

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | | 2017 | 2016 |
|--|-------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Equity securities listed in Hong Kong, at market value | 於香港上市之權益性證券 | 34,280 | 36,108 |
| Unlisted trust fund (Note) | 信託基金(附註) | — | 7,840 |
| | | 34,280 | 43,948 |

Note: In the prior year, the Group acquired certain units of a trust fund issued by "AVIC Trust" with maturity in one year. The unlisted trust fund was matured during the current year.

附註：以前年度，本集團購入之由中行信託發行之一年內到期之基金理財產品。該未上市發行之基金理財產品已於本年內到期贖回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

24. CASH AND CASH EQUIVALENTS

24. 現金及現金等值項目

| | | 2017 | 2016 |
|---------------------------|----------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Cash and bank balances | 現金及銀行結餘 | 1,110,803 | 1,891,277 |
| Less: Restricted deposits | 減：受限制存款 | (99,509) | — |
| Cash and cash equivalents | 現金及現金等值物 | 1,011,294 | 1,891,277 |

The Group's cash and cash equivalents that are denominated in foreign currencies are set out below:

本集團以實體功能貨幣以外之貨幣計量之現金及現金等價值項目如下：

| | | 2017 | 2016 |
|-----------------|----------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Denominated in: | 以下列貨幣計值： | | |
| — RMB | — 人民幣 | 493 | 11,312 |
| — HKD | — 港幣 | 5,408 | 12,625 |
| — US\$ | — 美元 | 389 | 380 |
| | | 6,290 | 24,317 |

As at 31 December 2017, the weighted effective interest rate on the Group's bank balances was 0.41% (2016: 0.39%).

於2017年12月31日，本集團銀行結餘之加權實際利率為0.41%（2016：0.39%）。

The restricted deposits mainly represent bank acceptance bill deposits and electricity sale guarantee deposits.

受限制存款主要為銀行承兌滙票相關存款及電力銷售保證金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

25. AMOUNTS DUE FROM/(TO) CUSTOMERS UNDER CONSTRUCTION CONTRACTS **25. 應收／(應付)建造合同款項**

| | | 2017 | 2016 |
|--|-------------------|--------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Contracts in progress at the end of the reporting period: | 於報告期末進行之合同： | | |
| Contract costs incurred plus recognised profits less recognised losses to date | 已產生之總成本及已確認之利潤及虧損 | 1,553,840 | 2,018,648 |
| Less: progress billings | 減：進度付款 | (1,515,897) | (1,939,033) |
| | | 37,943 | 79,615 |
| Analysis for reporting purposes: | 為呈報分析如下： | | |
| Amounts due from customers for contract work | 合同工程之應收金額 | | |
| — associates (Note 17) | — 聯營公司(附註 17) | 10,372 | 35,510 |
| — joint ventures (Note 18) | — 合營企業(附註 18) | 16,669 | 60,349 |
| — third parties (Note 22) | — 第三方(附註 22) | 21,646 | 14,566 |
| Amounts due to customers for contract work | 合同工程之應付金額 | | |
| — joint ventures (Note 18) | — 合營企業(附註 18) | (5,108) | (7,410) |
| — third parties (Note 28) | — 第三方(附註 28) | (5,636) | (23,400) |
| | | 37,943 | 79,615 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. ASSETS/LIABILITIES OF A DISPOSAL COMPANY CLASSIFIED AS HELD FOR SALE

On 28 December 2016, the Group entered into a disposal agreement with Shaanxi Hydro Development Co., Ltd (“Shaanxi Hydro”), an independent third party to the Group, pursuant to which the Group has agreed to dispose of its entire equity interest in Yulin Century Concord Ecology New Energy Co., Ltd (“Yulin Ecology”) to Shaanxi Hydro at a consideration of RMB573,925,000 (the “Disposal”). The principal activities of Yulin Ecology are solar power plant investment and operation.

As at 31 December 2016, the assets and liabilities attributable to Yulin Ecology have been classified as held for sale and were presented separately in the consolidated statement of financial position (see below). The Disposal was completed during the year of 2017 and the resulting gain of disposal of RMB170,409,000 was recognised as the consideration over the carrying amount of net assets disposed of.

The major classes of assets and liabilities of Yulin Ecology as at 31 December 2016, which have been presented separately in the consolidated statement of financial position, are as follows:

26. 歸類為持有待售附屬公司之資產／負債

2016年12月28日，本集團與獨立第三方陝西省水電開發有限責任公司（「陝西水電」）已訂立出售協議，據此，本集團已同意向陝西水電出售榆林協合生態新能源有限公司（「榆林生態」）之全部股權，代價為人民幣573,925,000元（「出售事項」）。榆林生態之主要業務為太陽能發電廠項目之投資及運營。

於2016年12月31日榆林生態應佔之資產及負債已歸類為持有待售，並於綜合資產負債表內作獨立呈列（見下文）。該處置於2017年完成，並確認人民幣170,409,000元之處置收益。

於2016年12月31日，榆林生態歸類為持有待售之主要資產及負債在綜合資產負債表中單獨列報如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

26. ASSETS/LIABILITIES OF A DISPOSAL COMPANY CLASSIFIED AS HELD FOR SALE (Continued)

26. 歸類為持有待售附屬公司之資產／負債(續)

| | | 2016 |
|--|-----------------------|------------------|
| | | RMB'000 |
| | | 人民幣千元 |
| Property, plant and equipment* | 物業、廠房和設備* | 1,152,092 |
| Land use rights | 土地使用權 | 108,844 |
| Inventories | 存貨 | 429 |
| Trade and bill receivables | 應收貿易賬款及票據 | 257,439 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 174,933 |
| Cash and cash equivalents | 現金及現金等值項目 | 43,003 |
| Assets of a disposal company classified as held for sale | 歸類為持有待售附屬公司之資產 | 1,736,740 |
| Finance lease liabilities * | 融資租賃負債* | 902,778 |
| Amounts due to a joint venture | 合營企業之貸款 | 36,221 |
| Trade payables | 應付貿易賬款 | 243 |
| Payables for construction in progress, other payables and accruals | 項目建造之應付款項、其他應付款項及應計費用 | 50,296 |
| Liabilities directly associated with a disposal company classified as held for sale | 歸類為持有待售附屬公司之負債 | 989,538 |

* Property, plant and equipment included an amount of RMB777,183,000 in respect of assets held under finance leases and an amount of RMB27,477,000 in respect of assets held under sales and lease back agreements.

* 物業、廠房和設備包含人民幣777,183,000元之融資租賃資產，以及人民幣27,477,000元之售後租回安排資產。

The above assets/liabilities classified as held for sale excluded the net amounts due to entities under the Group as at 31 December 2016 totalling RMB350,911,000. A deposit of RMB114,785,000 has been received from Shaanxi Hydro as at 31 December 2016 in respect of the Disposal.

分類為持有待售之上述資產／負債不包括截至2016年12月31日應付本集團附屬公司之金額，合計人民幣350,911,000元。截至2016年12月31日已收到陝西水電支付之與出售相關之定金人民幣114,785,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

27. TRADE AND BILL PAYABLES

| | | 2017 | 2016 |
|----------------|--------|-----------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Trade payables | 應付貿易賬款 | 1,240,592 | 2,866,523 |
| Bill payables | 應付票據 | 403,795 | 733,929 |
| | | 1,644,387 | 3,600,452 |

Included in trade payables as at 31 December 2017 were retention money held in respect of construction contracts of RMB385,151,000 (2016: RMB666,588,000). Apart from the retention money which is repayable after one year, the average credit period on purchase of goods is approximately one year (2016: one year).

As at 31 December 2017, the aging analysis of the trade payables, based on invoice date, was as follows:

27. 應付貿易賬款及票據

截止2017年12月31日，應付貿易賬款中包含之建造合同之保證金為人民幣385,151,000元(2016年：人民幣666,588,000元)。除一年後支付之保證金，採購物資之平均信貸期大約為一年(2016年：一年)。

於2017年12月31日，應付貿易賬款之賬齡分析(以發票日期為準)如下：

| | | 2017 | 2016 |
|-----------------|--------|-----------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 3 months | 3個月以內 | 1,091,970 | 873,570 |
| 3 to 6 months | 3至6個月 | 1,657 | 284,014 |
| 6 to 12 months | 6至12個月 | 37,767 | 405,717 |
| 1 to 2 years | 1至2年 | 72,243 | 619,718 |
| Over 2 year | 2年以上 | 36,955 | 683,504 |
| | | 1,240,592 | 2,866,523 |

As at 31 December 2017, the maturity date of bill payables was "within 6 months" (2016: within 6 months).

於2017年12月31日，應付票據到期日指「6個月內」(2016：「6個月內」)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

**28. PAYABLES FOR CONSTRUCTION IN PROGRESS,
OTHER PAYABLES AND ACCRUALS**

**28. 項目建造之應付賬款、其他應付款
項及應計費用**

| | | 2017 | 2016 |
|--|-----------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Payables for construction in progress | 項目建造之應付款項 | 1,425,630 | 297,379 |
| Retention money payable | 保證金應付帳款 | 381,560 | — |
| Deposits received for disposal of subsidiaries* | 處置附屬公司預收股權款* | 44,405 | 126,935 |
| Other payables and accruals | 其他應付款項及應計款項 | 146,373 | 146,547 |
| Receipts in advance | 預收賬款 | 58,415 | 134,922 |
| Amounts due to customers for contract work (Note 25) | 合同工程之應付客戶金額 (附註25) | 5,636 | 23,400 |
| | | 2,062,019 | 729,183 |
| Less: Balances repayable after one year | 減：一年後償付餘額 | | |
| Payables for construction in progress | 在建工程應付帳款 | (405,031) | — |
| Retention money payable | 保證金應付帳款 | (247,002) | — |
| Amount shown under non-current liabilities | 非流動負債之金額 | (652,033) | — |
| Current portion classified under current liabilities | 分類為流動負債 | 1,409,986 | 729,183 |

The deposits received for disposal of subsidiaries as at 31 December 2016 included RMB114,785,000 which is related with the disposal company classified as held for sale (Note 26).

截止2016年12月31日，處置附屬公司收取之定金為人民幣114,785,000元與分類至持有待售附屬公司相關(附註26)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

29. BANK BORROWINGS

29. 銀行借款

| | | 2017 | 2016 |
|------------------|---------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Secured | 抵押擔保貸款 | 3,659,545 | 3,085,660 |
| Unsecured | 無抵押擔保貸款 | 429,300 | 341,000 |
| Total borrowings | 借款總額 | 4,088,845 | 3,426,660 |

The secured bank borrowings are secured by certain buildings and equipment under property, plant and equipment of the Group (Note 14(c)), cash receipts from the sale of electricity by certain of the Group's power plants (Note 21) and certain equity interests in subsidiaries.

抵押擔保銀行借款之抵押物為本集團物業、廠房及設備(附註14(c))、本集團電場之電力銷售(附註21)取得之現金及附屬公司之股權。

The carrying amounts of the above borrowings are repayable*:

以上借款之本金需於下列期間償還*：

| | | 2017 | 2016 |
|---|-------------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 1 year | 1年內 | 513,246 | 365,875 |
| Between 1 and 2 years | 於第1至第2年間 | 330,525 | 257,254 |
| Between 2 and 5 years | 於第2至第5年間 | 1,019,591 | 846,360 |
| Over 5 years | 5年以上 | 2,225,483 | 1,957,171 |
| | | 4,088,845 | 3,426,660 |
| Less: Amounts due within one year shown under current liabilities | 減：於流動負債項下列示之於一年內到期之應付款項 | (513,246) | (365,875) |
| Amounts shown under non-current liabilities | 於非流動負債項下列示之款項 | 3,575,599 | 3,060,785 |

* The above amounts due are based on scheduled repayment dates set out in the respective loan agreements.

* 以上款項到期金額基於各借款合同規定之計劃還款日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

29. BANK BORROWINGS (Continued)

The exposure of the Group's bank borrowings is as follows:

| | | 2017 | 2016 |
|--------------------------|--------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Fixed-rate borrowings | 固定利率借款 | 273,670 | 167,482 |
| Variable-rate borrowings | 浮動利率借款 | 3,815,175 | 3,259,178 |
| | | 4,088,845 | 3,426,660 |

The ranges of effective interest rates on the Group's bank borrowings are as follows:

| | | 2017 | 2016 |
|-------------------------------|----------|------------------|-----------|
| Effective interest rate: | 實際利率： | | |
| Variable-rate bank borrowings | 浮動利率銀行借款 | 2.9%-5.9% | 2.4%-5.4% |
| Fixed-rate bank borrowings | 固定利率銀行借款 | 2.7%-7% | 5.9%-7% |

The fair values of the non-current borrowings are estimated using discounted cash flow calculations based upon the Group's current incremental borrowing rates for similar types of borrowings with maturities consistent with those remaining for the debt. The carrying amounts of the non-current borrowings approximate their fair values at the end of the reporting period.

29. 銀行借款(續)

本集團銀行借款在不同利率下分布為：

| | | 2017 | 2016 |
|--------------------------|--------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Fixed-rate borrowings | 固定利率借款 | 273,670 | 167,482 |
| Variable-rate borrowings | 浮動利率借款 | 3,815,175 | 3,259,178 |
| | | 4,088,845 | 3,426,660 |

本集團銀行借款之實際利率之範圍如下：

| | | 2017 | 2016 |
|-------------------------------|----------|------------------|-----------|
| Effective interest rate: | 實際利率： | | |
| Variable-rate bank borrowings | 浮動利率銀行借款 | 2.9%-5.9% | 2.4%-5.4% |
| Fixed-rate bank borrowings | 固定利率銀行借款 | 2.7%-7% | 5.9%-7% |

非流動借款之公允價值，基於本集團到期期限與未償債務一致之類似借款目前之增量借款利率，使用現金流折現計演算法預計得來。於報告期末，非流動借款之賬面金額與其公允價值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29. BANK BORROWINGS (Continued)

The carrying amounts of the Group's foreign currency denominated bank borrowings at the end of each reporting period are as follows:

| | | 2017 | 2016 |
|--------------------------|--------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Denominated in USD: | 以美元呈列： | | |
| Fixed-rate borrowings | 固定利率貸款 | 16,607 | 17,481 |
| Variable-rate borrowings | 浮動利率貸款 | 13,386 | 13,385 |
| | | 29,993 | 30,866 |
| Denominated in HK\$: | 以港幣呈列： | | |
| Fixed-rate borrowings | 固定利率貸款 | 7,063 | — |
| | | 37,056 | 30,866 |

29. 銀行借款(續)

截止每個報告期末本集團外幣銀行借款金額如下：

30. OTHER BORROWINGS

| | | 2017 | 2016 |
|-------------------------------------|----------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Analysed for reporting purposes as: | 為呈報分析如下： | | |
| Current liabilities | 流動負債 | 28,120 | — |
| Non-current liabilities | 非流動負債 | 1,380,555 | — |
| | | 1,408,675 | — |

30. 其他借款

During the year, the Group entered into agreements (the "Agreements") with certain PRC financial institutions (the "Financial Institution") whereby the Group drew down RMB1,418,300,000 in aggregate from the Financial Institution of which RMB835,462,000 was received in the form of bills. Such borrowings are to be repayable in 2017 to 2030 and carry interest ranging from 5.0% to 5.9% per annum.

在本年內集團與中國內地金融機構(以下簡稱「金融機構」)簽訂協議(以下簡稱「協議」)并提款總額為人民幣1,418,300,000元，其中人民幣835,462,000元是通過應收票據收到。該等借款將在2017至2030年得以償還，借款年利率為5.0%至5.9%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

30. OTHER BORROWINGS (Continued)

As collaterals for the above financing,

- (i) The Group transferred the ownership title of certain property, plant and equipment to the Financial Institution.
- (ii) The Group entered into a financial guarantee contract in favour of the Financial Institution for the due performance of the Group's obligations under the Agreements.
- (iii) Upon the discharging all the Group's obligations under the Agreements, the Financial Institution will return the ownership title of those property, plant and equipment to the Group for minimal consideration. Despite the Agreements involves a legal form of a lease, the Group accounted for the Agreement as collateralised borrowing in accordance with the actual substance of the Agreements.
- (iv) An aggregate amount of security deposits of RMB72,203,000 was paid as at 31 December 2017.
- (v) Other borrowing is secured by the Company's equity interests in subsidiaries with an aggregate amount of carrying value of RMB473,240,000.

The maturity profile of the above borrowings is as follows:

30. 其他借款(續)

上述融資之擔保物：

- (i) 本集團已將部分物業、廠房及設備之所有權轉移至金融機構。
- (ii) 本集團訂立了有利於金融機構之融資擔保合約以敦促本集團正當履行協議義務。
- (iii) 在本集團履行了所有協約義務後，金融機構將非常低之有償歸還本集團上述物業、廠房及設備之所有權。儘管協定涉及租約之法律形式，本集團根據協定之實質將協定按照擔保借款核算。
- (iv) 於2017年12月31日支付押金人民幣72,203,000元。
- (v) 其他借款由本集團附屬公司之股權質押，金額為人民幣473,240,000元。

上述借款到期情況如下：

| | | 2017 | 2016 |
|-----------------------|----------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Within 1 year | 1年內 | 28,120 | — |
| Between 1 and 2 years | 於第1至第2年間 | 76,589 | — |
| Between 2 and 5 years | 於第2至第5年間 | 559,247 | — |
| Over 5 years | 5年以上 | 744,719 | — |
| | | 1,408,675 | — |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

31. BONDS PAYABLE

The movements of bonds issued during the year are as follows:

31. 應付債券

年內已發行債券之變動如下：

| | | Medium term bonds (note a) 中期票據 (附註a) | Green bonds (note b) 綠色債券 (附註b) | 合計 |
|--|--------------------------------|--|--|-------------------------|
| | | <i>RMB'000</i> 人民幣千元 | <i>RMB'000</i> 人民幣千元 | <i>RMB'000</i> 人民幣千元 |
| Upon issuance on 6 April 2016 | 於2016年4月6日 發行賬面價值 | 200,000 | N/A | 200,000 |
| Direct transaction costs | 直接交易成本 | (720) | N/A | (720) |
| Carrying amount at the issuance date | 於發行日之賬面價值 | 199,280 | N/A | 199,280 |
| Interest charge | 利息支出 | 9,400 | N/A | 9,400 |
| Interest payable | 應付利息 | (9,229) | N/A | (9,229) |
| Carrying amount at 31 December 2016 | 於2016年12月31日 年末賬面價值 | 199,451 | N/A | 199,451 |
| Upon issuance on 4 December 2017 | 於2017年12月4日 發行賬面價值 | N/A | 100,000 | 100,000 |
| Direct transaction costs | 直接交易成本 | N/A | (136) | (136) |
| Carrying amount at the issuance date | 於發行日之賬面價值 | N/A | 99,864 | 99,864 |
| Carrying amount at 1 January 2017 | 於2017年1月1日 末賬面價值 | 199,451 | — | 199,451 |
| Issue of green bonds | 綠色債券 | — | 99,864 | 99,864 |
| Interest charge | 利息支出 | 12,201 | 494 | 12,695 |
| Interest payable | 應付利息 | (12,195) | (491) | (12,686) |
| Carrying amount at 31 December 2017 | 於2017年12月31日 年末賬面價值 | 199,457 | 99,867 | 299,324 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. BONDS PAYABLE (Continued)

Notes:

- (a) The bonds represent medium term bonds (the "Bonds") issued by Century Concord Wind Power Investment Co.,Ltd, a subsidiary of the Group, on 6 April 2016. The Bonds were registered in the National Association of Financial Market Institutional Investors (Zhong Shi Xie Zhu 2016GN No.1) and China Development Bank has been designated as the principal underwriter of the Bonds. The principal amount of the Bonds is RMB200,000,000 with maturity in three years. The Bonds bear fixed interest rate of 6.2% per annum, payable annually.

The principal and interest of the Bonds is cashed through the custodian in accordance with its face value at the maturity date. The Bonds are unsecured and the custodian is the Inter-bank Market Clearing House Co., Ltd.

The effective interest rate of the Bonds is 6.5% per annum.

- (b) Century Concord Wind Power Investment Co.,Ltd, a subsidiary of the Group, issued the green bonds in December 2017 and its principal amount is RMB100 million with maturity in three years. The green bonds bear fixed interest rate of 7.2% per annum, payable annually. The effective interest rate of the green bonds is 7.2% per annum.

31. 應付債券(續)

附註：

- (a) 協合風電投資有限公司於2016年4月6日發行了2016年度第一期中期票據，該中期票據已獲中國銀行間市場交易商協會(中市協註2016GN 1號)註冊。國家開發銀行股份有限公司為此次發行之主承銷商。該中期票據發行金額為人民幣200,000,000元，該中期票據期限為三年。該中期票據年利率為6.2%，每年付息。

該中期票據之本息兌付通過託管人辦理。到期日按照票面值兌付。中期票據無抵押擔保。該中期票據託管人：銀行間市場清算所股份有限公司。

該中期票據之實際年利率為6.5%。

- (b) 本集團附屬公司協合風電投資有限公司於2017年12月發行綠色公司債券，本金為人民幣100,000,000元，三年到期。綠色債券利率為年付年利率7.2%。綠色債券之實際利率為年利率7.2%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

32. DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

| | | 2017 | 2016 |
|--------------------------|---------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Deferred tax assets | 遞延所得稅資產 | 33,256 | 24,791 |
| Deferred tax liabilities | 遞延所得稅負債 | (3,900) | (4,463) |
| | | 29,356 | 20,328 |

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

| | | Unrealised gains | | Deferred government subsidy | | Total | |
|--|-------------------------|------------------|---------|-----------------------------|---------|----------------|---------|
| | | 未實現收益 | | 遞延政府補貼 | | 總計 | |
| | | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| At 1 January | 於1月1日 | 21,909 | 12,819 | 2,882 | 3,032 | 24,791 | 15,851 |
| Credited/(debited) to the profit or loss (Note 11) | 扣除自/(計入)損益 (附註11) | 8,599 | 12,547 | (150) | (150) | 8,449 | 12,397 |
| Disposal of subsidiaries (Note 36(b)) | 喪失附屬公司之控制權 (附註36(b)) | 16 | (3,457) | — | — | 16 | (3,457) |
| At 31 December | 於12月31日 | 30,524 | 21,909 | 2,732 | 2,882 | 33,256 | 24,791 |

32. 遞延稅項

遞延所得稅資產及遞延所得稅負債之分析如下：

本年內遞延所得稅資產及負債之變動如下：

遞延所得稅資產

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

32. DEFERRED TAX (Continued)

Deferred tax assets (Continued)

The deferred tax assets recognised relate to temporary differences arising from transactions between subsidiaries of the Group regarding the construction of power plants. The credit to the profit or loss represents originating temporary differences arising from these transactions while the charge to the profit or loss represents the reversal of temporary differences as a result of the depreciation of power plants. The deferred tax assets recognised relate to deferred government subsidy arising from tax benefits received only for investment in specific assets. The credit to the profit or loss represents originating temporary differences arising from government grant recognition while the charge to the profit or loss represents the reversal of temporary differences as a result of the amortisation of deferred government grant.

At 31 December 2017, the Group had tax losses of RMB126,621,000 (2016: RMB94,253,000) arose in Mainland China to carry forward to set off against future taxable income which will expire within 1 to 5 years from each of the financial year end date. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

The unrecognised tax losses will expire in the following years:

32. 遞延稅項(續)

遞延所得稅資產(續)

已確認遞延稅項資產與因建設發電電廠而與附屬公司進行交易所產生之暫時性差異有關。計入綜合收益表之金額指源自該交易所產生之暫時性差異，而在綜合收益表扣除之金額則指發電電廠折舊而撥回之暫時性差異。已確認遞延稅資產與投資特殊資產收到稅金優惠產生之投資稅抵扣相關。計入綜合收益表中收入表示確認政府補助產生暫時性差異，而計入綜合收益表中開支表示暫時性差異轉回作為遞延政府補助攤銷。

於2017年12月31日，本集團於中國大陸產生之稅項虧損為人民幣126,621,000元(2016年：人民幣94,253,000元)，已結轉以抵銷日後應課稅收入，將分別於各財政年度結算日起計1至5年內到期。由於未來收入來源有不可預測性而並未確認有關遞延稅項資產。

未確認稅項虧損將於以下年度屆滿：

| | | 2017 | 2016 |
|--------------------------------|------------------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| To be expired on: | 將於下列日期屆滿 | | |
| 31 December 2017 | 二零一七年十二月三十一 | — | 7,265 |
| 31 December 2018 | 二零一八年十二月三十一 | 2,412 | 4,713 |
| 31 December 2019 | 二零一九年十二月三十一 | 11,072 | 11,978 |
| 31 December 2020 | 二零二零年十二月三十一 | 11,301 | 14,168 |
| 31 December 2021 | 二零二一年十二月三十一 | 15,906 | 56,129 |
| 31 December 2022 | 二零二二年十二月三十一 | 85,930 | — |
| Total unused tax losses | 未動用稅項虧損總額 | 126,621 | 94,253 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

32. DEFERRED TAX (Continued)

Deferred tax assets (Continued)

At 31 December 2017, the Group had estimated unused tax losses of RMB138,226,000 (2016: RMB116,700,000), subject to the agreement of the Inland Revenue Department of Hong Kong, arose in Hong Kong available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

Deferred tax liabilities

| | |
|---|--------------------|
| At 1 January | 於1月1日 |
| Credited to the profit or loss (Note 11) | 扣除自綜合收益表 (附註11) |

| | |
|-----------------------|----------------|
| At 31 December | 於12月31日 |
|-----------------------|----------------|

The deferred tax liabilities recognised relate to temporary differences arising from the unremitted earnings of joint ventures and associates. As at 31 December 2017, deferred tax liabilities of RMB81,573,000 (2016: RMB78,713,000) have not been recognised for the withholding tax that would be payable on the undistributed retained earnings of subsidiaries of the Group, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

32. 遞延稅項(續)

遞延所得稅資產(續)

於2017年12月31日，本集團於香港產生之稅項虧損為人民幣138,226,000元(2016年：人民幣116,700,000元)可供抵銷日後溢利。由於未來之溢利流無法預測，並未作出遞延稅項資產確認。此估計稅項虧損可無限期結轉。

遞延所得稅負債

| | 2017 | 2016 |
|---|----------------|----------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| | 人民幣千元 | 人民幣千元 |
| At 1 January | 4,463 | 4,640 |
| Credited to the profit or loss (Note 11) | (563) | (177) |
| At 31 December | 3,900 | 4,463 |

已確認遞延稅項負債與來自合營企業及聯營公司之未匯返利潤產生之暫時性差異有關。由於本集團能夠控制遞延稅項暫時性差異轉回之時間，且暫時性差異在可預見之未來很可能不會轉回，於2017年12月31日，本集團附屬公司未分派保留盈利應付之預提稅及其他稅項遞延所得稅負債為人民幣81,573,000元(2016：人民幣78,713,000元)並未獲得確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33. DEFERRED GOVERNMENT GRANTS

Government grants are received from the PRC government and the government of the United States of America (“US”) by the Group as financial subsidies for the promotion of the development of renewable energy and investments in the PRC and the US. Government grants from the PRC government are recognised as income over 20 years based on the expected useful lives of the relevant non-current assets including property, plant and equipment invested in certain areas in the PRC, while the government grants from the US government are recognised as income over 5 years as the relevant properties continue to qualify as specified energy properties as defined by the US Department of the Treasury.

The movements in deferred government grant during the year are as follows:

33. 遞延政府補助

政府補助為本集團獲取中國及美國政府為刺激新能源產業發展而提供之政府財政補貼。來自中國政府之補助按照被投資固定資產期望之使用期限在20年內分期確認收入，而來自美國政府之補助則基於美國財政部門界定相關資產可持續符合特定能源資產之標準，在5年內分期確認收入。

本年內遞延政府補助之變動如下：

| | | 2017 | 2016 |
|--|----------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January | 於1月1日 | 20,267 | 18,580 |
| Government grants obtained during the year | 本年獲得政府補助 | 5,777 | 3,216 |
| Released to profit or loss during the year | 政府補助攤銷 | (1,908) | (1,529) |
| At 31 December | 於12月31日 | 24,136 | 20,267 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

34. SHARE CAPITAL

Ordinary shares issued of HK\$0.01 each:

| | | No. of shares | Nominal value |
|--|------------------------|--------------------------|--------------------------|
| | | 股份數目 | 面值 |
| | | <i>000's shares</i> | <i>RMB'000</i> |
| | | 千股 | 人民幣千元 |
| As at 1 January 2016 | 於2016年1月1日 | 8,946,235 | 77,449 |
| Cancellation of ordinary shares (Note (i)) | 註銷之普通股 (附註(i)) | (73,530) | (616) |
| Repurchase and cancellation of ordinary shares (Note (ii)) | 回購後註銷之普通股 (附註(ii)) | (141,740) | (1,188) |
| As at 31 December 2016 | 於2016年12月31日 | 8,730,965 | 75,645 |
| Cancellation of ordinary shares (Note (ii)) | 註銷之普通股 (附註(ii)) | (19,370) | (173) |
| Repurchase and cancellation of ordinary shares (Note (iii)) | 回購後註銷之普通股 (附註(iii)) | (34,800) | (308) |
| As at 31 December 2017 | 於2017年12月31日 | 8,676,795 | 75,164 |

During the year, 54,170,000 ordinary shares (2016: 215,270,000) of the Company with total par value of RMB 481,000 (2016: RMB1,804,000) were cancelled, the related costs of repurchase are RMB18,731,000 (2016: RMB68,783,000) and the excess of costs of repurchase over the par value of the shares of RMB18,250,000 (2016: RMB66,979,000) is charged to share premium.

34. 股本

已發行普通股每股0.01港元：

| | No. of shares | Nominal value |
|--|--------------------------|--------------------------|
| | 股份數目 | 面值 |
| | <i>000's shares</i> | <i>RMB'000</i> |
| | 千股 | 人民幣千元 |
| As at 1 January 2016 | 8,946,235 | 77,449 |
| Cancellation of ordinary shares (Note (i)) | (73,530) | (616) |
| Repurchase and cancellation of ordinary shares (Note (ii)) | (141,740) | (1,188) |
| As at 31 December 2016 | 8,730,965 | 75,645 |
| Cancellation of ordinary shares (Note (ii)) | (19,370) | (173) |
| Repurchase and cancellation of ordinary shares (Note (iii)) | (34,800) | (308) |
| As at 31 December 2017 | 8,676,795 | 75,164 |

於本年度，本公司註銷了54,170,000股普通股股份(2016年：215,270,000股)，這些股份之票面價值總計為人民幣481,000元(2016：人民幣1,804,000元)，回購相關成本為人民幣18,731,000元(2016：人民幣68,783,000元)，回購成本超過該等股份面值之部分人民幣18,250,000元(2016：人民幣66,979,000元)計入股份溢價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34. SHARE CAPITAL (Continued)

Notes:

- (i) During the year ended 31 December 2015, the Group repurchased 73,530,000 of the Company's ordinary shares from the market at a price of approximately HK\$0.45 per share for a total consideration of approximately HK\$33,298,000 (equivalent to approximately RMB27,896,000) which were held as treasury shares and cancelled in 2016.
- (ii) During the year ended 31 December 2016, the Group repurchased a total of 161,110,000 of the Company's ordinary shares from the market at a price of approximately HK\$0.35 per share, for a total consideration of HK\$56,545,000 (equivalent to approximately RMB 47,834,000). 141,740,000 ordinary shares at consideration of RMB40,887,000 were cancelled in 2016 and 19,370,000 ordinary shares at consideration of RMB6,947,000 were cancelled in February 2017.
- (iii) During the current year, the Group repurchased a total of 34,800,000 of the Company's ordinary shares from the market at a price of approximately HK\$0.38 per share, for a total consideration of HK\$13,322,000 (equivalent to approximately RMB11,784,000). These shares were cancelled before 31 December 2017.

Treasury shares for the purpose of share award schemes

During the year ended 31 December 2015, 151,500,000 ordinary shares were repurchased from market at a price of approximately HK\$0.55 per share for a total consideration of HK\$82,699,000 (approximately RMB66,572,000) and held as treasury shares, of which 18,510,000 shares (2016: 24,680,000 shares) were awarded to the relevant participants of the share award scheme of the Company during the year ended 31 December 2017. At 31 December 2017, 108,310,000 ordinary shares were held as treasury shares.

34. 股本(續)

附註：

- (i) 截至2015年12月31日止年度，本集團以每股約0.45港元於市場中回購73,530,000股之本公司普通股總價值為33,298,000港元(相當於人民幣27,896,000元)。持有之庫存股已於2016年註銷。
- (ii) 截至2016年12月31日止年度，本集團以每股約0.35港元於市場中回購161,110,000股之本公司普通股總價值為56,545,000港元(相當於人民幣47,834,000元)。141,740,000股之普通股總價值為人民幣40,887,000元已於2016年註銷，19,370,000股普通股總價值為人民幣6,947,000元已於2017年2月註銷。
- (iii) 於本年度內，本集團以每股約0.38港元於市場中回購34,800,000股之本公司普通股，總價值為13,322,000港元(相當於人民幣11,784,000元)。以上普通股已於2017年12月31日前註銷。

股份獎勵計劃下之庫存股

於截至2015年12月31日止年度內，151,500,000股普通股以每股約0.55港元於市場中回購，總價值為82,699,000港元(約人民幣66,572,000元)，並被作為庫存股持有。其中，18,510,000股(2016：24,680,000股)在2017年12月31日止年度被用於獎勵本公司股份獎勵計劃相關聯參與者。於2017年12月31日，108,310,000股普通股被持作庫存股。

35. SHARE AWARD AND SHARE OPTION SCHEMES

(i) Share award scheme

In June 2015, the directors of the Company approved a share award scheme under which shares of the Company will be awarded to the Group's employees as an incentive (the "Scheme"). Pursuant to the rules of the Scheme, the Group has engaged a trustee, for the purpose of administering the Scheme and holding the awarded shares before they are vested. During the year ended 31 December 2015, the directors of the Company approved an aggregate number of 61,700,000 shares under the Scheme and they have been awarded to the relevant employees according to the vesting period set out in the Scheme, of which 31,500,000 shares have been awarded to four directors of the Company and the remaining to other employees of key position. During the year ended 31 December 2017, an aggregate number of 18,510,000 (2016: 24,680,000) shares were vested, of which 9,450,000 (2016: 12,600,000) shares were allocated to the directors of the Company.

Movements in the number of awarded shares are as follows:

35. 股份獎勵計劃

(i) 股份獎勵計劃

2015年6月15日，本公司董事會批准了一項股份獎勵計劃，在此計劃下將本公司股份用以獎勵本集團僱員（「股份獎勵計劃」）。根據股份獎勵計劃，本集團已聘請一位信託人，以管理股份獎勵計劃及在股份被授予之前代為持有上述股份。於2015年12月31日止年度，本公司董事會批准61,700,000股該股份獎勵計劃股，該股份將用以獎勵根據股份獎勵計劃設定授予期間之相關聯僱員；其中31,500,000股獎勵給本公司之四名董事，剩餘股份獎勵給其他關鍵崗位員工。於2017年12月31日止年度，累計18,510,000股該股份歸屬至僱員（2016：24,680,000股）。其中9,450,000股（2016：12,600,000股）獎勵本公司四名董事。

獎勵股份之數量變動如下：

| | | Number of shares | |
|------------------------|---------|-------------------------|--------------|
| | | 股份數量(股) | |
| | | 2017 | 2016 |
| As at 1 January | 於1月1日 | 37,020,000 | 61,700,000 |
| Vested during the year | 已歸屬獎勵 | (18,510,000) | (24,680,000) |
| As at 31 December | 於12月31日 | 18,510,000 | 37,020,000 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

35. SHARE AWARD AND SHARE OPTION SCHEMES
(Continued)

(i) Share award scheme *(Continued)*

The remaining vesting period of the awarded shares outstanding as at 31 December 2017 was as follows:

| Fair value at grant date 授出日之公允價值 | Remaining vesting period 剩餘授予期 | Number of awarded shares outstanding 尚未行使之股份激勵數目 |
|--------------------------------------|-----------------------------------|---|
| — HK\$0.47 港元 | — 0.25 years 年 | 18,510,000 |

The Group recognised total expense of RMB3,152,000 (2016: RMB7,597,000) for the year ended 31 December 2017 in relation to the Scheme.

The fair value of the shares awarded was based on the market value of the Company's shares at 16 November 2015. At 31 December 2017, the Company had 18,510,000 awarded shares unvested under the Scheme, which represented approximately 0.21% of the Company's ordinary shares in issue at that date.

(ii) Share option scheme

The Company's share option scheme was adopted on 16 April 2007 with a valid period of ten years ended on 15 April 2017 as an incentive to the Group's employees and business associates. There were no outstanding share options as at 31 December 2017 and 2016.

35. 股份獎勵計劃(續)

(i) 股份獎勵計劃(續)

於2017年12月31日，尚未行使獎勵股份之剩餘授予期如下：

| Fair value at grant date 授出日之公允價值 | Remaining vesting period 剩餘授予期 | Number of awarded shares outstanding 尚未行使之股份激勵數目 |
|--------------------------------------|-----------------------------------|---|
| — HK\$0.47 港元 | — 0.25 years 年 | 18,510,000 |

截至2017年12月31日止年度，本集團就本公司授出之購股權確認支出總額為人民幣3,152,000元(2016：人民幣7,597,000元)。

獎勵股份之公允價值是基於2015年11月16日本公司股票之市場價值確定之。於2017年12月31日，本公司在股份獎勵計劃下尚有18,510,000股獎勵股份未歸屬，約佔當天本公司普通股數量之0.21%。

(ii) 購股權計劃

本集團股份激勵計劃始於2007年4月16日，有效期10年，於2017年4月15日失效，用於本集團激勵員工及業務夥伴。截止2017年及2016年12月31日，股份期權數量為零。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

36. 綜合現金流量表附註

(a) Cash generated from operations

(a) 經營業務所得之現金

| | | | 2017 | 2016 |
|--|---------------------------|-------------|------------------|------------------|
| | | Notes 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Profit before income tax | 除所得稅前溢利 | | 270,566 | 474,634 |
| Adjustments for: | 已調整： | | | |
| Finance costs | 財務成本 | 9 | 184,903 | 141,677 |
| Interest income | 利息收入 | 6 | (22,637) | (16,956) |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | | 224,770 | 205,457 |
| Amortisation of land use rights | 土地使用權攤銷 | | 12,438 | 13,693 |
| Amortisation of other intangible assets | 其他無形資產攤銷 | | 319 | 319 |
| Release of deferred government grants | 遞延政府補助攤銷 | 6 | (1,908) | (1,529) |
| Write-down of Inventories | 存貨減值 | 7 | 16,871 | 6,886 |
| Impairment loss on trade receivables | 應收賬款減值 | 7 | 9,592 | — |
| Impairment loss on other receivables | 其他應收賬款減值 | 7 | 19,386 | 1,050 |
| (Reversal of impairment loss)/ impairment loss on amounts due from joint ventures | 應收合營企業款項減值之轉回/(計提) | 7 | (3,641) | 25,024 |
| Impairment loss on goodwill | 商譽減值 | 7 | 62,584 | — |
| Fair value gains on financial assets at FVTPL | 按公允價值計入損益之金融資產之已實現收益淨額 | 7 | (16,644) | (5,168) |
| Share-based compensation | 以股份為基準之付款 | | 3,152 | 7,597 |
| Share of profit of associates, net | 應佔聯營公司業績 | | (24,246) | (19,366) |
| Share of profit of joint ventures, net | 應佔合營企業業績 | | (102,940) | (73,445) |
| Gain on disposal/de-registration of subsidiaries, associates and joint ventures, net | 出售/註銷附屬公司、聯營公司及合營企業之收益，淨額 | 7 | (172,198) | (160,808) |
| Gain from a bargain purchase | 折價購買利得 | 7 | (1,213) | — |
| Exchange loss/(gain), net | 匯兌虧損/(收益)，淨額 | 7 | 88 | (103) |
| Loss/(gain) on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損/(收益) | 7 | 6,060 | (414) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

36. 綜合現金流量表附註(續)

(a) Cash generated from operations (Continued)

(a) 經營業務所得之現金(續)

| | | 2017 | 2016 |
|--|-----------------------|------------------|------------------|
| | Notes 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Operating profit before working capital changes: | 營運資金變動前之經營溢利： | 465,302 | 598,548 |
| Decrease in inventories | 存貨減少 | 14,041 | 52,663 |
| Increase in trade and bill receivables | 應收貿易賬款及票據增加 | (297,606) | (207,484) |
| Decrease/(increase) in prepayments, deposits and other receivables | 預付款項、按金及其他應收款項減少/(增加) | 423,342 | (383,129) |
| Decrease in amounts due from associates | 應收聯營公司款項減少 | 68,893 | 28,121 |
| Decrease in amounts due from joint ventures | 應收合營企業款項減少 | 228,320 | 140,693 |
| (Decrease)/increase in trade and bill payables | 應付貿易賬款及票據(減少)/增加 | (681,589) | 173,805 |
| Increase in other payables and accruals | 其他應付款項及應計款項增加 | 149,268 | 121,872 |
| (Decrease)/increase in amounts due to associates | 應付聯營公司款項(減少)/增加 | (9,130) | 10,539 |
| Decrease in amounts due to joint ventures | 應付合營企業款項減少 | (5,661) | (78,870) |
| Cash generated from operations | 經營業務所得之現金 | 355,180 | 456,758 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Disposal/de-registration of subsidiaries

For the year ended 31 December 2017:

As further detailed Note 26, the Group has disposed of its entire equity interest in Yulin Ecology at a consideration of RMB573,925,000 and the resulting gain of disposal of RMB170,409,000 was recorded.

On 25 May 2017, the Group entered into a sales and purchase agreement with an independent third party, pursuant to which the Group disposed of its entire equity interest in Delingha Xieli Power Co., Ltd., a wholly-owned subsidiary of the Group, for a consideration of RMB9,995,000. A gain on disposal of RMB1,797,000 was recognised in the profit or loss.

On 19 March 2017, the Group entered into a sales and purchase agreement with an independent third party, pursuant to which the Group disposed of its entire equity interest in Yunan Huaxi New Energy Development Co., Ltd., a wholly-owned subsidiary of the Group, for a consideration of RMB3,000,000. A gain on disposal of RMB10,000 was recognised in the profit or loss.

On 15 November 2017, the Group entered into a sales and purchase agreement with four independent third parties, pursuant to which the Group disposed of its entire equity interest in Tibet Dingyu Century Concord Energy Development Co., Ltd., a wholly-owned subsidiary of the Group, for a consideration of RMB7,500,000. A gain on disposal of RMB4,411,000 was recognised in the profit or loss.

36. 綜合現金流量表附註(續)

(b) 出售／註銷附屬公司

截至2017年12月31日止年度：

如附註26詳述，本集團已處置對榆林生態之全部股權，對價為人民幣573,925,000元，確認之處置收益為人民幣170,409,000元。

2017年5月25日，本集團與一獨立第三方訂立買賣協議，據此，本集團以人民幣9,995,000元之對價，出售其在集團全資附屬公司-德令哈協力光伏發電有限公司中之全部股權。損益表中確認之出售附屬公司之利得為人民幣1,797,000元。

2017年3月19日，本集團與一獨立第三方訂立買賣協議，據此，本集團以人民幣3,000,000元之對價，出售其在集團全資附屬公司-雲南華義新能源發展有限公司中之全部股權。損益表中確認之出售附屬公司之利得為人民幣10,000元。

2017年11月15日，本集團與四家第三方訂立買賣協議，據此，本集團以人民幣7,500,000元之對價，出售其在集團全資附屬公司-西藏鼎玉協合能源開發有限公司中之全部股權。損益表中確認之出售附屬公司之利得為人民幣4,411,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Disposal/de-registration of subsidiaries (Continued)

For the year ended 31 December 2017: (Continued)

During the current year, the Group deregistered Kelan Century Concord New Energy Co., Ltd., Xuzhou City Longmen Century Concord Wind Power Co., Ltd., CWP Philippines Ltd. (BVI) and Shouguang Century Concord Solar Power Co., Ltd., wholly-owned subsidiaries of the Group. The aggregate loss on de-registrations amounted to RMB11,150,000.

For the year ended 31 December 2016

On 30 November 2016, the Group entered into a sales and purchase agreement with Tianjin Fu Huan Enterprise Management Consulting Co., Ltd, pursuant to which the Group disposed of its entire equity interest in Yulin Century Concord Solar Power Co., Ltd. ("Yuyang"), a wholly-owned subsidiary of the Group, for a consideration of RMB296,950,000. A gain on disposal of RMB154,663,000 was recognised in the profit or loss.

On 1 February 2016, the Group entered into a sales and purchase agreement with an independent third party, pursuant to which the Group disposed of its entire equity interest in Jiangsu Huize Electricity Engineering Co., Ltd., a wholly-owned subsidiary of the Group, for a consideration of RMB20,000,000. A loss on disposal of RMB1,043,000 was recognised in the profit or loss.

36. 綜合現金流量表附註(續)

(b) 出售／註銷附屬公司(續)

截至2017年12月31日止年度： (續)

本集團於本年度內註銷了其全資附屬公司——崑崙協合新能源有限公司、徐州市龍門協合風力發電有限公司、CWP Philippines Ltd. (BVI) 和壽光協合太陽能發電有限公司。損益表中確認之註銷該附屬公司產生之虧損，為人民幣11,150,000元。

截至2016年12月31日止年度：

2016年11月30日，本集團與天津富歡企業管理諮詢有限公司訂立買賣協議，據此，本集團出售其全資附屬公司榆林協合太陽能發電有限公司(「榆陽」)之全部股權，代價為人民幣296,950,000元。在損益表中確認之出售之收益為人民幣154,663,000元。

2016年2月1日，本集團與獨立第三方訂立買賣協議，據此，本集團出售其全資附屬公司江蘇匯澤電力工程有限公司之全部股權，代價為人民幣20,000,000元。損益表中確認之出售附屬公司之虧損為人民幣1,043,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Disposal/de-registration of subsidiaries
(Continued)

For the year ended 31 December 2016
(Continued)

On 22 November 2016, the Group entered into a sales and purchase agreement with I.PARK POWER, LLC., pursuant to which the Group disposed of its entire equity interest in Urban Energy Solar LLC., a wholly-owned subsidiary of the Group, for a consideration of RMB15,193,000. A gain on disposal of RMB3,684,000 was recognised in the profit or loss.

On 2 August 2016, the Group entered into a sales and purchase agreement with Huaneng Xuzhou Tongshan Wind Power Co., Ltd., pursuant to which the Group disposed of its entire equity interest in Xuzhou Tongshan Concord Solar Power Co., Ltd., a wholly-owned subsidiary of the Group, for a consideration of RMB3,000,000. A gain on disposal of RMB4,000 was recognised in the profit or loss.

During 2016, the Group deregistered Leting Concord Solar Power Co., Ltd., a wholly-owned subsidiary of the Group. A loss on de-registration of the subsidiary of RMB487,000 was recognised in the profit or loss.

36. 綜合現金流量表附註(續)

(b) 出售／註銷附屬公司(續)

截至2016年12月31日止年度：
(續)

2016年11月22日，本集團與I.PARK POWER,LLC.訂立買賣協議，本集團出售其全資附屬公司Urban Energy Solar LLC.之全部股權，代價為人民幣15,193,000元。損益表中確認之出售附屬公司之收益為人民幣3,684,000元。

2016年8月2日，本集團與華能徐州銅山風力發電有限公司訂立買賣協議，據此，本集團出售其全資附屬公司徐州市銅山區協合風力發電有限公司之全部股權，代價為人民幣3,000,000元。損益表中確認之出售附屬公司之收益為人民幣4,000元。

於2016年，本集團註銷了其全資附屬公司樂亭協合風力發電有限公司。損益表中確認之註銷附屬公司之損失為人民幣487,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

36. 綜合現金流量表附註(續)

(b) Disposal/de-registration of subsidiaries
(Continued)

(b) 出售／註銷附屬公司(續)

The gain on disposal/de-registration of subsidiaries, net, is as follows:

出售／註銷附屬公司之收益，淨額如下：

| | | 2017 | 2016 |
|---|----------------------|------------------|-----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Consideration: | 代價： | | |
| Proceeds received from de-registration | 註銷所得款項淨額 | 62 | 1,513 |
| Total consideration of disposal of subsidiaries | 出售附屬公司所得款項淨額 | 594,420 | 335,143 |
| | | 594,482 | 336,656 |
| Carrying amount of net assets disposed of: | 所出售淨資產之賬面總值： | | |
| Land use rights | 土地使用權 | 108,425 | 36,311 |
| Property, plant and equipment | 物業、廠房及設備 | 1,164,146 | 615,123 |
| Interest in associates | 於聯營公司權益 | 3,093 | — |
| Inventories | 存貨 | 695 | 10,581 |
| Trade receivables | 應收貿易賬款 | 335,242 | 90,557 |
| Prepayments and other receivables | 預付款項及其他應收款項 | 148,507 | 115,368 |
| Goodwill | 商譽 | — | 1,207 |
| Amounts due from fellow subsidiaries | 應收附屬公司之款項 | 11,244 | 12 |
| Amounts due from joint ventures | 應收合營企業款項 | — | 17,523 |
| Cash and cash equivalents | 現金及現金等值項目 | 9,072 | 5,577 |
| Finance lease liabilities | 融資租賃負債 | (902,778) | — |
| Trade payables | 應付貿易賬款 | — | (26,608) |
| Amounts due to joint ventures | 應付合營企業款項 | (9,056) | — |
| Amounts due to fellow subsidiaries | 應付附屬公司之款項 | (404,366) | (669,918) |
| Other payables and accruals | 其他應付款項及應計款項 | (30,381) | (3,612) |
| | | 433,843 | 192,121 |
| Realised profits on transactions between the Group and these subsidiaries | 本集團與附屬公司間交易已實現之收益 | 4,822 | 15,743 |
| Realised deferred tax assets | 已實現之遞延所得稅資產 | 16 | (3,457) |
| Gain on disposal/de-registration of subsidiaries, net (Note 7) | 出售／註銷附屬公司之收益，淨值(附註7) | 165,477 | 156,821 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Disposal/de-registration of subsidiaries
(Continued)

In the consolidated statement of cash flows, net proceeds from disposal of subsidiaries comprised of:

36. 綜合現金流量表附註(續)

(b) 出售／註銷附屬公司(續)

綜合現金流量表中，出售附屬公司所得款項淨額包含：

| | | 2017 | 2016 |
|---|----------------------|------------------|----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Total consideration of disposal of subsidiaries | 已收代價 | 594,420 | 335,143 |
| Cash and cash equivalents received upon liquidation of subsidiaries | 附屬公司清算時已收現金及現金等值項目 | 62 | 1,513 |
| Consideration not yet received and recorded in other receivables | 未收取及計入其他應收款項之代價 | (60,263) | (55,530) |
| Deposits received in prior years | 以前年度預收轉讓款 | (115,785) | — |
| Cash and cash equivalents derecognised from the consolidated financial statements | 未於綜合財務報表確認之現金及現金等值項目 | (9,072) | (5,577) |
| | | 409,362 | 275,549 |
| Consideration for prior year's disposal received in current year | 本年度已收過往年度出售事項之代價 | 28,512 | 7,157 |
| | | 437,874 | 282,706 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

(c) Disposal of joint ventures

In the prior year, the Group disposed of certain joint ventures for an aggregate consideration of RMB83,948,000 and recorded gain on disposal totalling RMB12,437,000. The net cash inflows in respect of the disposal are as follows:

| | | 2017 | 2016 |
|---------------------------|-------|----------------|----------------|
| | | RMB'000 | <i>RMB'000</i> |
| | | 人民幣千元 | <i>人民幣千元</i> |
| Total consideration | 總代價 | — | 83,948 |
| Consideration receivables | 應收轉讓款 | — | (2,519) |
| Net cash inflows | 淨現金流入 | — | 81,429 |

36. 綜合現金流量表附註(續)

(c) 出售合營企業

在上年度，本集團出售合營企業之總代價為人民幣83,948,000元並確認出售收益人民幣12,437,000元，出售合營企業所得淨現金流入如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(d) Disposal of associates

During the year, the Group disposed of certain associates for an aggregate consideration of RMB34,450,000 (2016: nil) and recorded gain on disposal totalling RMB6,721,000 (2016: nil). The net cash inflows in respect of the disposal are as follows:

| | | 2017 | 2016 |
|---------------------------|-------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Total consideration | 總代價 | 34,450 | — |
| Consideration receivables | 應收轉讓款 | (4,746) | — |
| Net cash inflows | 淨現金流入 | 29,704 | — |

(e) Disposal of property, plant and equipment

An analysis of the cash proceeds from the disposal of property, plant and equipment is as follows:

| | | 2017 | 2016 |
|---|-------------------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Net carrying amount (Note 14) | 賬面淨值(附註14) | 7,210 | 8,395 |
| (Loss)/gain on disposal of property, plant and equipment (Note 7) | 出售物業、廠房及設備之(虧損)/收益(附註7) | (6,060) | 414 |
| Consideration for the disposal | 出售之代價 | 1,150 | 8,809 |
| Less: Settled with other receivables | 其他應收款項 | (980) | — |
| Net cash proceeds received | 收到的現金收益淨額 | 170 | 8,809 |

36. 綜合現金流量表附註(續)

(d) 出售聯營公司

於本年內，本集團出售聯營公司之總代價為人民幣34,450,000元(2016年：無)並確認出售收益人民幣6,721,000元(2016年：無)，出售聯營公司所得淨現金流入如下：

(e) 出售物業、廠房及設備

綜合現金流量表中，出售物業、廠房及設備所得款項淨額包含：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

37. 來自於融資活動之負債之對賬表

下表詳述了本集團來自於融資活動之負債之變動，包括現金及非現金變動。對於融資活動產生之負債，其過去現金流量或未來現金流量將歸類至本集團合併現金流量表中融資活動產生之現金流量項下。

| | | Bank borrowings (Note 29) 銀行借款 (附註29) | Other borrowings (Note 30) 其他借款 (附註30) | Bonds payable (Note 31) 應付債券 (附註31) | Loans from a joint venture (Note 18) 合營企業貸款 (附註18) | Interest payable 應付利息 | Total 總計 |
|-----------------------------|------------------|---|--|---|---|-----------------------------|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| At 1 January 2017 | 於2017年1月1日 | 3,426,660 | — | 199,451 | 40,500 | 3,222 | 3,669,833 |
| Financing cash flows | 融資現金流入 | 662,185 | 501,010 | 87,178 | — | (212,888) | 1,037,485 |
| Acquisition of subsidiaries | 收購附屬公司 | — | — | — | (40,500) | — | (40,500) |
| Deposits placed | 保證金 | — | 72,203 | — | — | — | 72,203 |
| Bills received | 收到票據 | — | 835,462 | — | — | — | 835,462 |
| Interest expenses | 利息支出 | — | — | 12,695 | — | 231,634 | 244,329 |
| At 31 December 2017 | 於2017年 12月31日 | 4,088,845 | 1,408,675 | 299,324 | — | 21,968 | 5,818,812 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38. MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into financing arrangements with the Financial Institution in respect of property, plant and equipment and drew down an aggregate amount of RMB1,418,300,000 from the Financial Institution, of which RMB835,462,000 was received in the form of bills. Further details of the financing arrangements are set out in Note 30.

39. BUSINESS COMBINATION

In March 2017, the Group acquired 20% equity interest in Topping Center Ltd. ("Topping Center"), the then joint venture of the Group, from the existing joint venture partner at a cash consideration of RMB1. Subsequent to the acquisition, Topping Center became a wholly-owned subsidiary of the Group. Topping Center is principally involved in the provision of finance lease of equipment for wind power plants.

Fair values of the identifiable assets and liabilities acquired at the date of the above acquisition, determined on a provisional basis, are as follows:

38. 主要之非現金交易

在本年內，本集團就物業、廠房及設備與金融機構訂立了融資協議並從金融機構總計提款人民幣1,418,300,000元，其中人民幣835,462,000元以票據形式收到。融資協議詳情列載於附注30。

39. 企業合併

2017年3月，本集團以1元人民幣之現金對價，從現有合營企業夥伴手中購入本集團之合營企業Topping Center Ltd (「Topping Center」) 百分之二十之股權。被收購之後，Topping Center成為本集團全資附屬公司。Topping Center主要為風力發電廠設備提供融資租賃。

上述收購取得之可辨認資產和負債在收購之日之公允價值摘要如下：

| | | <i>RMB'000</i> 人民幣千元 |
|---|----------------|-------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 5 |
| Interest in an associate* | 於聯營公司之權益* | 79,876 |
| Cash and cash equivalents | 現金及現金等值項目 | 2,948 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 4,963 |
| Finance lease receivables** | 應收融資租賃款** | 35,349 |
| Amounts due from related companies | 應收關聯公司款項 | 100,500 |
| Amounts due to related companies | 應付關聯公司款項 | (217,576) |
| | | <hr/> 6,065 <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39. BUSINESS COMBINATION (Continued)

- * Interest in an associate represents Topping Center's investment in 46.6% equity interest in a subsidiary of the Group, of which the amount is equal to the non-controlling interests of that subsidiary recorded by the Group. The acquisition of such associate is accounted for as an equity transaction as acquisition of additional interests in a subsidiary.
- ** The fair value of finance lease receivables acquired in this transaction as at the date of acquisition approximates their carrying amounts and none of the receivables are expected to be uncollectible.

39. 企業合併(續)

- * 於聯營公司之權益指成高公司投資於本集團一附屬公司之46.6%股權，等於已入賬之本集團在該附屬公司之非控制性權益。該聯營公司收購事項作為權益交易核算，視為收購附屬公司額外權益。
- ** 於購買日，通過本交易獲得之應收融資租賃款項之公允價值與其賬面金額相若，且預計無任何應收款項不可收回。

RMB'000

人民幣千元

| | | |
|---|-------------------------|---------|
| Gain from a bargain purchase recognised on the acquisition | 於購買日確定之廉價購買利得 | |
| Consideration transferred: | 已轉讓之對價: | |
| Cash | 現金 | — |
| Fair value of the joint venture (80% in Topping Centre) | 合營企業之公允價值 (成高公司淨資產之80%) | 4,852 |
| Less: Fair value of net assets acquired | 減: 購入淨資產之公允價值 | (6,065) |
| | | <hr/> |
| Gain from a bargain purchase recognised in profit or loss | 於損益中確認之廉價購買利得 | (1,213) |
| | | <hr/> |
| Net cash inflows in respect of the acquisition | 收購相關之現金流入淨額 | |
| Consideration paid in cash | 已用現金支付之對價 | — |
| Less: Cash and bank balances acquired | 減: 已獲得之現金及銀行結餘 | (2,948) |
| | | <hr/> |
| | | 2,948 |
| | | <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39. BUSINESS COMBINATION (Continued)

Since the acquisition date, Topping Center contributed revenue of RMB3,035,000 and a net loss of RMB2,665,000 to the Group's consolidated revenue and profit for the year ended 31 December 2017, respectively. Had the acquisition been completed on 1 January 2017, the total revenue of the Group and the profit of the Group for the year ended 31 December 2017 would have been RMB1,035,972,000 and RMB205,624,000, respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future results.

40. PLEDGE OF ASSETS

The Group had entered into joint venture agreements with certain joint venture partners in the PRC. Pursuant to these agreements, the Group has agreed to pledge its share of equity interests in these joint ventures as security for certain bank borrowings advanced by the respective joint ventures.

As at 31 December 2017, the Group has pledged its equity interests of one (2016: one) joint venture, with total value of its share of registered capital held by the Group amounted to RMB37,240,000 (2016: RMB37,240,000) for certain bank borrowings advanced to such joint venture. At 31 December 2017, the related outstanding bank borrowings amounted to RMB42,918,000 (2016: RMB53,941,000) which bear interest rate at 4.41% (2016: 4.41%) per annum.

39. 企業合併(續)

自收購日起，成高公司於2017年12月31日至年度本集團合併收入及利潤中貢獻收入人民幣3,035,000元及淨虧損為人民幣2,665,000元。若收購在2017年1月1日完成，本集團截至2017年12月31日止年度之收入及利潤分別為人民幣1,035,972,000元及人民幣205,624,000元。類比資訊僅便於說明，其並不一定表明若收購在2017年1月1日完成，則本集團實際實現之收入及經營成果之跡象，其也不旨在作為對日後成果之推測。

40. 質押資產

本集團已透過其全資附屬公司與中國合營夥伴訂立合營協議。根據合營協定，本集團須抵押其於該合營企業之股權作為該合營企業銀行借款之擔保。

於2017年12月31日，本集團已抵押其所佔之一(2016：一)間合營企業股權，用於該合營企業取得銀行借款，本集團所持有之註冊資本總值為人民幣37,240,000元(2016：人民幣37,240,000元)。截至2017年12月31日，該合營企業此抵押之借款餘額為人民幣42,918,000元(2016：人民幣53,941,000元)，年利率為4.41%(2016：4.41%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

41. COMMITMENTS

Operating lease commitments

As lessee

The Group leases certain of its office premises and equipment under non-cancellable operating lease arrangements. Leases are negotiated for terms ranging from 2 years to 15 years.

At 31 December 2017, the Group had future aggregate minimum lease payments under non-cancellable operating leases were as follows:

| | | 2017 | 2016 |
|---|-----------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| No later than 1 year | 不超過1年 | 15,128 | 16,543 |
| Later than 1 year and no later than 5 years | 超過1年但不超5年 | 65,180 | 66,138 |
| Over 5 years | 五年以上 | 83,051 | 107,294 |
| | | 163,359 | 189,975 |

Capital commitments

At 31 December 2017, capital expenditure contracted for but not provided for in the consolidated financial statements was as follows:

| | | 2017 | 2016 |
|--|------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Acquisition of property, plant and equipment | 物業、廠房及設備開支 | 1,855,552 | 2,265,398 |

The Group has entered into a number of arrangements to develop power plant projects in the PRC. As at 31 December 2017, the amount was mainly the capital commitments to joint ventures and associates that contracted but not provided for of RMB105,050,000 (2016: RMB185,049,000).

41. 承擔

經營租賃承擔

作為承租人

本集團根據不可撤銷經營租賃安排承租了若干辦公室及設備。協議租賃期間從2年到15年。

於2017年12月31日，本集團根據於不可撤銷經營租賃之未來最低租賃付款總額如下：

| | | 2017 | 2016 |
|---|-----------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| No later than 1 year | 不超過1年 | 15,128 | 16,543 |
| Later than 1 year and no later than 5 years | 超過1年但不超5年 | 65,180 | 66,138 |
| Over 5 years | 五年以上 | 83,051 | 107,294 |
| | | 163,359 | 189,975 |

資本承擔

於報告日綜合財務狀況表中已簽訂合同但仍未產生之資本開支如下：

| | | 2017 | 2016 |
|--|------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Acquisition of property, plant and equipment | 物業、廠房及設備開支 | 1,855,552 | 2,265,398 |

本集團已就於中國發展風電項目訂立若干安排。於2017年12月31日，已簽訂合同但未撥付予合營企業及聯營公司之權益資本金總額為人民幣105,050,000元(2016：人民幣185,049,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

42. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed elsewhere in these consolidated financial statements, the following transactions were carried out by the Group with related parties during the year:

| | | 2017 | 2016 |
|---|--------------------------|----------------|----------------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Sales of goods and services to associates and joint ventures (Note (i)) | 向聯營公司及合營企業銷售貨品及服務(附註(i)) | 4,910 | 306,385 |
| Loan interest income from joint ventures (Note (ii)) | 合營企業貸款利息收入(附註(ii)) | 929 | 1,605 |
| Loan interest expense to a joint venture (Note (iii)) | 合營企業貸款利息支出(附註(iii)) | 585 | 4,435 |

Notes:

- (i) The terms and conditions of sales of goods and services were mutually agreed by both parties.
- (ii) The loan interest income arose from loans to joint ventures bear interest at 5.2% (2016: 4.4%) per annum. Details of the loans to joint ventures are disclosed in Note 18(ii).
- (iii) The loan interest expense arose from loans from a joint venture which bear interest at 6.8% (2016: 6.8%) per annum. Details of the loans from a joint venture are disclosed in Note 18(iii).

42. 關聯方交易

- (a) 除本綜合財務報表中另有披露外，以下為與關聯方進行之交易：

附註：

- (i) 銷售貨品及服務按雙方同意之商業條款與關聯方洽商。
- (ii) 向合營企業提供之貸款按年利率5.2% (2016：4.4%) 計息。向合營企業提供之貸款之公允價值及實際利率於附註18(ii)中披露。
- (iii) 貸款之利息開支，年息為6.8% (2016年：6.8%)。合營企業詳情披露於附註18(iii)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

42. RELATED PARTY TRANSACTIONS (Continued)

(b) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The total remuneration of the key management personnel is shown below:

| | | 2017 | 2016 |
|---|-------------|----------------|---------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Salaries and other short-term employee benefits | 薪金及其他短期僱員福利 | 13,078 | 13,337 |
| Share-based compensation | 以股份為基準之付款 | 2,375 | 5,725 |
| | | 15,453 | 19,062 |

42. 關聯方交易(續)

(b) 關鍵管理層薪酬

關鍵管理人員指有權利並負責進行計劃、指揮和控制本集團活動之人員，關鍵管理人員薪酬總額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

43. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executives' remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, are as follows:

For the year ended 31 December 2017:

| Name | 姓名 | Fees 袍金 | Salary 薪金 | Share-based payment (Note (i)) 股份支付 (附註(i)) | Employer's contribution to a retirement benefit scheme 退休福利計劃 之僱主供款 | Total 總額 |
|---|-------------------|------------------|------------------|---|--|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Executive directors: | | 執行董事： | | | | |
| Liu Shunxing | 劉順興 | — | 2,053 | 460 | 130 | 2,643 |
| Yang Zhifeng (Note viii) | 楊智峰(附註viii) | — | 499 | 383 | 46 | 928 |
| Liu Jianhong | 劉建紅 | — | 1,950 | 383 | 130 | 2,463 |
| Yu Weizhou | 余維洲 | — | 1,787 | 383 | 130 | 2,300 |
| Gui Kai | 桂凱 | — | 1,043 | 307 | 114 | 1,464 |
| Niu Wenhui (Note v) | 牛文輝(附註v) | — | 1,076 | 205 | 118 | 1,399 |
| Wu Shaohua (Note vi) | 吳韶華(附註vi) | 151 | — | — | — | 151 |
| Non-executive director: | | 非執行董事： | | | | |
| Gao Fu Chun (Note vii) | 高富春(附註vii) | 13 | — | — | — | 13 |
| Independent non-executive directors: | | 獨立非執行董事 | | | | |
| Wong Yau Kar, David, GBS, BBS, JP | 黃友嘉, GBS, BBS, JP | 156 | — | — | — | 156 |
| Yap Fat Suan, Henry | 葉發旋 | 156 | — | — | — | 156 |
| Shang Li (Note ix) | 尚笠(附註ix) | 163 | — | — | — | 163 |
| Huang Jian | 黃簡 | 163 | — | — | — | 163 |
| Total | 總額 | 802 | 8,408 | 2,121 | 668 | 11,999 |

43. 董事及行政總裁薪酬

本年董事及行政總裁薪酬，根據所適用之上市規則及香港公司條例，披露如下：

截至2017年12月31日止年度：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

43. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued) 43. 董事及行政總裁薪酬(續)

For the year ended 31 December 2016:

截至2016年12月31日止年度：

| Name | 姓名 | Fees | Salary | Share-based payment (Note (i)) 股份支付 (附註(i)) | Employer's contribution to a retirement benefit scheme 退休福利計劃之僱主供款 | Total |
|---|-------------------|------------------|------------------|--|---|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Executive directors | | 執行董事 | | | | |
| Liu Shunxing | 劉順興 | — | 2,185 | 1,156 | 121 | 3,462 |
| Yang Zhifeng | 楊智峰 | — | 1,482 | 963 | 106 | 2,551 |
| Liu Jianhong (Note ii) | 劉建紅(附註ii) | — | 1,939 | 963 | 121 | 3,023 |
| Yu Weizhou (Note iii) | 余維洲(附註iii) | — | 1,880 | 963 | 121 | 2,964 |
| Gui Kai (Note iv) | 桂凱(附註iv) | — | 1,000 | 771 | 106 | 1,877 |
| Non-executive director: | | 非執行董事： | | | | |
| Gao Fu Chun | 高富春 | 154 | — | — | — | 154 |
| Independent non-executive directors: | | 獨立非執行董事 | | | | |
| Wong Yau Kar, David, GBS, BBS, JP | 黃友嘉, GBS, BBS, JP | 154 | — | — | — | 154 |
| Yap Fat Suan, Henry | 葉發旋 | 154 | — | — | — | 154 |
| Shang Li (Note ix) | 尚笠(附註ix) | 154 | — | — | — | 154 |
| Huang Jian | 黃簡 | 154 | — | — | — | 154 |
| Total | 總額 | 770 | 8,486 | 4,816 | 575 | 14,647 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

43. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Notes:

- (i) It represents amortisation of the fair value of shares awarded under the Scheme (Note 35) measured at the grant date charged to the profit or loss over the vesting period.
- (ii) Ms. Liu Jianhong, an executive director of the Company, was appointed as the Co-Vice Chairperson of the Board of the Company with effect from 13 January 2016.
- (iii) Mr Yu Weizhou was appointed as the Chief Executive of the Company with effect from 13 January 2016.
- (iv) Mr. Gui Kai was appointed as an executive director of the Company with effect from 13 June 2016.
- (v) Mr. Niu Wenhui, the Chief Finance Officer, was appointed as an executive director of the Company with effect from 23 January 2017.
- (vi) Mr. Wu Shaohua was appointed as an executive director of the Company with effect from 9 February 2017.
- (vii) Mr. Gao Fuchun resigned as a non-executive director of the Company with effect from 9 February 2017.
- (viii) Mr. Yang Zhifeng resigned as an executive director and the Co-Vice Chairperson of the Board of the Company with effect from 1 November 2017.
- (ix) Dr. Shang Li was re-designated from independent non-executive director to an executive director with effect from 2 January 2018.

43. 董事及行政總裁薪酬(續)

附註：

- (i) 代表按授出日期計量之購股權及股份獎勵計劃(附註35)下獎勵股份公允價值計入在授予期間損益表內攤銷。
- (ii) 本公司執行董事劉建紅女士已獲委任為本公司董事會聯席副主席，由2016年1月13日起生效。
- (iii) 余維洲先生成為本公司首席執行官，由2016年1月13日起生效。
- (iv) 桂凱先生成為本公司執行董事，由2016年6月13日起生效。
- (v) 2017年1月23日起，首席財務官牛文輝先生擔任本公司執行董事。
- (vi) 2017年2月9日起，吳韶華先生獲委任為本公司非執行董事。
- (vii) 2017年2月9日起，高富春先生辭任本公司之非執行董事。
- (viii) 2017年11月1日起，楊智峰先生辭任本公司執行董事及董事會聯席副主席，同時辭任集團附屬公司之董事。
- (ix) 尚笠博士於2018年1月2日由獨立非執行董事獲調任執行董事。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

43. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Save as those emoluments presented above, no other fees or emoluments were paid, have been or will be paid to the independent non-executive directors in respect of the current year (2016: nil).

The executive director's remuneration shown above was for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

During the current and prior years, no directors of the Company waived or agreed to waive any emoluments, and no emoluments were paid to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

43. 董事及行政總裁薪酬(續)

除上文所列報之酬金外，本年度無任何其他袍金或酬金已經或將會支付予獨立非執行董事(2016：無)。

上述執行董事之報酬為其管理本公司和本集團事務之服務報酬。上述非執行董事之報酬為其作為本公司董事之服務報酬。上述獨立非執行董事之報酬為其作為本公司董事之服務報酬。

本年和以前年度，本公司沒有董事放棄或同意放棄任何報酬，且本公司未向本公司董事支付任何報酬作為其加入或即將加入本集團之激勵或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

44. CATEGORIES OF FINANCIAL INSTRUMENTS

The carrying amounts of each of the categories of financial instruments at the end of each reporting period are as follows:

44. 金融工具類別

每一報告期結束時每一類金融工具的帳面價值如下：

| | | 2017 | 2016 |
|---|---------------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Financial assets | 金融資產 | | |
| Available-for-sale financial assets (Note 19) | 可供出售金融資產(附註 19) | 4,726 | 4,826 |
| Financial assets at FVTPL (Note 23) | 按公允價值計入損益之 金融資產(附註 23) | 34,280 | 43,948 |
| Loans and receivables (including cash and cash equivalents) | 貸款和應收款項(包括現金及現 金等值項目) | 3,265,688 | 4,352,639 |
| Loans and receivables classified as held for sale | 被歸類為持有待售之貸款和 應收款項 | — | 300,442 |
| | | 3,265,688 | 4,653,081 |
| Financial liabilities | 金融負債 | | |
| Financial liabilities amortised cost | 以攤余成本計量之金融負債 | 9,451,064 | 7,922,278 |
| Financial liabilities amortised cost classified as held for sale | 被歸類為持有待售之以攤余成 本計量之金融負債 | — | 989,538 |
| | | 9,451,064 | 8,911,816 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities exposed it to a variety of financial risks. The management periodically analyses and reviews measures to manage its exposure to market risk (including foreign currency risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. Generally, the Group employs a conservative strategy regarding its risk management and has not used any derivatives or other instruments for hedging purposes.

As at 31 December 2017, the Group's major financial instruments include trade and bill receivables, deposits and other receivables, available-for-sale financial assets, financial assets at FVTPL, loans and current account balances with associates and joint ventures, cash and cash equivalents, restricted deposits, trade and bill payables, payables for construction in progress, other payables and accruals, bank borrowings, other borrowings and bonds payable. Details of these financial instruments are disclosed in respective notes.

(a) Market risk

(i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises from monetary assets and liabilities denominated in foreign currencies.

The Group operates mainly in the PRC, the US and Hong Kong. Majority of revenues and costs of construction and inventories are denominated in Renminbi ("RMB"). Almost all of the revenue and costs are denominated in the group entities' respective functional currency.

45. 財務風險管理

本集團承受各種財務風險。管理層定期分析和檢查管理其面臨市場風險(包括外幣風險、現金流量及公允價值利率風險)、信貸風險及流動性資金風險之措施。一般而言，本集團就其風險管理採取保守策略，並且不使用任何衍生工具或其他工具作對沖用途。

於2017年12月31日，本集團之金融工具主要包括應收貿易賬款及票據、按金及其他應收款項、可供出售金融資產、按公允價值計入損益之金融資產／負債、應收／應付聯營公司款項、應收／應付合營企業款項、應收／應付合營企業之貸款、現金及現金等值項目、受限制存款、應付貿易賬款及票據、其他應付款項及應計款項、銀行借款、其他賬款及應付債券。金融工具之具體詳見相應附註披露。

(a) 市場風險

(i) 外匯風險

外幣風險指金融工具之公允價值或未來現金流量將由匯率變動而波動之風險。外匯風險由外幣計值之貨幣資產及負債產生。

本集團主要在中華人民共和國、美國及香港經營，主要收入與建設及存貨成本用人民幣計值。幾乎所有收入及成本按集團各實體之功能貨幣計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

The Group is exposed to foreign currency risk primarily with respect to the change of exchange rate of United States dollars ("US\$") and Hong Kong dollars ("HK\$"), which is pegged with US\$, against RMB, which is the functional currency of the relevant Group entities. As at 31 December 2017 and 2016, recognised assets or liabilities that are denominated in a currency that is not the entities' functional currency include cash and cash equivalents (Note 24) and bank borrowings (Note 29).

No sensitivity analysis has been presented as the directors of the Company consider that the impact on profit or loss for the current and prior years is insignificant, taking into account that (i) the carrying amount of monetary items that are denominated in a currency that is not the entities' functional currency is not significant; and (ii) the impact on profit or loss is not material based on a reasonably possible change in foreign exchange rates of 5%.

45. 財務風險管理(續)

(a) 市場風險(續)

(i) 外匯風險(續)

本集團外幣風險主要與美元和港元對本集團內相關公司之功能貨幣，即人民幣之匯率變動有關，與美元掛鉤。截至2016年及2017年12月31日，已確認以外幣計量之資產和負債並未以各實體功能貨幣計量之包括現金及現金等值項目(附註24)和銀行借款(附註29)。

由於在考慮了(1)以非集團實體功能貨幣之外幣計量之貨幣性資產賬面價值非重大；及(2)根據合理可能之匯率變動5%預計，對損益之影響非重大，本公司董事認為對本年度及以往年度損益之影響並不重大，所以並未列報敏感性分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Market risk (Continued)

(iii) Cashflow and fair value interest rate risk

Cashflow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate as it is issued at fixed interest rates.

The Group's cashflow interest rate risk arises from bank balances, loans to joint ventures, loans to third parties and borrowings. Borrowings issued at variable rates expose the Group to cashflow interest rate risk which is partially offset by bank balances held at variable rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank balances and interest-bearing bank borrowings with a floating interest rate. The effective interest rates and terms of repayment of the interest-bearing bank borrowings of the Group are disclosed in Note 29.

No sensitivity analysis has been presented for the exposure to interest rates for bank balances as the directors of the Company considers that, taking into account that the fluctuation in interest rates on bank balances is minimal, the impact on profit or loss for both the current and prior years is insignificant.

45. 財務風險管理(續)

(a) 市場風險(續)

(ii) 現金流量及公允價值利率風險

現金流量利率風險為金融工具未來現金流量將因市場利率變動而波動之風險。公允價值利率風險為金融工具價值因發行時固定利率波動而面臨風險。

本集團現金流利率風險來自銀行餘額、予合營企業之貸款、貸款予第三方及借款。本集團以浮動利率發行之借款面臨現金流利率風險，可被持有之浮動利率銀行餘額部份抵銷。

本集團對市場利率變動風險主要與本集團的銀行結餘、計息銀行借貸及浮動利率有關。附註29披露本集團計息銀行貸款的實際利率及還款條件。

由於本集團管理層認為，銀行結餘利率波動不大，因此本年度損益的影響不大，因此沒有對銀行結餘利率進行敏感性分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Market risk (Continued)

(ii) Cashflow and fair value interest rate risk (Continued)

The following analysis demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in interest rates for floating rate bank borrowings, with all other variables held constant.

If interest rates had been 50 basis points (2016: 50 basis points) higher/lower and all other variables were held constant, the Group's profit after tax for the year ended 31 December 2017 would have decreased/increased by RMB14,069,000 (2016: RMB12,222,000).

The above sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year.

The Group is exposed to fair value interest rate risk in relation to available-for-sale financial assets and financial assets at FVTPL. No sensitivity analysis has been presented as the directors of the Company consider that the impact on profit or loss for both the current and prior years is insignificant.

45. 財務風險管理(續)

(a) 市場風險(續)

(ii) 現金流量及公允價值利率風險(續)

下述分析顯示了在其他所有變數保持不變之情況下，報告期末利率之合理可能變動值敏感性分析。

若利率上升／下降50個基點（2016：50個基點），而所有其他變量維持不變，則本集團截止2017年12月31日止年度之稅後溢利將減少／增加人民幣RMB14,069,000元（2016：人民幣12,222,000元）。

編制上述敏感性分析時，假設報告期末未償還之金融工具於整個年度仍未償還。

本集團面臨作為可供出售金融資產及按公允價值計入損益之金融資產之固定利率理財產品帶來之公允價值利率風險。本公司董事認為該風險對本年及上年損益無重大影響，因此未進行敏感性測試。

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**(b) Credit risk**

As at 31 December 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties or debtors provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

As at 31 December 2017, the Group's credit risk is primarily attributable to its trade and other receivables and amounts due from associates and joint ventures arise during the course of the Group's business operations. For trade receivables and other receivables, the management of the Group limits credit risk by assessing the credit quality of the customers, performing ongoing credit evaluation taking into account its financial position, past trade experience and other factors. For the amounts due from associates and joint ventures, the Group has significant influence or joint operational control over its associates and joint ventures and their financial positions with other ventures are regularly monitored in order to minimise the credit risk associated with receivables due from associates and joint ventures. The Group has policies in place to review the recoverability of trade receivables and other receivables and amounts due from associates and joint ventures on an ongoing basis and assess the adequacy of provision for impairment. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

45. 財務風險管理(續)**(b) 信貸風險**

截至2017年12月31日，本集團就交易對手或債務人未能履行責任以及本集團未能提供所承擔之最大信貸風險(將導致本集團產生財務虧損)是由綜合財務狀況表上呈列各已確認金融資產之帳面值產生。

截至2017年12月31日，本集團之信貸風險主要歸咎於其貿易及其他應收款項以及本集團業務活動過程中產生之應收聯營公司及合資企業款項。就應收貿易賬款及其他應收款項而言，本集團管理層通過評估客戶信貸品質限制信貸風險，經計其財務狀況、過往貿易經驗及其他因素進行持續信貸評估。就應收聯營公司及合資企業款項而言，本集團對其聯營公司及合資企業具有重大影響或進行聯合經營控制，其餘其他合資企業之財務狀況乃定期監察，以便儘量減少有關應收聯營公司及合資企業款項之信貸風險。本集團有適當政策持續審核應收貿易賬款及其他應付款項以及應收聯營公司及合資企業款項之可收回程度並評估減值撥備之準確性。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

The Group has concentration of credit risk because trade receivables from its top 5 customers accounted for 55% (2016: 58%) of the Group's trade receivables as at 31 December 2017.

The credit risks of the Group's cash and cash equivalents are limited because these balances are placed with reputable financial institutions.

(c) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash reserves and banking facilities deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows and match maturity profiles of financial assets and liabilities.

The table below analyses the financial liabilities of the Group into relevant maturity groups based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows of financial liabilities based on earliest date on which the Group can be required to pay.

45. 財務風險管理(續)

(b) 信貸風險(續)

由於應收貿易賬款前五名客戶佔到本集團截至2017年12月31日應收貿易賬款之55%(2016: 58%)，本集團面臨信貸集中風險。

本集團現金及現金等值物因存放於信譽良好之金融機構，故此部分信貸風險有限。

(c) 流動資金風險

管理流動風險時，本集團監查現金儲備及銀行融資，並使其保持在管理層認為充分之水準，以滿足本集團經營需要並降低現金流量波動之影響，使金融資產和負債之到期情況相稱。

下表顯示本集團之非衍生金融負債，按照相關到期組別，根據由資產負債表日至合同到期日之剩餘期間進行分析。在表內披露金額是基於本集團被要求最早還款日期計算出未經折現之合同現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Liquidity risk (Continued)

As at 31 December 2017

| | | Weighted average effective interest rate 加權平均 實際利率 | On demand or less than 6 months 少於6個月 | 6 to 12 months 6-12個月 | 1 to 2 years 1-2年 | Over 2 years 2年以上 | Total undiscounted cash flows 未折現 現金流總額 | Total carrying amount 賬面值 總額 |
|--|-----------------------------|---|--|-----------------------------|-------------------------|-------------------------|---|--|
| | | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Trade and bill payables | 應付貿易賬款及票據 | — | 1,259,236 | — | 385,151 | — | 1,644,387 | 1,644,387 |
| Payables for construction in progress, other payables and accruals | 項目建造之應付， 其他應付款項及 應計款項 | — | 1,345,935 | — | 405,031 | 247,002 | 1,997,968 | 1,997,968 |
| Amounts due to joint ventures | 應付合營企業款項 | — | 8,363 | — | — | — | 8,363 | 8,363 |
| Amounts due to associates | 應付聯營公司款項 | — | 3,502 | — | — | — | 3,502 | 3,502 |
| Bonds payable | 應付債券 | 6.5%-7.2% | 12,940 | 7,170 | 219,570 | 107,170 | 346,850 | 299,324 |
| Bank borrowings | 銀行借款 | 2.7%-7.0% | 420,381 | 302,556 | 512,142 | 4,147,850 | 5,382,929 | 4,088,845 |
| Other borrowings | 其他借款 | 5.0%-5.9% | 49,430 | 58,235 | 154,002 | 1,609,065 | 1,870,732 | 1,408,675 |

45. 財務風險管理(續)

(c) 流動資金風險(續)

於 2017 年 12 月 31 日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

45. 財務風險管理(續)

(c) Liquidity risk (Continued)

(c) 流動資金風險(續)

As at 31 December 2016*

於2016年12月31日*

| | | Weighted average effective interest rate 加權平均 實際利率 | On demand or less than 6 months 少於6個月 | 6 to 12 months 6-12個月 | 1 to 2 months 1-2年 | Over 2 years 2年以上 | Total undiscounted cash flows 未折現 現金流總額 | Total carrying amount 賬面值 總額 |
|--|---------------------|--|--|-----------------------------|--------------------------|-------------------------|--|--|
| | | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Trade and bill payables | 應付貿易賬款及票據 | — | 3,000,739 | 11,987 | — | 587,726 | 3,600,452 | 3,600,452 |
| Payables for construction in progress, other payables and accruals | 項目建造之應付，其他應付款項及應計款項 | — | 570,861 | — | — | — | 570,861 | 570,861 |
| Amounts due to joint ventures | 應付合營企業款項 | — | 71,722 | — | — | — | 71,722 | 71,722 |
| Amounts due to associates | 應付聯營公司款項 | — | 12,632 | — | — | — | 12,632 | 12,632 |
| Bonds payable | 應付債券 | 6.5% | 12,940 | — | 12,940 | 212,400 | 238,280 | 199,451 |
| Bank borrowings | 銀行借款 | 2.4%-7.0% | 297,249 | 226,030 | 401,250 | 3,493,287 | 4,417,816 | 3,426,660 |
| Loans from a joint venture | 合營企業之貸款 | 6.8% | 1,370 | 1,370 | 2,740 | 43,240 | 48,720 | 40,500 |

* The financial liabilities under the liabilities directly associated with a disposal company classified as held for sale are not presented in the analysis above as they are expected to be disposed of within one year.

* 負債下之金融負債與劃歸為持有待售之處置公司直接相關，由於其預計在一年內處置，並未在上述分析中列報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Liquidity risk (Continued)

The amounts included above of variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ from those estimate of interest rates determined at the end of the reporting period.

45. 財務風險管理(續)

(c) 流動資金風險(續)

如果浮動利率與報告期期末釐定之該等金額之預計利率存在差異，則上述非衍生金融負債之浮動利率工具之金額亦會隨之更改。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

This note provides information about how the Group determines fair values of various financial assets and financial liabilities. Some of the Group's financial instruments are measured at fair value for financial reporting purposes.

In estimating the fair value, the Group uses market-observable data of the extent it is available. Where Level 1 inputs are not available, the Group determines the appropriate valuation techniques and inputs for fair value measurements and works closely with the qualified values to establish the appropriate valuation techniques and inputs to the model.

Fair value of financial instruments that are measured at fair value on a recurring basis

Except for financial assets at FVTPL as set out below, there is no financial instrument measured at fair value on a recurring basis. The fair values of financial assets and financial liabilities measured at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flows analysis.

46. 財務風險管理

本附註介紹了集團如何確認不同金融資產和金融負債之公允價值。部分集團之金融工具在財務報告中以公允價值計量。

本集團根據可獲得之市場資料之可觀察程度估計公允價值。如果無法獲得第一層次輸入值，本集團將通過適當之估值技術和輸入值進行公允減值計量，並通過合格價值為該模型建立適當之估值技術和輸入值。

金融工具之公允價值按持續基準進行計量

除可供出售金融工具外，按公允價值計量且其變動計入損益之金融資產如下所示，並無按公允價值持續基準進行計量之金融工具。按攤銷成本計量之金融資產及金融負債之公允價值乃基於貼現現金流分析按一般公認定價模式予以確定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of financial instruments that are measured at fair value on a recurring basis (Continued)

46. 財務風險管理(續)

金融工具之公允價值按持續基準進行計量(續)

| | | Fair value hierarchy | | | |
|--|------------------------------|----------------------|---------|---------|---------------|
| | | 公允價值層級 | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| | | 第1層 | 第2層 | 第3層 | 總計 |
| | | 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 |
| Financial assets | 金融資產 | | | | |
| As at 31 December 2017 | 於2017年12月31日 | | | | |
| Financial assets at FVTPL (Note 23) | 按公允價值計入損益 之金融資產 (附註23) | 34,280 | — | — | 34,280 |
| As at 31 December 2016 | 於2016年12月31日 | | | | |
| Financial assets at FVTPL (Note 23) | 按公允價值計入損益 之金融資產 (附註23) | 36,108 | 7,840 | — | 43,948 |

There were no transfers between level 1 and 2 during the year.

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Financial instruments valued with reference to the quoted market price are included in level 1.

本年內在層1與層2之間無轉移。

在活躍市場交易之金融工具之公允價值金額基於其結算日之市場報價。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，而該報價代表按公平交易基準進行之實際和常規市場交易時，該市場即被視為活躍。參考市場報告估值之金融工具包括在層1。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

46. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of financial instruments that are measured at fair value on a recurring basis (Continued)

The Group's financial instruments in level 1 represent listed shares, quoted market prices are used to determine the fair value for these financial instruments.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Group's financial instruments in level 2 as at 31 December 2016 included wealth management products classified as financial assets at FVTPL. Techniques such as discounted cash flow analysis are used to determine fair value for these financial instruments. One of the main parameters used in discounted cash flow analysis is the discount rate which is the expected return of the wealth management products.

Fair value of financial instruments that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position, together with the interest accruals, approximate their respective fair values at the end of each reporting period.

46. 財務風險管理(續)

金融工具之公允價值按持續基準進行計量(續)

本集團之第1層金融工具包括按公允價值計入損益之金融資產中之上市公司股票，類似工具之市場報價或交易商報價被用於決定此類金融工具之公允價值。

不是在活躍市場上交易之金融工具之公允價值，則通過採用估值技術確定。此估值技術以最大限度使用了可獲得之可觀察市場資料，將對實體特定估計之依賴降到最低。若按公允價值計量一項工具之所有重大輸入資料均可觀察，則該項工具包括在第2層。

截止2016年12月31日本集團第2層級之金融工具包括按公允價值計入損益之可供出售金融資產及金融資產等財務管理產品。現金流折現分析等技術被用於確定這些金融工具之公允價值。現金流分析法中主要參數折現率為財務管理產平之預期回報率。

金融工具之公允價值按非持續基準進行計量

本公司董事認為在綜合財務狀況表中以攤銷成本入賬之金融資產及金融負債之賬面值與計提利息與其每一報告期末之各自公允價值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

47. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings represented bank borrowings and other borrowings, and excluded borrowings classified as held for sale. Total capital is calculated as equity plus borrowings.

47. 資本風險管理

本集團資本管理之主要目標為保障本集團之持續經營能力，使其可通過將產品與服務定在與風險水準吻合之價格及通過按合理成本取得融資，繼續為股東提供回報及為其他利益相關者帶來利益。

本集團積極地定期檢查及管理其資本結構，以維持可能因借款水準較高而產生之較高股東回報與良好資本狀況帶來之優勢和保障之間之平衡，並按照經濟變化情況對資本結構作出調整。

本集團以資本負債比率為基礎監測資本。此比率由借款總額除以資本總額計算得出。資本總額由權益加借款計算得出，不包括歸類為持有待售之借款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

47. CAPITAL RISK MANAGEMENT (Continued)

The Group's total borrowings and total capital positions as at 31 December 2017 and 2016 are as follows:

| | | 2017 | 2016 |
|------------------|--------|-------------------|-----------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Total borrowings | 借款總額 | 5,497,520 | 3,426,660 |
| Total equity | 權益總額 | 5,255,146 | 5,225,750 |
| Total capital | 資本總額 | 10,752,666 | 8,652,410 |
| Gearing ratio | 資本負債比率 | 51% | 40% |

47. 資本風險管理(續)

於2017年及2016年12月31日，本集團借款總額及資本總額狀況如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

At 31 December 2017

48. 本公司之財務狀況表

於2017年12月31日

| | | 2017 | 2016 |
|---------------------------------|--------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Assets: | 資產： | | |
| Non-current assets | 非流動資產 | | |
| Interests in subsidiaries | 於附屬公司之權益 | 1,481,972 | 1,487,241 |
| Deposits | 按金 | 559 | 598 |
| | | 1,482,531 | 1,487,839 |
| Current assets | 流動資產 | | |
| Amounts due from subsidiaries | 應收附屬公司款項 | — | 140,305 |
| Amounts due from joint ventures | 應收合營企業款項 | 134 | 857 |
| Cash and cash equivalents | 現金及現金等值項目 | 31,328 | 1,320 |
| Financial assets at FVTPL | 按公允價值計入損益之 金融資產 | 24,386 | 25,039 |
| | | 55,848 | 167,521 |
| Total assets | 資產總額 | 1,538,379 | 1,655,360 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued) **48. 本公司之財務狀況表(續)**

| | | 2017 | 2016 |
|---|--------------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| | | 人民幣千元 | 人民幣千元 |
| Liabilities: | 負債： | | |
| Non-current liabilities | 非流動負債 | | |
| Bank borrowings | 借款 | 7,063 | — |
| Current liabilities | 流動負債 | | |
| Other payables and accruals | 其他應付款項及應計款項 | 2,824 | 1,897 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 76,315 | 7,597 |
| | | 79,139 | 9,494 |
| Total liabilities | 負債總額 | 86,202 | 9,494 |
| Net current (liabilities)/assets | 流動(負債)/資產淨值 | (23,291) | 158,027 |
| Net assets | 資產淨值 | 1,452,177 | 1,645,866 |
| Equity | 權益 | | |
| Share capital | 股本 | 75,164 | 75,645 |
| Reserves (Note (a)) | 儲備(附註(a)) | 1,377,013 | 1,570,221 |
| Total equity | 權益總額 | 1,452,177 | 1,645,866 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

48. 本公司之財務狀況表(續)

Note (a): Reserves movements of the company

附註(a)：本公司儲備變動

| | | Share premium | Treasury shares | Contributed surplus (note) 繳入盈餘 (附註) | Other reserves | Accumulated losses | Total |
|--|---------------------|------------------|------------------|---|------------------|--------------------|------------------|
| | | 股份溢價 | 庫存股 | 其他儲備 | 累計虧損 | 總額 | |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Balance at 1 January 2016 | 於2016年1月1日 | 518,172 | (27,896) | 2,359,063 | 99,652 | (1,355,978) | 1,593,013 |
| Profit and total comprehensive income for the year | 本年度溢利和其他全面收益總額 | — | — | — | — | 101,674 | 101,674 |
| Share-based compensation | 以股份為基準之付款 | — | — | — | 7,597 | — | 7,597 |
| Vesting of shares under share award scheme | 獎勵股份之歸屬 | (1,377) | — | — | (9,468) | — | (10,845) |
| Interim dividends paid | 已付中期股息 | — | — | — | — | (75,188) | (75,188) |
| Repurchase of ordinary shares (Note 34) | 普通股回購 (附註34) | — | (47,834) | — | — | — | (47,834) |
| Cancellation of treasury shares | 註銷庫存股 | (66,979) | 68,783 | — | — | — | 1,804 |
| Balance at 31 December 2016 | 於2016年12月31日 | 449,816 | (6,947) | 2,359,063 | 97,781 | (1,329,492) | 1,570,221 |
| Loss and total comprehensive expense the year | 本年度虧損和其他全面開支總額 | — | — | — | — | (102,165) | (102,165) |
| Share-based compensation | 以股份為基準之付款 | — | — | — | 3,152 | — | 3,152 |
| Vesting of shares under share award scheme (Note 35) | 獎勵股份之歸屬 (附註35) | (842) | — | — | (7,292) | — | (8,134) |
| 2016 final dividend | 已付年末股息 | — | — | — | — | (74,758) | (74,758) |
| Repurchase of ordinary shares (Note 34) | 普通股回購 (附註34) | — | (11,784) | — | — | — | (11,784) |
| Cancellation of treasury shares | 註銷庫存股 | (18,250) | 18,731 | — | — | — | 481 |
| Balance at 31 December 2017 | 於2017年12月31日 | 430,724 | — | 2,359,063 | 93,641 | (1,506,415) | 1,377,013 |

Note:

附註：

The Company's contributed surplus brought forward represented the excess of the fair value of the shares of the former holding company acquired pursuant to the group reorganisation in prior years, over the nominal value of the Company's shares issued in exchange thereof.

本公司已轉出之繳入盈餘指根據以前年度集團重組取得之原控股公司股份之公允值，超出本公司作為交換發行之股份之面值之部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

49. SUBSIDIARIES

As at 31 December 2017 and 2016, particulars of the principal subsidiaries are as follows:

49. 附屬公司

於2017年及2016年12月31日，主要附屬公司之詳細資訊如下：

| Name 名稱 | Place of incorporation/ registration and operations and kind of legal entity 註冊成立／註冊及營業地點及法律實體種類 | Nominal value of issued ordinary/ registered share capital 已發行普通股／註冊股本之面值 | Percentage of equity attributable to the Company | | Principal activities 主要業務 |
|---|--|---|--|----------------|--|
| | | | Direct 直接 | Indirect 間接 | |
| Century Concord Wind Power Investment Co., Ltd 協合風電投資有限公司 | The PRC, limited company 中國，有限公司 | Registered capital of RMB3,100,000,000 註冊資本人民幣3,100,000,000元 | — | 100% | Investment holding 投資控股 |
| Haotai New Energy Equipment Ltd. 浩泰新能源裝備有限公司 | The PRC, limited company 中國，有限公司 | Registered capital of RMB100,000,000 註冊資本人民幣100,000,000元 | — | 100% | Sales of solar power equipment and new energy equipment 太陽能設備及新能源設備銷售 |
| Concord Power Consulting & Design (Beijing) Corp., Ltd. 聚合電力工程設計(北京)股份有限公司 | The PRC, limited Company 中國，有限公司 | Registered capital of RMB 50,000,000.00 註冊資本人民幣50,000,000.00元 | — | 70% | Power system design, research and exploitation 風電系統設計、研究及開發 |
| Beijing Century Concord Operation and Maintenance Co., Ltd. 北京協合運維風電技術有限公司 | The PRC, limited Company 中國，有限公司 | Registered capital of RMB20,000,000 註冊資本人民幣20,000,000元 | — | 70% | Wind power plant operation and maintenance 風電設備運行及維修 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

49. SUBSIDIARIES (Continued)

As at 31 December 2017 and 2016, particulars of the principal subsidiaries are as follows: (Continued)

49. 附屬公司(續)

於2017年及2016年12月31日，主要附屬公司之詳細資訊如下：(續)

| Name 名稱 | Place of incorporation/ registration and operations and kind of legal entity 註冊成立/註冊及營業地點及法律實體種類 | Nominal value of issued ordinary/ registered share capital 已發行普通股/註冊股本之面值 | Percentage of equity attributable to the Company | | Principal activities 主要業務 |
|--|--|---|--|----------------|--|
| | | | Direct 直接 | Indirect 間接 | |
| Yongren Century Concord Solar Power Co., Ltd. | The PRC, limited company | Registered capital of RMB86,690,000 | — | 100% | Solar power plant investment and operation |
| 永仁協合太陽能發電有限公司 | 中國，有限公司 | 註冊資本人民幣86,690,000元 | | | 太陽能電廠投資及運行 |
| Naidong Century Concord Solar Power Co., Ltd. | The PRC, limited company | Registered capital of RMB146,150,000 | — | 100% | Solar power plant investment and operation |
| 乃東協合太陽能發電有限公司 | 中國，有限公司 | 註冊資本人民幣146,150,000元 | | | 太陽能電廠投資及運行 |
| Pingyuanxian Century Concord Solar Power Co., Ltd. | The PRC, limited company | Registered capital of RMB74,380,000 | — | 100% | Solar power plant investment and operation |
| 平原縣協合太陽能發電有限公司 | 中國，有限公司 | 註冊資本人民幣74,380,000元 | | | 太陽能電廠投資及運行 |
| Huaping Century Concord Solar Power Co., Ltd. | The PRC, limited company | Registered capital of RMB97,860,000 | — | 100% | Solar power plant investment and operation |
| 華坪協合太陽能發電有限公司 | 中國，有限公司 | 註冊資本人民幣97,860,000元 | | | 太陽能電廠投資及運行 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

49. SUBSIDIARIES (Continued)

As at 31 December 2017 and 2016, particulars of the principal subsidiaries are as follows: (Continued)

49. 附屬公司(續)

於2017年及2016年12月31日，主要附屬公司之詳細資訊如下：(續)

| Name 名稱 | Place of incorporation/ registration and operations and kind of legal entity 註冊成立／註冊及營業地點及法律實體種類 | Nominal value of issued ordinary/ registered share capital 已發行普通股／註冊股本之面值 | Percentage of equity attributable to the Company | | Principal activities 主要業務 |
|---|--|---|--|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| Yongzhou Dong tian Century Concord Wind Power Co., Ltd. 永州東田協合風力發電有限公司 | The PRC, limited company 中國，有限公司 | Registered capital of RMB83,176,000 註冊資本人民幣83,176,000元 | — | 100% | Wind power plant investment and operation 風電廠投資及運行 |
| Fuchuan Century Concord Wind Power Co., Ltd 富川協合風力發電有限公司 | The PRC, limited company 中國，有限公司 | Registered capital of RMB140,500,000 註冊資本人民幣140,500,000元 | — | 100% | Wind power plant investment and operation 風電廠投資及運行 |
| Yongzhou Jiepai Century Concord Wind Power Co., Ltd. 永州界牌協合風力發電有限公司 | The PRC, limited company 中國，有限公司 | Registered capital of RMB1,484,377,000 註冊資本人民幣1,484,377,000元 | — | 100% | Wind power plant investment and operation 風電廠投資及運行 |
| Huize Century Concord Wind Power Co., Ltd. 會澤協合風力發電有限公司 | The PRC, limited company 中國，有限公司 | Registered capital of RMB87,150,000 註冊資本人民幣87,150,000元 | — | 100% | Wind power plant investment and operation 風電廠投資及運行 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

49. SUBSIDIARIES (Continued)

As at 31 December 2017 and 2016, particulars of the principal subsidiaries are as follows: (Continued)

49. 附屬公司(續)

於2017年及2016年12月31日，主要附屬公司之詳細資訊如下：(續)

| Name 名稱 | Place of incorporation/ registration and operations and kind of legal entity 註冊成立/註冊及 營業地點及 法律實體種類 | Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本之面值 | Percentage of equity attributable to the Company | | Principal activities 主要業務 |
|---|--|---|--|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| Lingbao Century Concord Wind Power Co., Ltd. | The PRC, limited company | Registered capital of RMB75,000,000 | — | 100% | Wind power plant investment and operation |
| 靈寶協合風力發電有限公司 | 中國，有限公司 | 註冊資本人民幣75,000,000元 | | | 風電廠投資及運行 |
| Yongzhou Qiaotoupu Century Concord Wind Power Co., Ltd. | The PRC, limited company | Registered capital of RMB133,920,000 | — | 100% | Wind power plant investment and operation |
| 永州橋頭鋪協合風力發電有限公司 | 中國，有限公司 | 註冊資本人民幣133,920,000元 | | | 風電廠投資及運行 |
| Wuhe Century Concord Yinmahu Wind Power Co., Ltd. | The PRC, limited company | Registered capital of RMB136,540,000 | — | 100% | Wind power plant investment and operation |
| 五河協合欽馬湖風力發電有限公司 | 中國，有限公司 | 註冊資本人民幣136,540,000元 | | | 風電廠投資及運行 |
| Suzhou Deren Wind Power Co., Ltd. | The PRC, limited company | Registered capital of RMB93,220,000 | — | 100% | Wind power plant investment and operation |
| 宿州德仁風力發電有限公司 | 中國，有限公司 | 註冊資本人民幣93,220,000元 | | | 風電廠投資及運行 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

49. SUBSIDIARIES (Continued)

As at 31 December 2017 and 2016, particulars of the principal subsidiaries are as follows: (Continued)

49. 附屬公司(續)

於2017年及2016年12月31日，主要附屬公司之詳細資訊如下：(續)

| Name 名稱 | Place of incorporation/ registration and operations and kind of legal entity 註冊成立/註冊及營業地點及法律實體種類 | Nominal value of issued ordinary/ registered share capital 已發行普通股/註冊股本之面值 | Percentage of equity attributable to the Company | | Principal activities 主要業務 |
|--|--|---|--|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| Nanzhao Century Concord Wind Power Co., Ltd. | The PRC, limited company | Registered capital of RMB197,000,000 | — | 100% | Wind power plant investment and operation 風電廠投資及運行 |
| 南召協合風力發電有限公司 | 中國，有限公司 | 註冊資本人民幣197,000,000元 | | | |
| Huize Taihe Wind Power Co., Ltd. | The PRC, limited company | Registered capital of RMB87,870,000 | — | 100% | Wind power plant investment and operation 風電廠投資及運行 |
| 會澤泰合風力發電有限公司 | 中國，有限公司 | 註冊資本人民幣87,870,000元 | | | |
| Tianjin Green Energy International Leasing Co., Ltd. | The PRC, wholly-owned foreign enterprise | Registered capital of RMB300,000,000 | — | 100% | Equipment lease operation 設備租賃 |
| 天津國銀新源國際租賃有限公司 | 中國，外商獨資 | 註冊資本人民幣300,000,000元 | | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

49. SUBSIDIARIES (Continued)

The table above lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. As at 31 December 2017, there was no non-wholly owned subsidiaries of the Group that have material non-controlling interests.

50. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 16 January 2018, the Company issued 7.9% senior notes due 2021 in the aggregate principal amount of US\$200,000,000 (the “Notes”). The estimated net proceeds of the issue of the Notes, after deduction of the underwriting discounts and commissions and other expenses, amounted to approximately US\$196,400,000 and the Company intends to use the net proceeds of the issue of the Notes to repay existing debts and for general corporate purposes in compliance with applicable laws and regulations.

The Notes bear interest at a rate of 7.9% per annum, payable semi-annually in arrears on 23 January and 23 July of each year, commencing on 23 July 2018. The Notes will mature on 23 January 2021 unless earlier redeemed in accordance with the terms thereof.

The Notes are listed on the Hong Kong Stock Exchange on 24 January 2018.

Please refer to the Company’s announcements dated 17 January 2018 and 23 January 2018 for further details of the issue of the Notes.

49. 附屬公司(續)

以上表格羅列了董事認為對本年業務有重要影響或構成本集團資產淨值重要部份之附屬公司。截止2017年12月31日，本集團非全資附屬公司之非控制性權益無重大影響。

50. 結算日後事項

於2018年1月16日，本公司發行總額為200,000,000美元，利率為7.9%且於2021年到期之優先票據(「票據」)。扣減承銷折扣、傭金及其他費用後，票據發行所得款項淨額約為196,400,000美元。本公司計劃使用該票據發行所得償還現有債務及法律法規規定下之一般公司用途。

該票據年利率為7.9%，自2018年7月23日起每年1月23日及7月23日支付利息。票據將於2021年1月23日到期，除非條款約定符合相關條件之提前贖回。

該票據於2018年1月24日正式於香港聯交所上市交易。

具體詳情請參考2018年1月17日及2018年1月23日本公司關於票據發行之公告。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS

業績

| | | For the year ended 31 December 2017 截至 2017年 12月31日 止年度 RMB'000 人民幣千元 | For the year ended 31 December 2016 截至 2016年 12月31日 止年度 RMB'000 人民幣千元 | For the year ended 31 December 2015 截至 2015年 12月31日 止年度 RMB'000 人民幣千元 | For the year ended 31 December 2014 截至 2014年 12月31日 止年度 RMB'000 人民幣千元 | For the year ended 31 December 2013 截至 2013年 12月31日 止年度 RMB'000 人民幣千元 |
|---|------------|--|---|---|---|---|
| Revenue and other income | 收入及其他收入 | 1,079,560 | 1,834,355 | 3,509,721 | 2,832,669 | 1,539,158 |
| Profit for the year attributable to owners of the Company | 本公司擁有人應佔溢利 | 200,036 | 457,815 | 408,090 | 241,463 | 95,313 |

ASSETS, LIABILITIES AND EQUITY

資產、負債及權益

| | | As at 31 December 2017 於2017年 12月31日 RMB'000 人民幣千元 | As at 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元 | As at 31 December 2015 於2015年 12月31日 RMB'000 人民幣千元 | As at 31 December 2014 於2014年 12月31日 RMB'000 人民幣千元 | As at 31 December 2013 於2013年 12月31日 RMB'000 人民幣千元 |
|--|------------|---|---|---|---|---|
| Total assets | 資產總額 | 14,807,138 | 14,339,349 | 12,081,060 | 8,511,979 | 7,745,308 |
| Total liabilities | 負債總額 | (9,551,992) | (9,113,599) | (7,259,155) | (3,971,542) | (3,818,965) |
| Net assets | 資產淨值 | 5,255,146 | 5,225,750 | 4,821,905 | 4,540,437 | 3,926,343 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 5,157,796 | 5,070,277 | 4,721,109 | 4,460,488 | 3,908,704 |

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