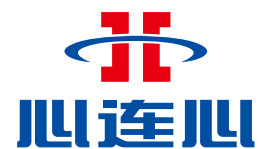


High-Efficiency Fertilisers in China

中國高效肥

INTERIM REPORT 2018 中期報告



China XLX Fertiliser Ltd.
中國心連心化肥有限公司*

(Incorporated in Singapore with limited liability)

(於新加坡註冊成立之有限公司)

Stock Code 股份代號：1866

* For identification purpose only 僅供識別

CHINA XLX CULTURE 中國心連心文化

We attribute our achievements and breakthroughs to our dedicated team at China XLX. The team is committed to uphold the vision with integrity, discipline and strong commitment.

我們所有的成績與突破，都歸功於誠信為本、紀律嚴明、專注投入、放眼未來和充滿快樂的中國心連心團隊。



CHINA XLX DEVELOPMENT STRATEGY:

“Adhere to Produce Good Fertiliser”. Explore and appropriate develop new energy and new chemical materials. Adhere to the competitive strategy of “combination of low cost and differentiation” with the focus on fertiliser industry. Based on the fundamental conditions of “Henan, Xinjiang, Jiujiang” bases, become market-oriented, follow the development path with high standard, parks and bases with special features.

中國心連心發展戰略：

「堅持化肥、做好化肥」。探索並適度發展新能源及新材料化工品。堅持「低成本和差異化相結合」的競爭策略做好化肥主業。根據「河南、新疆、九江」基地基礎條件，以市場為導向，走高標準、園區化、基地特色化發展道路。

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Corporate Information

公司資料

BOARD

EXECUTIVE DIRECTORS

LIU Xingxu (*Chairman of the Board*)
ZHANG Qingjin (*Chief Executive Officer*)
YAN Yunhua (*Chief Financial Officer*)

NON-EXECUTIVE DIRECTOR

ZHENG Jiaqi

INDEPENDENT NON-EXECUTIVE DIRECTORS

ONG Kian Guan
LI Shengxiao
ONG Wei Jin
LI Hongxing

BOARD COMMITTEES

AUDIT COMMITTEE

ONG Kian Guan (*Chairman*)
LI Shengxiao
ONG Wei Jin
LI Hongxing

REMUNERATION COMMITTEE

ONG Wei Jin (*Chairman*)
ONG Kian Guan
LI Shengxiao
LI Hongxing

NOMINATION COMMITTEE

LI Shengxiao (*Chairman*)
LIU Xingxu
ONG Kian Guan
ONG Wei Jin
LI Hongxing

AUTHORISED REPRESENTATIVES UNDER LISTING RULES

YAN Yunhua
SO Yee Kwan

董事會

執行董事

劉興旭 (*董事會主席*)
張慶金 (*首席執行官*)
閻蘊華 (*首席財務官*)

非執行董事

鄭嘉齊

獨立非執行董事

王建源
李生校
王為仁
李紅星

董事會委員會

審核委員會

王建源 (*主席*)
李生校
王為仁
李紅星

薪酬委員會

王為仁 (*主席*)
王建源
李生校
李紅星

提名委員會

李生校 (*主席*)
劉興旭
王建源
王為仁
李紅星

上市規則下的授權代表

閻蘊華
蘇漪筠

JOINT COMPANY SECRETARIES

SO Yee Kwan
CHEOK Hui Yee

AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore, 048583
Partner-in-charge: LEE Lai Hiang

LEGAL ADVISORS

Reed Smith Richards Butler (Hong Kong)
Hiways Law Firm (China)
Shook Lin & Bok LLP (Singapore)

PRINCIPAL BANKERS

China Construction Bank
Bank of China
Industrial & Commercial Bank of China
Bank of Communications
China CITIC Bank
HSBC

REGISTERED OFFICE

80 Robinson Road
#02-00, Singapore 068898

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN PRC

Xinxiang Economic Development Zone
Henan Province
PRC 453731

STOCK CODE

Hong Kong Stock Code: 1866

CORPORATE WEBSITE

<http://www.chinaxlx.com.hk>

聯席公司秘書

蘇漪筠
石慧儀

核數師

安永會計師事務所
One Raffles Quay
North Tower, Level 18
Singapore, 048583
項目合夥人：李來香

法律顧問

禮德齊伯禮律師行(香港)
海華永泰律師事務所(中國)
旭齡及穆律師事務所(新加坡)

主要往來銀行

中國建設銀行
中國銀行
工商銀行
交通銀行
中信銀行
滙豐銀行

註冊辦事處

80 Robinson Road
#02-00, Singapore 068898

總辦事處暨中國主要營業地點

中國河南省
新鄉經濟開發區
郵編：453731

股份代號

香港股份代號：1866

公司網址

<http://www.chinaxlx.com.hk>

Management Discussion and Analysis

管理層討論與分析

The board of directors (the “**Board**”) of China XLX Fertiliser Ltd. (the “**Company**”) and, together with its subsidiaries, the “**Group**”) is pleased to present this interim report for the six months ended 30 June 2018.

(I) BUSINESS REVIEW

REVENUE

Revenue for the half year ended 30 June 2018 (“**1H2018**”) increased by approximately RMB1,025 million or 29% from approximately RMB3,574 million for the half year ended 30 June 2017 (“**1H2017**”) to approximately RMB4,599 million for 1H2018. The increase was mainly due to the increase in revenue derived from the sales of urea, compound fertiliser, melamine, dimethyl ether and furfuryl alcohol. The increase in revenue was partially offset by the decrease in revenue derived from sales of methanol and liquid ammonia.

UREA

Revenue derived from the sales of urea increased by approximately RMB445 million or 32% from approximately RMB1,392 million for 1H2017 to approximately RMB1,837 million for 1H2018 mainly due to the increase in average selling price by approximately 32%. The increase in average selling prices was mainly due to the continuous increase in the percentage of sales of high-efficiency fertilisers; and the accelerated close down of those small scale and highly pollutive manufacturers, which have high production costs as a result of the continuous industry consolidation and environmental protection measures in PRC.

COMPOUND FERTILISER

Revenue derived from the sales of compound fertiliser increased by approximately RMB311 million or 27% from approximately RMB1,143 million for 1H2017 to RMB1,454 million for 1H2018. Such increase primarily resulted from the increase in sales volume by approximately 14% in 1H2018 due to the expansion of the Group’s sales network and the increase in average selling prices by approximately 11%.

中國心連心化肥有限公司(「**本公司**」，連同其附屬公司統稱「**本集團**」)董事會(「**董事會**」)欣然呈列截至二零一八年六月三十日止六個月的本中期報告。

(I) 業務回顧

收入

截至二零一八年六月三十日止半年度(「**二零一八年上半年**」)的收入由截至二零一七年六月三十日止半年度(「**二零一七年上半年**」)的約人民幣3,574,000,000元增加約人民幣1,025,000,000元或29%至二零一八年上半年的約人民幣4,599,000,000元。此項增加乃主要由於銷售尿素、複合肥、三聚氰胺、二甲醚及糠醇產生的收入增加所致。收入增加部分被銷售甲醇及液態氨所產生的收入減少所抵銷。

尿素

銷售尿素產生的收入由二零一七年上半年的約人民幣1,392,000,000元增加約人民幣445,000,000元或32%至二零一八年上半年的約人民幣1,837,000,000元，主要是由於平均售價上漲約32%。平均售價上漲主要是由於高效肥的銷售額佔比持續上升，以及行業持續整合及中國持續實施環保措施，令生產成本較高的小規模高污染製造企業加速關閉。

複合肥

銷售複合肥產生的收入由二零一七年上半年的約人民幣1,143,000,000元增加約人民幣311,000,000元或27%至二零一八年上半年的人民幣1,454,000,000元。該增長主要是由於二零一八年上半年銷量因本集團銷售網絡擴張而增加約14%及平均售價上升約11%。

METHANOL

Revenue derived from the sales of methanol decreased by approximately RMB116 million or 31% from approximately RMB376 million for 1H2017 to approximately RMB260 million for 1H2018 mainly due to the decrease in sales volume by approximately 41%. The decrease in sales volume of methanol was due to the internal consumption by the Group for the production of DME as feedstock. With the DME production line commenced production in September 2017, the Group can adjust products mix between methanol and DME based on product profitability.

MELAMINE

Revenue derived from the sales of melamine increased by approximately RMB52 million or 28% from approximately RMB185 million for 1H2017 to approximately RMB237 for 1H2018 mainly due to the increase in average selling prices by approximately 21%. The increase in average selling prices was partially offset by the increase in major raw material prices such as urea.

FURFURYL ALCOHOL

Revenue derived from the sales of furfuryl alcohol increased by approximately RMB107 million or 64% from approximately RMB166 million for 1H2017 to approximately RMB273 million for 1H2018. The increase was mainly due to the increase in average selling prices of furfuryl alcohol by approximately 35% and the increase in sales volume by approximately 22%. The increase in average selling prices was mainly due to close down of those small scale and highly pollutive manufacturers as a result of the increased domestic environmental protection measures.

DIMETHYL ETHER (DME)

Revenue derived from the sales of DME was approximately RMB393 million with sales volume of approximately 109,000 tons in 1H2018. In September 2017, the Group's DME project in Henan production base, with annual production capacity of 200,000 tons, successfully commenced operation and improved the Group's ability to adjust the products mix according to methanol's and DME's products profitability.

甲醇

銷售甲醇產生的收入由二零一七年上半年約人民幣376,000,000元減少約人民幣116,000,000元或31%至二零一八年上半年的約人民幣260,000,000元，主要是由於銷量減少約41%。甲醇銷量減少主要是由於本集團生產DME內部消耗甲醇(作為原料)所致。隨著DME生產線於二零一七年九月投產，本集團可根據產品贏利能力調整甲醇與DME之間的产品組合。

三聚氰胺

銷售三聚氰胺產生的收入由二零一七年上半年約人民幣185,000,000元增加約人民幣52,000,000元或28%至二零一八年上半年的約人民幣237,000,000元，主要是由於平均售價上漲約21%。平均售價上漲部分被尿素等主要原材料的價格上漲所抵銷。

糠醇

銷售糠醇產生的收入由二零一七年上半年約人民幣166,000,000元增加約人民幣107,000,000元或64%至二零一八年上半年的約人民幣273,000,000元。增加主要是由於糠醇的平均售價上漲約35%及銷量增加約22%所致。平均售價上漲主要是由於國內實施更嚴格的環保措施，關閉小規模高污染製造企業。

二甲醚 (DME)

二零一八年上半年，銷售DME產生的收入約人民幣393,000,000元，銷量約109,000噸。於二零一七年九月，本集團年產能200,000噸的河南生產基地DME項目成功投產，提高了本集團根據甲醇及DME產品的贏利能力調整產品組合的能力。

Management Discussion and Analysis

管理層討論與分析

GROSS PROFIT MARGIN

Overall gross profit margin increased from approximately 19% in 1H2017 to approximately 23% in 1H2018 mainly due to the increase in the gross profit margins for urea and melamine, and the improvement of products mix in a more flexible manner after the commencement of production of DME products.

UREA

Gross profit margin of urea increased from approximately 18% in 1H2017 to approximately 30% in 1H2018 due to the increase in average selling prices by approximately 32% resulted from the continuous increase in percentage of the Group's sales of high-efficiency fertilisers; and the accelerated close down of those small scale and highly pollutive manufacturers which have high production costs as a result of the continuous industry consolidation and environmental protection measures in PRC. The increase was partially offset by the increase in average cost of sales by approximately 11% due to higher coal prices.

COMPOUND FERTILISER

Gross profit margin of compound fertiliser decreased from approximately 15% in 1H2017 to approximately 13% in 1H2018. This was mainly due to the increase in average cost of sales by approximately 15% resulted from higher raw material prices. Increase in average cost of sales was partially offset by the increase in average selling price by approximately 11%.

METHANOL

Gross profit margin of methanol decreased from approximately 21% in 1H2017 to approximately 14% in 1H2018. This was mainly due to the increase in average cost of sales by approximately 28% due to higher coal prices in 1H2018. The increase in average cost of sales was partially offset by the increase in average selling price by approximately 18%.

MELAMINE

Gross profit margin of melamine increased from approximately 51% in 1H2017 to approximately 55% in 1H2018. The increase was mainly due to the increase in average selling prices by approximately 21%. The increase in average selling prices was partially offset by the increase in average cost of sales by approximately 12% due to higher coal prices.

毛利率

整體毛利率由二零一七年上半年的約19%上升至二零一八年上半年的約23%，主要是由於尿素及三聚氰胺的毛利率上升，以及DME產品投產後以更靈活的方式改善產品組合。

尿素

尿素的毛利率由二零一七年上半年約18%上升至二零一八年上半年約30%，乃由於本集團高效肥的銷售額佔比持續上升，以及行業持續整合及中國持續實施環保措施，令生產成本較高的小規模高污染製造企業加速關閉，從而令平均售價上升約32%。上升部分被平均銷售成本因煤價上漲而增加約11%所抵銷。

複合肥

複合肥的毛利率由二零一七年上半年的約15%下降至二零一八年上半年的約13%。這主要是由於原材料價格上漲令平均銷售成本增加約15%所致。平均銷售成本增加部分被平均售價上升約11%所抵銷。

甲醇

甲醇的毛利率由二零一七年上半年的約21%下降至二零一八年上半年的約14%。這主要是由於二零一八年上半年煤價較高，令平均銷售成本增加約28%。平均銷售成本增加部分被平均售價上升約18%所抵銷。

三聚氰胺

三聚氰胺的毛利率由二零一七年上半年的約51%上升至二零一八年上半年的約55%。上升主要是由於平均售價上漲約21%。平均售價上升部分被平均銷售成本因煤價上漲而增加約12%所抵銷。

FURFURYL ALCOHOL

Gross profit margin of furfuryl alcohol remain stable at approximately 10% in 1H2017 and 1H2018.

DIMETHYL ETHER (DME)

The gross profit margin for DME was approximately 25% in 1H2018 which was higher than the Group's methanol products. In 1H2018, the Group adjusted the products mix and maximised the capacity utilization rate of DME facilities based on the profitability between DME and methanol products.

OTHER (EXPENSES)/INCOME, NET

Other (expenses)/income, net decreased by approximately RMB83 million from net income of approximately RMB22 million in 1H2017 to net expenses of approximately RMB61 million in 1H2018. This was mainly due to the increase in impairment loss on assets, exchange losses and loss on disposal of items of property, plant and equipment by approximately RMB77 million, RMB7 million and RMB1 million respectively. The impairment loss on assets was mainly because the Group will shut down its first production line and establish a new advanced coal gasification production line in its industrial park. The decrease in other income, net was partially offset by the increase in net profit from sales of by-products and subsidy income by approximately RMB3 million and RMB1 million respectively.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses increased by approximately RMB31 million or 19% from approximately RMB160 million in 1H2017 to approximately RMB191 million in 1H2018. This was mainly due to the increase in salary, transportation costs and consumables by approximately RMB21 million, RMB10 million and RMB4 million respectively. The increase was partially offset by the decrease in advertisement expense by approximately RMB10 million.

糠醇

二零一八年上半年糠醇的毛利率與二零一七年上半年相比維持穩定在約10%。

二甲醚 (DME)

二零一八年上半年DME的毛利率約25%，高於本集團甲醇產品。二零一八年上半年，本集團根據DME與甲醇產品的盈利能力調整產品組合，並已最大化DME設施的產能利用率。

其他(費用)／收入，淨額

其他(費用)／收入，淨額由二零一七年上半年的收入淨額約人民幣22,000,000元減少約人民幣83,000,000元至二零一八年上半年的約人民幣61,000,000元費用淨額。這主要是由於資產減值損失，匯兌虧損及出售物業、廠房及設備項目的虧損分別增加約人民幣77,000,000元，人民幣7,000,000元及人民幣1,000,000元。資產減值損失主要是因為本集團將關閉第一條生產線，同時在本集團的工園區籌建一條新的先進煤氣化生產線。其他收入，淨額減少部分被銷售副產品的純利及補助收入分別增加約人民幣3,000,000元及人民幣1,000,000元所抵銷。

銷售及分銷開支

銷售及分銷開支由二零一七年上半年的約人民幣160,000,000元增加約人民幣31,000,000元或19%至二零一八年上半年的約人民幣191,000,000元。這主要是由於薪金、運輸成本及消耗品分別增加約人民幣21,000,000元、人民幣10,000,000元及人民幣4,000,000元所致。增加部分被廣告開支減少約人民幣10,000,000元所抵銷。

Management Discussion and Analysis

管理層討論與分析

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses increased by approximately RMB44 million or 25% from approximately RMB179 million in 1H2017 to RMB223 million in 1H2018. The increase was mainly due to the increase in staff costs, directors' performance bonus, research and development costs, environmental taxes, office expenses and professional costs by approximately RMB12 million, RMB5 million, RMB7 million, RMB6 million, RMB7 million and RMB3 million respectively.

FINANCE COSTS

Finance costs increased by approximately RMB19 million or 13% from approximately RMB142 million in 1H2017 to approximately RMB161 million in 1H2018, which was mainly due to the increase in amount of the Group's interest bearing borrowings and average interest rate of the Group's interest bearing borrowings.

INCOME TAX EXPENSE

Income tax expense increased by approximately RMB27 million or 77% from approximately RMB35 million in 1H2017 to RMB62 million in 1H2018 due to higher profits.

PROFIT FOR THE PERIOD

The profit for the period increased by approximately RMB174 million or 94% from approximately RMB187 million in 1H2017 to approximately RMB361 million in 1H2018. This was mainly due to the increase in gross profit of approximately RMB377 million. The increase in profit for the period was partially offset by the increase in selling and distribution expenses, general and administration expenses and income tax expenses by approximately RMB31 million, RMB44 million and RMB27 million respectively.

一般及行政開支

一般及行政開支由二零一七年上半年的約人民幣179,000,000元增加約人民幣44,000,000元或25%至二零一八年上半年的約人民幣223,000,000元。增加主要是由於員工成本、董事表現花紅、研發成本、環境稅、辦公開支及專業成本分別增加約人民幣12,000,000元、人民幣5,000,000元、人民幣7,000,000元、人民幣6,000,000元、人民幣7,000,000元及人民幣3,000,000元所致。

財務成本

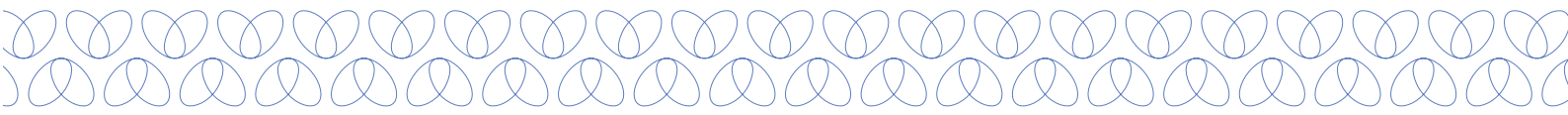
財務成本由二零一七年上半年的約人民幣142,000,000元增加約人民幣19,000,000元或13%至二零一八年上半年的約人民幣161,000,000元，主要是由於本集團的計息借款金額及本集團計息借款的平均利率略有增加。

所得稅開支

所得稅開支由二零一七年上半年的約人民幣35,000,000元增加約人民幣27,000,000元或77%至二零一八年上半年的約人民幣62,000,000元，乃由於溢利增加所致。

期內溢利

期內溢利由二零一七年上半年的約人民幣187,000,000元增加約人民幣174,000,000元或94%至二零一八年上半年的約人民幣361,000,000元。這主要是由於毛利增加約人民幣377,000,000元所致。期內溢利增加部分被銷售及分銷開支、一般及行政開支與所得稅開支分別增加約人民幣31,000,000元、人民幣44,000,000元及人民幣27,000,000元所抵銷。



POST BALANCE SHEET DATE TRANSACTION

On 31 July 2018, the Company and its wholly-owned subsidiary, Henan Xinlianxin Fertiliser Co., Ltd. (河南心連心化肥有限公司) ("Henan XLX"), entered into the Investment Agreements with each of (a) Haitong Innovation Securities Investment Co., Ltd. (海通創新證券投資有限公司) ("Haitong Innovation Securities") and (b) Ningbo Yuannian Alloy Investment Partnership (Limited Partnership) (寧波元年合金投資合伙企業(有限合夥)) ("Ningbo Yuannian"), pursuant to which each of Haitong Innovation Securities and Ningbo Yuannian agreed to inject RMB300,000,000 into Henan XLX towards the registered capital and capital reserve of Henan XLX. Immediately after completion of the Investment Agreements, the registered capital of Henan XLX will be owned as to approximately 87.86% by the Company and approximately 6.07% by each of Haitong Innovation Securities and Ningbo Yuannian.

The investment amounts payable by Haitong Innovation Securities and Ningbo Yuannian under the respective Investment Agreement were arrived at after arm's length negotiations between parties to the Investment Agreements and primarily took into account a valuation of Henan XLX at an agreed price to earnings multiple of about 11 times by reference to the net profit (after tax) of Henan XLX in 2017 of approximately RMB 434,209,000.

資產負債表日後交易

於二零一八年七月三十一日，本公司及其全資附屬公司河南心連心化肥有限公司(「河南心連心」)與(a)海通創新證券投資有限公司(「海通創新證券」)及(b)寧波元年合金投資合伙企業(有限合夥)(「寧波元年」)訂立投資協議，據此，海通創新證券及寧波元年各自同意向河南心連心注入人民幣300,000,000元，用於河南心連心的註冊資本及資本儲備。緊隨投資協議完成後，河南心連心的註冊資本將由本公司擁有約87.86%以及由海通創新證券及寧波元年各自擁有約6.07%。

海通創新證券及寧波元年根據各自的投資協議應付的投資款項，乃由投資協議各方按公平原則磋商後釐定，主要考慮河南心連心的估值(協定市盈率約11倍)，並參考河南心連心於二零一七年的(稅後)淨利潤約人民幣434,209,000元。

Management Discussion and Analysis

管理層討論與分析

(II) FINANCIAL REVIEW

GEARING

The Group monitors capital using a gearing ratio, which is net debt divided by the sum of total capital plus net debt. The Group's policy is to keep the gearing ratio below 90%.

		30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Due to related companies	應付關連公司款項	163	45
Trade and bills payables	貿易應付款項及應付票據	739,639	670,616
Accruals and other payables	應計費用及其他應付款項	1,094,156	1,630,306
Interest-bearing bank and other borrowings	計息銀行及其他借款	4,946,529	4,611,127
Loan from a non-controlling interest	非控股權益貸款	75,250	75,250
Long term and short term bond payable	應付長期及短期融資債券	1,000,000	1,100,000
Less: Cash and cash equivalents	減：現金及現金等價物	(304,991)	(341,270)
Less: Pledged time deposits	減：已抵押定期存款	(304,311)	(181,077)
Net debt	負債淨額	7,246,435	7,564,997
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,618,442	3,366,675
Less: Statutory reserve fund	減：法定儲備金	(327,793)	(327,793)
Total capital	總資本	3,290,649	3,038,882
Capital and net debt	資本和負債淨額	10,537,084	10,603,879
Gearing ratio	資產負債比率	68.77%	71.34%

Net debt includes interest-bearing bank and other borrowings, trade and bills payables, amounts due to related companies, accruals and other payables, long-term bond payable, short-term bond payable and loan from a non-controlling interest, less cash and cash equivalents and pledged deposits. Capital includes equity attributable to owners of the Company less the restricted statutory reserve fund.

(II) 財務狀況回顧

資產負債比率

本集團使用資產負債比率（負債淨額除以總資本加負債淨額的總和）監控資本。本集團的政策是將資產負債比率維持在90%以下。

負債淨額包括計息銀行及其他借款、貿易應付款項及應付票據、應付關連公司款項、應計費用及其他應付款項、應付長期融資債券、應付短期融資債券及非控股權益貸款，減現金及現金等價物以及已抵押存款。資本包括本公司擁有人應佔權益減受限制法定儲備金。

LOANS

AMOUNT PAYABLE IN ONE YEAR OR LESS, OR ON DEMAND

		As at 30/6/2018 於二零一八年六月三十日		As at 31/12/2017 於二零一七年十二月三十一日	
		Secured 有抵押 RMB'000 人民幣千元 (Unaudited) (未經審核)	Unsecured 無抵押 RMB'000 人民幣千元 (Unaudited) (未經審核)	Secured 有抵押 RMB'000 人民幣千元 (Audited) (經審核)	Unsecured 無抵押 RMB'000 人民幣千元 (Audited) (經審核)
Bank loans	銀行貸款	175,000	2,324,986	-	1,646,112
Short-term bond payable	應付短期融資債券	-	300,000	-	600,000
		175,000	2,624,986	-	2,246,112

貸款

於一年內應付或按要求償還的款項

AMOUNT PAYABLE AFTER ONE YEAR

		As at 30/6/2018 於二零一八年六月三十日		As at 31/12/2017 於二零一七年十二月三十一日	
		Secured 有抵押 RMB'000 人民幣千元 (Unaudited) (未經審核)	Unsecured 無抵押 RMB'000 人民幣千元 (Unaudited) (未經審核)	Secured 有抵押 RMB'000 人民幣千元 (Audited) (經審核)	Unsecured 無抵押 RMB'000 人民幣千元 (Audited) (經審核)
Bank loans	銀行貸款	-	2,519,066	176,000	2,786,288
Long-term bond payable	應付長期融資債券	-	700,000	-	500,000
Loan from the government	政府貸款	-	2,727	-	2,727
		-	3,221,793	176,000	3,289,015

於一年後應付的款項

DETAILS OF GUARANTEE

As at 30 June 2018, the Group has bank loans of RMB175,000,000 which are secured by certain of the Group's property, plant and equipment.

擔保詳情

於二零一八年六月三十日，本集團的銀行貸款人民幣175,000,000元以本集團的物業、廠房及設備項目抵押。

Management Discussion and Analysis

管理層討論與分析

(III) PROSPECTS

After two years' adjustment to production capacity structure, the overcapacity issue in the urea industry has been eased. Under the background of fertiliser supply side reform, the unprecedented environmental protection efforts in the PRC, the capacity utilisation rate in the urea industry in general is expected to remain steady at a low level. It is expected that more obsolete production capacity will be squeezed out of the market and the concentration degree in the urea industry will further increase.

The Group will continue to strengthen product research and development and increase the percentage of sales of high-efficiency fertilisers, so as to further improve the profitability and market competitiveness of fertiliser products of the Group and the profitability of its chemical products. The expansion of the Group's melamine project and DME project has been completed. Nowadays, the Group has a total annual production capacity of 120,000 tonnes of melamine and 400,000 tonnes of DME, which has further improved the Group's ability to adjust product mix in a flexible manner and strengthened its profitability and ability to withstand risks. In addition, the coal mine at the Xinjiang Base with a designed annual production capacity of 900,000 tonnes has commenced trial production, which signalled that the Group has expanded into the upper stream of the production line and this is expected to mitigate the impacts of the fluctuation in the prices of coal as a major raw material on the Group's production costs.

Furthermore, in order to increase the utilisation of advanced coal gasification technology, the Group plans to establish a new advanced coal gasification production line in its chemical park and shut down its first urea production line by the end of 2018. The first production line has a designed annual production capacity of 300,000 tonnes, representing approximately 11.5% of total urea production capacity of the Group.

(III) 前景

目前尿素行業經過連續兩年的產能結構調整，過剩情況有所緩解。在國家肥料供給側改革和環保治理力度空前等大背景下，預計整體尿素行業開工率低位穩定運行，未來會有更多的落後產能被淘汰，尿素行業的產業集中度會進一步提升。

本集團將繼續加強產品研發，提高高效肥銷售佔比，進一步提升本集團化肥產品的盈利能力和市場競爭力，同時本集團化工產品的盈利能力進一步提升，目前本集團三聚氰胺項目及二甲醚項目已完成擴產改造，改造後本集團三聚氰胺總產能達到12萬噸，二甲醚總產能達到40萬噸，進一步提升本集團生產線對產品的柔性調節能力，提升本集團的盈利能力和抗風險能力。另外，新疆基地年設計產能90萬噸的煤礦已經開始試生產，標誌著本集團實現了向上游延伸，並減弱主要原材料煤炭價格波動對本集團生產成本的影響。

同時，為提升先進煤氣化佔比，本集團將在二零一八年底前在本集團的化工園區籌建一條新的先進煤氣化生產線，同時關閉第一條尿素生產線，第一條尿素生產線年設計產能30萬噸，佔本集團尿素總產能約11.5%。

(IV) DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2018, the interests of the directors and chief executives of the Company in shares/underlying shares of the Company, as recorded in the register required to be kept by the Company pursuant to Section 164 of the Companies Act (Chapter 50) of Singapore (the "Companies Act") and Section 352 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "SEHK") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules"), were as follows:

LONG POSITIONS

Name of directors 董事姓名	Number of issued ordinary shares interested 持有權益的已發行普通股數目		Number of underlying shares upon conversion of the convertible bonds 轉換可換股債券時的相關股份數目	Total interests 總權益	Approximate percentage [#] of the Company's issued share capital 約佔本公司已發行股本百分比 [#]
	Personal interests 個人權益	Corporate interests 公司權益	Corporate interests 公司權益		
Mr. Liu Xingxu 劉興旭先生	600,000	360,207,999 (Note 附註 (a))	52,800,000 (Note 附註 (b))	413,607,999	41.11%
Ms. Yan Yunhua 閻蘊華女士	300,000	276,465,000 (Note 附註 (c))	–	276,765,000	27.51%
Mr. Ong Kian Guan 王建源先生	100,000	–	–	100,000	0.01%

[#] The percentage represents the number of issued ordinary shares/underlying shares interested divided by the number of the Company's issued shares as at 30 June 2018.

(IV) 董事及主要行政人員於股份及相關股份的權益

於二零一八年六月三十日，本公司董事及主要行政人員於本公司的股份／相關股份中擁有記載於按新加坡法例第50章公司法（「公司法」）第164條及香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條由本公司存置的登記冊內的權益，或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益如下：

好倉

[#] 該百分比指持有權益的已發行普通股／相關股份數目除以本公司於二零一八年六月三十日的已發行股份數目。

Management Discussion and Analysis

管理層討論與分析

Notes:

- (a) These shares were held by Pioneer Top Holdings Limited (“**Pioneer Top**”), an investment holding company established in the British Virgin Islands (the “**BVI**”). Mr. Liu Xingxu beneficially owned 42% of the equity interest in Pioneer Top and held the remaining 58% of the equity interest in Pioneer Top in trust for 7 beneficiaries (including Mr. Zhang Qingjin) under a trust agreement dated 26 July 2016. Pursuant to the trust agreement, Mr. Liu Xingxu is irrevocably granted the absolute discretion to exercise the voting rights and the rights to the day-to-day management of Pioneer Top.
- (b) These represents the convertible bonds issued by the Company in 2011, as at 30 June 2018, approximately RMB97.3 million principal amount of which were held by Pioneer Top and are convertible into 52,800,000 shares in the Company.
- (c) These shares were held by Go Power Investments Limited (“**Go Power**”) an investment holding company established in the BVI. Ms. Yan Yunhua beneficially owned 12.74% of the equity interest in Go Power and held the remaining 87.26% of the equity interest in Go Power in trust for a total of 1,463 beneficiaries under a trust agreement dated 26 July 2016. Pursuant to the trust agreement, Ms. Yan Yunhua is irrevocably granted the absolute discretion to exercise the voting rights and the rights to the day-to-day management of Go Power.

Save as disclosed above, as at 30 June 2018, none of the directors and chief executives of the Company nor their associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which has been recorded in the register maintained by the Company pursuant to Section 164 of the Companies Act and Section 352 of the SFO, or which has been notified to the Company and the SEHK pursuant to the Model Code.

附註：

- (a) 該等股份由 Pioneer Top Holdings Limited (「**Pioneer Top**」) (一間於英屬處女群島(「**英屬處女群島**」)成立之投資控股公司)持有。劉興旭先生實益擁有 Pioneer Top 42% 股權，並根據日期為二零一六年七月二十六日的信託協議為 7 名受益人(包括張慶金先生)信託持有 Pioneer Top 餘下 58% 股權。根據該信託協議，劉興旭先生獲不可撤回地授予權利，全權酌情行使 Pioneer Top 的投票權及其日常管理權。
- (b) 指本公司於二零一一年發行的可換股債券，於二零一八年六月三十日，其中本金額約人民幣 97,300,000 元由 Pioneer Top 持有，可轉換為 52,800,000 股本公司股份。
- (c) 該等股份由 Go Power Investments Limited (「**Go Power**」) (一間於英屬處女群島成立之投資控股公司)持有。閻蘊華女士實益擁有 Go Power 12.74% 股權，並根據日期為二零一六年七月二十六日的信託協議為合共 1,463 名受益人信託持有 Go Power 餘下 87.26% 股權。根據該信託協議，閻蘊華女士獲不可撤回地授予權利，全權酌情行使 Go Power 的投票權及其日常管理權。

除上述所披露者外，於二零一八年六月三十日，本公司董事、主要行政人員或彼等的聯繫人士概無於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)的股份、相關股份或債券中擁有或被視為擁有記載於按公司法第 164 條及證券及期貨條例第 352 條須由本公司存置的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

(V) SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2018, the following parties had interests of 5% or more in the issued shares/underlying shares of the Company according to the register of interests required to be kept by the Company pursuant to Section 88 of the Companies Act and Section 336 of the SFO, or as the Company is aware:

LONG POSITIONS

Name of substantial shareholders 主要股東名稱	Capacity 身份	Number of issued ordinary shares interested 持有權益的已發行普通股數目	Number of underlying shares upon conversion of the convertible bonds 轉換可換股債券時的相關股份數目	Total interests 總權益	Approximate percentage [#] of the Company's issued share capital 約佔本公司已發行股本百分比 [#]
Pioneer Top (Note 附註(a))	Beneficial owner 實益擁有人	360,207,999	52,800,000	413,007,999	41.05%
Go Power (Note 附註(b))	Beneficial owner 實益擁有人	276,465,000	–	276,465,000	27.48%
Nitro Capital Limited ("Nitro") (Note 附註(c))	Beneficial owner 實益擁有人	–	112,640,000	112,640,000	11.19%

[#] The percentage represents the number of issued ordinary shares/underlying shares interested divided by the number of the Company's issued shares as at 30 June 2018.

(V) 主要股東於股份及相關股份的權益

於二零一八年六月三十日，按本公司根據公司法第88條及證券及期貨條例第336條須存置的權益登記冊，或據本公司所知，以下各方於本公司已發行股份／相關股份擁有5%或以上的權益：

好倉

[#] 該百分比指持有權益的已發行普通股／相關股份數目除以本公司於二零一八年六月三十日的已發行股份數目。

Management Discussion and Analysis

管理層討論與分析

Notes:

- (a) Pioneer Top is an investment holding company established in the BVI. Mr. Liu Xingxu beneficially owned 42% of the equity interest in Pioneer Top and held the remaining 58% of the equity interest in Pioneer Top in trust for 7 beneficiaries under a trust agreement dated 26 July 2016, including 7% for Mr. Zhang Qingjin, the Company's executive director and Chief Executive Officer; 7% for Mr. Li Yushun and 7% for Mr. Wang Nairen, the Company's senior management; 7% for Mr. Ru Zhengtao, 7% for Mr. Zhu Xingye (retired) and 7% for Mr. Shang Dewei, the Company's employees; and 16% for Mr. Li Buwen, the Company's former executive director. Mr. Liu Xingxu has the absolute discretion to exercise the voting rights held by Pioneer Top in the Company in accordance with the trust agreement. Such interest held by Pioneer Top has also been disclosed as the interest of Mr. Liu Xingxu in the above section headed "Directors' and Chief Executives' Interests in Shares and Underlying Shares".
- (b) Go Power is an investment holding company established in the BVI. Ms. Yan Yunhua beneficially owned 12.74% of the equity interest in Go Power and held the remaining 87.26% of the equity interest in Go Power in trust for a total of 1,463 beneficiaries under a trust agreement dated 26 July 2016. Ms. Yan Yunhua has the absolute discretion to exercise the voting rights held by Go Power in the Company in accordance with the trust agreement. Such interest held by Go Power has also been disclosed as the interest of Ms. Yan Yunhua in the above section headed "Directors' and Chief Executives' Interests in Shares and Underlying Shares".
- (c) Nitro is an investment holding company established in the Cayman Islands and is a wholly-owned subsidiary of Primavera Capital (Cayman) Fund I L.P.

Save as disclosed above, as at 30 June 2018, no person, other than the directors and chief executives of the Company whose interests are set out in the section headed "Directors' and Chief Executives' Interests in Shares and Underlying Shares" above, had an interest or a short position in the shares, underlying shares or debentures of the Company that was required to be recorded in the register maintained by the Company pursuant to Section 88 of the Companies Act and Section 336 of the SFO.

附註：

- (a) Pioneer Top 乃於英屬處女群島成立之投資控股公司。劉興旭先生實益擁有 Pioneer Top 42% 股權，並根據日期為二零一六年七月二十六日的信託協議為 7 名受益人信託持有 Pioneer Top 餘下 58% 股權，該 7 名受益人包括本公司執行董事兼首席執行官張慶金先生 (7%)；本公司的高級管理人員李玉順先生 (7%) 及王乃仁先生 (7%)；本公司的僱員茹正濤先生 (7%)、朱性業先生 (已退休) (7%) 及尚德偉先生 (7%)；以及本公司的前執行董事李步文先生 (16%)。根據該信託協議，劉興旭先生可全權酌情行使 Pioneer Top 於本公司持有的投票權。Pioneer Top 持有的該權益亦在上文「董事及主要行政人員於股份及相關股份的權益」一節披露為劉興旭先生的權益。
- (b) Go Power 乃於英屬處女群島成立之投資控股公司。閻蘊華女士實益擁有 Go Power 12.74% 股權，並根據日期為二零一六年七月二十六日的信託協議為合共 1,463 名受益人信託持有 Go Power 餘下 87.26% 股權。根據該信託協議，閻蘊華女士可全權酌情行使 Go Power 於本公司持有的投票權。Go Power 持有的該權益亦在上文「董事及主要行政人員於股份及相關股份的權益」一節披露為閻蘊華女士的權益。
- (c) Nitro 為於開曼群島成立的投資控股公司及為春華資本集團 (開曼) 一號基金的全資附屬公司。

除上文所披露者外，於二零一八年六月三十日，除於上文「董事及主要行政人員於股份及相關股份的權益」一節所載本公司董事及主要行政人員的權益外，概無人士於本公司的股份、相關股份或債券中擁有按公司法第 88 條及證券及期貨條例第 336 條須記載於由本公司存置的登記冊內的權益或淡倉。

(VI) SUPPLEMENTARY INFORMATION

1. RECONCILIATION BETWEEN SINGAPORE FINANCIAL REPORTING STANDARDS (“SFRSs”) AND IFRSs

For the six months ended 30 June 2018, there were no material differences between the consolidated financial statements of the Group prepared under SFRSs and IFRSs (which include all IFRSs, IASs and Interpretations).

2. OPERATIONAL AND FINANCIAL RISKS

(I) MARKET RISK

The major market risks of the Group include changes in the average selling prices of key products, changes in the costs of raw materials (mainly coal) and fluctuations in interest and exchange rates.

(II) COMMODITY PRICE RISK

The Group is also exposed to commodity price risk arising from fluctuations in product sale prices and costs of raw materials.

(III) INTEREST RATE RISK

The major market interest rate risk that the Group is exposed to includes the Group’s long-term debt obligations which are subject to floating interest rates.

(IV) FOREIGN EXCHANGE RISK

The Group’s revenue and costs are primarily denominated in RMB. Some costs may be denominated in Hong Kong dollars, United States dollars or Singapore dollars.

(VI) 補充資料

1. 新加坡財務報告準則(「新加坡財務報告準則」)與國際財務報告準則的對賬

截至二零一八年六月三十日止六個月，本集團根據新加坡財務報告準則及國際財務報告準則(包括所有國際財務報告準則、國際會計準則及詮釋)編製的綜合財務報表並無重大差異。

2. 營運及財務風險

(I) 市場風險

本集團的主要市場風險包括主要產品平均售價變動、原材料(主要為煤)的成本變動及利率和匯率的波動。

(II) 商品價格風險

本集團亦面臨因產品售價及原材料成本波動而產生的商品價格風險。

(III) 利率風險

本集團承擔的主要市場利率風險包括本集團受浮動利率影響的長期債務承擔。

(IV) 外匯風險

本集團的收入及成本主要以人民幣計值。部分成本可能以港元、美元或新加坡元計值。

Management Discussion and Analysis

管理層討論與分析

(V) INFLATION AND CURRENCY RISK

According to the data released by the National Bureau of Statistics of China, the consumer price index of the PRC increased by 2.3% in the six months ended 30 June 2018 as compared to an increase of 1.9% in the same period in 2017. Such inflation in the PRC did not have a significant impact on the Group's operating results.

(VI) LIQUIDITY RISK

The Group monitors its risk exposure to shortage of funds. The Group considers the maturity of both its financial investments and financial assets (e.g. trade receivables and other financial assets) and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. As at 30 June 2018, approximately RMB2,500 million (31 December 2017: RMB1,646 million), or 49.8% (31 December 2017: 35.7%) of the Group's debts will mature in less than one year based on the carrying value of the borrowings reflected in the financial statements. Currently, the Group is adjusting the loan structures and obtained sufficient long term bank credit.

(V) 通脹及貨幣風險

根據中國國家統計局公佈的數據，中國的消費者物價指數於截至二零一八年六月三十日止六個月上漲2.3%，而二零一七年同期則上漲1.9%。中國的通脹對本集團的經營業績並無重大影響。

(VI) 流動資金風險

本集團監控其資金短缺的風險。本集團考慮其財務投資及金融資產（例如貿易應收款項及其他金融資產）的到期情況及經營業務的預測現金流量。本集團的目標是通過使用銀行透支及銀行貸款，維持資金持續及靈活性之間的平衡。於二零一八年六月三十日，根據於財務報表內所反映的借款的賬面值，本集團債務中約人民幣2,500,000,000元（二零一七年十二月三十一日：人民幣1,646,000,000元）或49.8%（二零一七年十二月三十一日：35.7%）將於一年內到期。現時本集團正在調整貸款結構，並已取得充足的長期銀行信貸。

(VII) GEARING RISK

The Group monitors its capital ratios in order to support its business and maximise shareholders' value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may raise new debt or issue new shares. No changes were made in the objectives, policies or processes for managing capital in 2017 and 2018. The gearing ratio of the Group as at 30 June 2018 (calculated as net debt divided by the sum of total capital plus net debt) was 68.77%, representing a decrease of 2.57 percentage points as compared to 31 December 2017. As at 30 June 2018, except for the pledged deposit of RMB304,311,000 (31 December 2017: RMB181,077,000), the Group had no pledge of assets.

3. CONTINGENT LIABILITIES

As at 30 June 2018, the Group had no material contingent liabilities (2017: Nil).

4. MATERIAL LITIGATION AND ARBITRATION

As at 30 June 2018, the Group was not involved in any material litigation or arbitration.

(VII) 資產負債比率風險

本集團監控其資本比率，以支持其業務及最大化股東價值。本集團根據經濟狀況變動管理資本結構及就此作出調整。本集團可以透過籌集新債或發行新股以保持或調整資本結構。於二零一七年及二零一八年，管理資本的目標、政策或程序概無任何變動。於二零一八年六月三十日，本集團的資產負債比率（負債淨額除以總資本加負債淨額的總和）為68.77%，較二零一七年十二月三十一日下降2.57個百分點。於二零一八年六月三十日，除人民幣304,311,000元（二零一七年十二月三十一日：人民幣181,077,000元）已抵押存款外，本集團並無抵押任何資產。

3. 或然負債

於二零一八年六月三十日，本集團並無任何重大或然負債（二零一七年：無）。

4. 重大訴訟及仲裁

於二零一八年六月三十日，本集團並未牽涉任何重大訴訟或仲裁。

Management Discussion and Analysis

管理層討論與分析

5. AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) has reviewed the accounting principles and standards adopted by the Group, and has discussed and reviewed the internal control and reporting matters. The interim results for the six months ended 30 June 2018 have been reviewed by the Audit Committee.

6. COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company devotes to maintaining good practice of corporate governance, and has complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the six months ended 30 June 2018.

7. COMPLIANCE WITH THE MODEL CODE

The Board has adopted the Model Code as set out in Appendix 10 to the Listing Rules and its amendments from time to time as its own code of conduct regarding securities transaction by the directors of the Company. The Board confirms that, having made specific enquiries with all directors of the Company, during the six months ended 30 June 2018, all directors have complied with the required standards of the Model Code.

8. COMPLIANCE WITH THE WRITTEN GUIDELINES FOR SECURITIES TRANSACTIONS BY RELEVANT EMPLOYEES OF THE COMPANY

The Company has established written guidelines on no less exacting terms than the Model Code (the “**Employees Written Guidelines**”), governing securities transactions by the relevant employees who are likely to possess inside information of the Company and/or its securities. No incident of non-compliance of the Employees Written Guidelines by relevant employees was noted by the Company during the six months ended 30 June 2018.

5. 審核委員會

本公司的審核委員會（「**審核委員會**」）已檢討本集團採納的會計原則及準則，並討論及檢討內部監控及申報事宜。審核委員會已審閱截至二零一八年六月三十日止六個月的中期業績。

6. 遵守企業管治常規守則

本公司致力奉行良好企業管治常規，並已於截至二零一八年六月三十日止六個月遵守上市規則附錄十四所載的企業管治守則的所有守則條文。

7. 遵守標準守則

董事會已採納上市規則附錄十所載的標準守則及其不時的修訂本，作為其本身有關本公司董事進行證券交易的行為準則。董事會確認，經向本公司全體董事作出指定查詢後，於截至二零一八年六月三十日止六個月內，全體董事均已遵守標準守則規定的準則。

8. 遵守本公司有關僱員進行證券交易的書面指引

本公司已就監管有關僱員（彼等可能擁有關於本公司及／或其證券的內幕消息）進行證券交易制訂一套書面指引（「**僱員書面指引**」），其條款並不比標準守則所載條文寬鬆。於截至二零一八年六月三十日止六個月，本公司並無發現有關僱員有任何不遵守僱員書面指引的事件。

9. PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S SECURITIES

During the six months ended 30 June 2018, the Company repurchased on the SEHK a total of 115,000 shares of the Company. Such shares of the Company were cancelled on 2 February 2018. Details of the share repurchase are summarized as follows:

Month of repurchase 購回月份	Total number of shares repurchased 購回股份總數	Repurchase price per share 每股購回價		Aggregate consideration 總代價
		Highest 最高	Lowest 最低	
January 2018 二零一八年一月	115,000	HKD3.47 3.47港元	HKD3.40 3.40港元	HKD395,420 395,420港元

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2018. The repurchase of the Company's shares was made for the benefit of the Company's shareholders with a view to enhancing the net asset value per share and earnings per share of the Company.

10. CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of directors of the Company are set out below:

- Mr. Li Shengxiao resigned as an independent director of Anhui Jiangnan Chemical Industry Co, Ltd. (a company listed on the Shenzhen Stock Exchange) on 12 April 2018.
- Mr. Ong Wei Jin has been re-designated from a non-executive director to an independent director of Camsing Healthcare Limited (a company listed on the Singapore Exchange Securities Trading Limited) since 20 April 2018.

9. 購買、出售或贖回本公司證券

截至二零一八年六月三十日止六個月，本公司於聯交所購回115,000股本公司股份。本公司該等股份於二零一八年二月二日註銷。股份購回詳情概述如下：

除上文所披露者外，本公司及其任何附屬公司於截至二零一八年六月三十日止六個月內概無購買、出售或贖回本公司任何上市證券。本公司股份購回乃為本公司股東之利益而作出，旨在提升本公司每股資產淨值及每股盈利。

10. 董事資料變動

根據上市規則第13.51B(1)條，本公司董事資料變動如下：

- 於二零一八年四月十二日，李生校先生已辭任安徽江南化工股份有限公司(一家於深圳證券交易所上市之公司)之獨立董事。
- 自二零一八年四月二十日，王為仁先生由Camsing Healthcare Limited(一家於新加坡證券交易所有限公司上市之公司)之非執行董事被調任為獨立董事。

Management Discussion and Analysis

管理層討論與分析

11. EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2018, there were 5,965 (2017: 6,110) employees in the Group. Staff remuneration packages are determined in consideration of market conditions and the performance of the individuals concerned, and are subject to review from time to time. The Group also provides other staff benefits including medical and life insurance, and grants discretionary incentive bonuses to eligible staff based on their performance and contributions to the Group.

12. DISCLOSURE ON THE WEBSITES OF THE SEHK AND THE COMPANY

This report is published on the website of the SEHK (<http://www.hkexnews.hk>) and on the website of the Company (<http://www.chinaxlx.com.hk>).

13. CORPORATE COMMUNICATIONS

In accordance with the Listing Rules, the Company has ascertained shareholders' wishes regarding their preferences on the language (i.e. English and/or Chinese) and means of receipt (i.e. in printed form or via the Company's website) of the Company's corporate communications#. Shareholders who have chosen/are deemed to have chosen to receive the corporate communications via the Company's website, and who for any reason have difficulty in receiving or gaining access to the Company's corporate communications will promptly upon request be sent the corporate communications in printed form free of charge. Shareholders have the right at any time to change their choice of language and means of receipt of the Company's corporate communications.

11. 僱員及薪酬政策

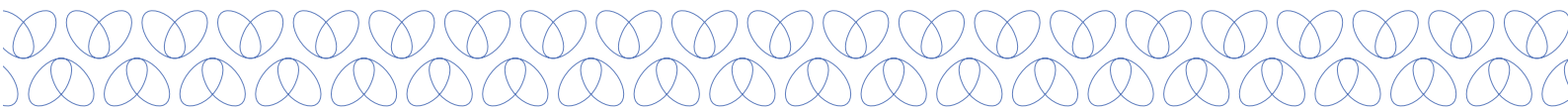
於二零一八年六月三十日，本集團有5,965名(二零一七年：6,110名)僱員。員工薪酬待遇乃經考慮市況及有關個人的表現後釐定，並可不時予以檢討。本集團亦提供其他員工福利，包括醫療保險及壽險，並根據合資格員工的表現及對本集團的貢獻，授出酌情獎勵花紅。

12. 於聯交所及本公司網站的披露

本報告在聯交所網站(<http://www.hkexnews.hk>)及本公司網站(<http://www.chinaxlx.com.hk>)刊發。

13. 公司通訊

根據上市規則，本公司已確認股東對本公司的公司通訊#所選擇的語言版本(即英文及/或中文)及收取方式(即印刷本或通過本公司網站)的意向。股東如已選擇/被視為已選擇通過本公司網站接收公司通訊，及因任何原因難以接收或讀取本公司的公司通訊，將應要求立即獲免費寄送公司通訊的印刷本。股東有權隨時變更本公司的公司通訊的語言版本及收取方式的選擇。



Shareholders may request for a printed copy of the Company's corporate communications or change their choice of language and means of receipt of the Company's corporate communications by sending reasonable prior notice in writing to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Shareholders may also send such a notice by email to chinaxlx-ecom@hk.tricorglobal.com.

股東可向本公司的香港股份登記及過戶分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)寄發合理的預先書面通知,要求收取本公司的公司通訊印刷本,或變更本公司的公司通訊的語言版本及收取方式的選擇。股東亦可以電郵方式發送有關通知到 chinaxlx-ecom@hk.tricorglobal.com。

Shareholders who have chosen to receive the corporate communications in either the English or Chinese version will receive both English and Chinese versions of this interim report since both languages are bound together into one booklet.

由於本中期報告的中英文版本印列於同一冊子內,股東如已選擇收取公司通訊的英文或中文版本,將同時收取兩個版本。

* The Company's corporate communications refer to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to: (a) annual report; (b) interim report; (c) notice of meeting; (d) listing document; (e) circular; and (f) form of proxy.

* 本公司的公司通訊指本公司已發出或將發出以供其任何證券持有人參考或採取行動的任何文件,包括但不限於:(a)年報;(b)中期報告;(c)大會通告;(d)上市文件;(e)通函;及(f)股東委任表格。

By Order of the Board
China XLX Fertiliser Ltd.
Yan Yunhua
*Executive Director
and Chief Financial Officer*

承董事會命
中國心連心化肥有限公司
執行董事兼首席財務官
閻蘊華

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表 For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
		Notes 附註	
REVENUE	收入	4	4,598,991
Cost of sales	銷售成本		(3,539,414)
Gross profit	毛利		1,059,577
Other (expenses)/income, net	其他(費用)/收入·淨額	4	(61,404)
Selling and distribution expenses	銷售及分銷開支		(190,637)
General and administrative expenses	一般及行政開支		(223,521)
Finance costs	財務成本	5	(160,987)
PROFIT BEFORE TAX	除稅前溢利	6	423,028
Income tax expense	所得稅開支	7	(61,977)
PROFIT FOR THE PERIOD	期內溢利		361,051
OTHER COMPREHENSIVE INCOME	其他全面收入		
Available-for-sale investment:	可供出售投資：		
Change in fair value	公平值變動		(1,022)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	期內其他全面收入 (扣除稅項)		(1,022)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收入總額		360,029
Profit attributable to:	應佔溢利：		
Owners of the parent	母公司擁有人		338,289
Non-controlling interest	非控股權益		22,762
			361,051
Total comprehensive income attributable to:	應佔全面收入總額：		
Owners of the parent	母公司擁有人		337,267
Non-controlling interest	非控股權益		22,762
			360,029
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益擁有人應佔每股盈利		
Basic and diluted (RMB cents per share)	基本及攤薄 (每股人民幣分)	9	28.87

Details of the dividend paid for the period are disclosed in note 8 to the financial statements.

期內已付股息詳情披露於財務報表附註8。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表 30 June 2018 二零一八年六月三十日

			30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	8,687,318	8,607,583
Prepaid land lease payments	土地使用權	10	552,200	381,708
Goodwill	商譽		25,361	25,361
Coal mining rights	煤礦開採權	10	87,963	90,684
Available-for-sale investment	可供出售投資	12	6,708	6,708
Deferred tax assets	遞延稅項資產		33,088	23,126
Prepayments for purchases of items of plant and equipment	購置廠房及設備項目的預付款項	11	206,340	135,493
Pledged deposits	已抵押存款		-	5,388
Prepayments to a related company	預付關連公司款項		12,745	13,272
Total non-current assets	非流動資產總額		9,611,723	9,289,323
CURRENT ASSETS	流動資產			
Available-for-sale investment	可供出售投資		36,156	37,178
Due from a related company	應收關連公司款項		343	2,603
Inventories	存貨	13	755,224	715,038
Trade and bills receivables	貿易應收款項 及應收票據	14	238,590	160,829
Prepayments	預付款項	11	409,504	457,318
Deposits and other receivables	按金及其他應收款項		372,139	721,112
Income tax recoverable	可收回所得稅		2,899	14
Pledged time deposits	已抵押定期存款	15	304,311	181,077
Cash and cash equivalents	現金及現金等價物	15	304,991	341,270
Total current assets	流動資產總額		2,424,157	2,616,439
CURRENT LIABILITIES	流動負債			
Due to related companies	應付關連公司款項		163	45
Trade payables	貿易應付款項	16	310,335	246,701
Bills payable	應付票據		429,304	423,915
Accruals and other payables	應計費用及其他應付款項		1,094,156	1,519,336
Income tax payable	應付所得稅		6,038	31,595
Deferred grants	遞延補貼		5,943	5,943
Short-term bond payable	應付短期融資債券		300,000	600,000
Non-controlling shareholder borrowings	非控股股東借款		-	24,750
Interest-bearing bank and other borrowings	計息銀行及其他借款	17	2,499,986	1,646,112
Total current liabilities	流動負債總額		4,645,925	4,498,397
NET CURRENT LIABILITIES	流動負債淨額		(2,221,768)	(1,881,958)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		7,389,955	7,407,365

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表 30 June 2018 二零一八年六月三十日

			30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT LIABILITIES	非流動負債			
Non-controlling shareholder borrowings	非控股股東借款		75,250	50,500
Interest-bearing bank and other borrowings	計息銀行及其他借款	17	2,446,543	2,965,015
Deferred grants	遞延補貼		93,769	93,987
Deferred tax liabilities	遞延稅項負債		36,939	36,939
Other payables	其他應付款項		110,970	110,970
Long-term bond payable	應付長期融資債券		700,000	500,000
Total non-current liabilities	非流動負債總額		3,463,471	3,757,411
NET ASSETS	淨資產		3,926,484	3,649,954
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本		872,579	872,579
Statutory reserve fund	法定儲備金		327,793	327,793
Convertible bonds	可換股債券		325,138	322,436
Fair value reserve	公平值儲備		(2,024)	(1,002)
Retained profits	保留溢利		2,094,956	1,844,869
			3,618,442	3,366,675
Non-controlling interest	非控股權益		308,042	283,279
Total equity	總權益		3,926,484	3,649,954

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表 For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

GROUP

本集團

		Issued capital 已發行股本 RMB'000 人民幣千元	Convertible bonds 可換股債券 RMB'000 人民幣千元	Available- for-sale investment revaluation reserve 可供出售 投資重估儲備 RMB'000 人民幣千元	Statutory reserve fund 法定儲備金 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Non- controlling Interest 非控股權益 RMB'000 人民幣千元	Total Equity 總權益 RMB'000 人民幣千元
(Unaudited)	(未經審核)							
As at 1 January 2018	於二零一八年一月一日	872,579	322,436	(1,002)	327,793	1,844,869	283,279	3,649,954
Profit for the period	期內溢利	-	-	-	-	338,289	22,762	361,051
Other comprehensive income for the period:	期內其他全面收入：							
Change in fair value of an available-for-sale investment	可供出售投資 之公平值變動	-	-	(1,022)	-	-	-	(1,022)
Total comprehensive income for the period	期內全面收入總額	-	-	(1,022)	-	338,289	22,762	360,029
Incorporation of subsidiary	注册成立附屬公司	-	-	-	-	-	2,001	2,001
2017 final dividend declared	已宣派二零一七年 末期股息	-	-	-	-	(85,500)	-	(85,500)
Interests on convertible bonds	可換股債券利息	-	2,702	-	-	(2,702)	-	-
As at 30 June 2018	於二零一八年六月三十日	872,579	325,138	(2,024)	327,793	2,094,956	308,042	3,926,484

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表 For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Issued capital 已發行股本 RMB'000 人民幣千元	Convertible bonds 可換股債券 RMB'000 人民幣千元	Available- for-sale investment revaluation reserve 可供出售 投資重估儲備 RMB'000 人民幣千元	Statutory reserve fund 法定儲備金 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Non- controlling Interest 非控股權益 RMB'000 人民幣千元	Total Equity 總權益 RMB'000 人民幣千元
(Unaudited)	(未經審核)							
As at 1 January 2017	於二零一七年一月一日	881,124	322,436	505	285,412	1,546,310	247,174	3,282,961
Profit for the period	期內溢利	-	-	-	88,080	85,672	12,833	186,585
Other comprehensive income for the period:	期內其他全面收入：							
Disposal of partial interest in a subsidiary without loss of control	出售附屬公司部分權益 而並無失去控制權	-	-	-	-	(14,746)	14,746	-
Total comprehensive income for the period	期內全面收入總額	-	-	-	88,080	70,926	27,579	186,585
Acquisition of non-controlling interest	收購非控股權益	-	-	-	-	-	-	-
2016 final dividend declared	已宣派二零一六年末期股息	-	-	-	-	(40,000)	-	(40,000)
Interests on convertible bonds	可換股債券利息	-	3,235	-	-	(3,235)	-	-
As at 30 June 2017	於二零一七年六月三十日	881,124	325,671	505	373,492	1,574,001	274,753	3,429,546

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表 For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
	Notes 附註		
Cash flows from operating activities	經營活動現金流量		
Profit before tax	除稅前溢利	423,028	221,627
Adjustment for:	經調整：		
Amortisation of prepaid land lease payment	預付土地租賃款項攤銷 6	4,838	4,784
Amortisation of coal mining rights	煤礦開採權攤銷 6	2,721	1,874
Impairment loss on fixed assets	固定資產減值損失	76,500	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊 6	295,265	280,280
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損 4, 6	3,417	1,967
Amortisation of deferred grants	遞延補貼攤銷 4	-	(101)
Interest income	利息收入 4	(3,315)	(4,105)
Finance cost	財務成本 5	160,987	142,595
		963,441	648,921
Increase in inventories	存貨增加	(40,186)	(38,448)
Increase in trade and bills receivables	貿易應收款項及應收票據增加	(77,761)	(92,200)
Decrease/(increase) in prepayments	預付款項減少/(增加)	47,814	(28,267)
Decrease in other receivables and deposits	其他應收款項及按金減少	7,115	39,830
Decrease in due from a related company	應收關連公司款項減少	2,260	4,800
Increase in trade and bills payables	貿易應付款項及應付票據增加	69,023	179,578
Decrease in other payables and accruals	其他應付款項及應計費用減少	(406,578)	(250,415)
Increase/(decrease) in amounts due to related companies	應付關連公司款項增加/(減少)	118	(3,580)
Cash generated from operations	經營活動產生的現金	565,246	460,219
Interest received	已收利息	3,315	4,105
Interest paid	已付利息	(160,987)	(142,595)
Income taxes paid	已付所得稅	(61,977)	(35,042)
Government grants received	已收取政府補貼	-	-
Net cash generated from operating activities	經營活動產生現金淨額	345,597	286,687

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表 For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
	Notes 附註		
Cash flows from investing activities	投資活動現金流量		
Purchases of items of property, plant and equipment, and land use rights	購置物業、廠房及設備項目及土地使用權	(608,145)	(504,220)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	197,600	-
(Increase)/decrease in bank pledged time deposits	銀行已抵押定期存款(增加)/減少	(123,234)	(75,959)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(533,779)	(580,179)
Cash flows from financing activities	融資活動現金流量		
Proceeds from loans and borrowings	貸款及借款所得款項	1,802,127	1,232,105
Repayment of loans and borrowings	償還貸款及借款	(1,564,724)	(805,653)
Dividends paid	已付股息	(85,500)	(40,000)
Net cash generated from financing activities	融資活動產生現金淨額	151,903	386,452
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(36,279)	92,960
Cash and cash equivalents at beginning of period	期初現金及現金等價物	341,270	512,806
Cash and cash equivalents at end of period	期末現金及現金等價物	304,991	605,766

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註 30 June 2018 二零一八年六月三十日

1. CORPORATE INFORMATION

China XLX Fertiliser Ltd. is a limited liability company incorporated in Singapore on 17 July 2006 under the Singapore Companies Act and its shares are primary-listed on The Stock Exchange of Hong Kong Limited (the “SEHK”). The registered office of the Company is located at 80 Robinson Road, #02-00, Singapore 068898. The principal place of business of the Group is located at Xinxiang Economic Development Zone (Xiaoji Town), Henan Province, the People’s Republic of China (the “PRC”). The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries are mainly manufacturing and trading of urea, compound fertiliser, methanol, furfuryl alcohol, melamine, dimethyl ether, liquid ammonia and ammonia solution.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) issued by the International Accounting Standards Board and accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared on a historical cost basis, except for available-for-sale investments, which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values in the tables are rounded to the nearest thousand (“RMB’000”) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year’s financial statements.

Amendments to IAS 7	Disclosure Initiative
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements	Amendments to a number of IFRSs Cycle 2014-2016

1. 公司資料

中國心連心化肥有限公司是一家於二零零六年七月十七日根據新加坡公司法在新加坡註冊成立的有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。本公司的註冊辦事處位於80 Robinson Road, #02-00, Singapore 068898。本集團的主要營業地點位於中華人民共和國（「中國」）河南省小冀鎮新鄉經濟開發區。本公司的主要業務為投資控股。本公司附屬公司的主要業務是生產及銷售尿素、複合肥、甲醇、糠醇、三聚氰胺、二甲醚、液態氨及氨溶液。

2.1 編製基準

該等財務報表根據國際會計準則理事會所頒佈的國際財務報告準則（「國際財務報告準則」）（其包括所有國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋）、香港公認會計原則及香港公司條例的披露規定編製。

該等財務報表乃根據歷史成本法編製，惟可供出售投資則按公平值計量。該等財務報表以人民幣（「人民幣」）呈列，除另有指明外，表格中所有金額已約整至最接近的千位（「人民幣千元」）。

2.2 會計政策的變動及披露

本集團已就本年度之財務報表首次採納下列經修訂國際財務報告準則。

國際會計準則 第7號修訂本	主動披露
國際會計準則 第12號修訂本 年度改進	就未變現虧損確認 遞延稅項資產 對一系列國際財務 報告準則 二零一四年至 二零一六年 週期的修訂

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註 30 June 2018 二零一八年六月三十日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

Amendments to IAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group adopted the amendments from 1 January 2017.

Amendments to IAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group adopted the amendments from 1 January 2017.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products, and has six reportable operating segments as follows:

- Manufacturing and sale of urea
- Manufacturing and sale of compound fertiliser
- Manufacturing and sale of methanol
- Manufacturing and sale of melamine
- Manufacturing and sale of furfuryl alcohol
- Manufacturing and sale of dimethyl ether (DME)

ALLOCATION BASIS

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other income, other expenses, selling and distribution expenses, general and administrative expenses, finance costs and income tax expense.

2.2 會計政策的變動及披露(續)

國際會計準則第7號修訂本要求實體作出披露，以使財務報表使用者可評估融資活動所產生的負債變動，包括現金流量及非現金流量產生的變動。該等修訂將導致須於財務報表作出額外披露。本集團自二零一七年一月一日起採納該等修訂。

雖然國際會計準則第12號修訂本可更廣泛應用於其他情況，但其頒佈目的為闡述與以公平值計量的債務工具相關的未變現虧損確認遞延稅項資產。該等修訂釐清實體於評估是否有應課稅溢利可用作抵扣可扣減暫時差異時，須要考慮稅務法例是否對於可扣減暫時差異轉回時可用作抵扣的應課稅溢利的來源有所限制。此外，該等修訂就實體應如何釐定未來應課稅溢利提供指引，並解釋應課稅溢利可包括收回超過賬面值的部分資產的情況。本集團自二零一七年一月一日起採納該等修訂。

3. 經營分部資料

就管理而言，本集團按其產品劃分為業務單位，並擁有以下六個可申報經營分部：

- 尿素的生產及銷售
- 複合肥的生產及銷售
- 甲醇的生產及銷售
- 三聚氰胺的生產及銷售
- 糠醇的生產及銷售
- 二甲醚(DME)的生產及銷售

分配基準

分部業績包括分部直接應佔的項目及按合理基準所分配的項目。未分配項目主要包括其他收入、其他開支、銷售及分銷開支、一般及行政開支、財務成本以及所得稅開支。

3. OPERATING SEGMENT INFORMATION (CONTINUED)

ALLOCATION BASIS (CONTINUED)

Group assets and liabilities cannot be directly attributable to individual segments as it is impracticable to allocate them to the segments. Except for the assets and liabilities of the subsidiary acquired in 2011 which were not material for the purpose of segment reporting, assets of the Group are utilised interchangeably between different segments and there is no reasonable basis to allocate liabilities of the Group between the different segments. Accordingly, it is not meaningful to disclose assets, liabilities and capital expenditure by operating segments.

An analysis by principal activity of contribution to the results is as follows:

For the six months ended 30 June 2018

		Urea 尿素 (Unaudited) RMB'000 人民幣千元	Compound fertiliser 複合肥 (Unaudited) RMB'000 人民幣千元	Methanol 甲醇 (Unaudited) RMB'000 人民幣千元	Melamine 三聚氰胺 (Unaudited) RMB'000 人民幣千元	Furfuryl alcohol 糠醇 (Unaudited) RMB'000 人民幣千元	Dimethyl ether 二甲醚 (Unaudited) RMB'000 人民幣千元	Others 其他 (Unaudited) RMB'000 人民幣千元	Total 總計 (Unaudited) RMB'000 人民幣千元
REVENUE	收入								
Sales to external customers	銷售給外部客戶	1,837,080	1,454,445	260,541	237,034	272,984	392,766	144,141	4,598,991
Intersegment sales	分部間銷售	-	-	-	-	-	-	-	-
Total revenue	總收入	1,837,080	1,454,445	260,541	237,034	272,984	392,766	144,141	4,598,991
Segment profit	分部溢利	558,585	188,259	35,855	129,230	26,462	97,161	24,025	1,059,577
Interest income	利息收入								3,315
Unallocated other expenses	未分配其他開支								(64,719)
Unallocated expenses	未分配開支								(414,158)
Finance costs	財務成本								(160,987)
Profit before tax	除稅前溢利								423,028
Income tax expense	所得稅開支								(61,977)
Profit for the period	期內溢利								361,051

3. 經營分部資料(續)

分配基準(續)

本集團的資產及負債不能直接分配至個別分部，因將其分配至分部並不實際可行。除於二零一一年收購的附屬公司資產及負債(對分部申報而言並不重大)外，本集團的資產乃於不同分部之間交替使用，而且沒有合理基準將本集團的負債於不同分部之間分配。因此，按經營分部披露資產、負債及資本開支並無意義。

主要活動對本業績的貢獻之分析如下：

截至二零一八年六月三十日止六個月

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註 30 June 2018 二零一八年六月三十日

3. OPERATING SEGMENT INFORMATION (CONTINUED)

ALLOCATION BASIS (CONTINUED)

For the six months ended 30 June 2017

3. 經營分部資料(續)

分配基準(續)

截至二零一七年六月三十日止六個月

		Urea 尿素 (Unaudited) (未經審核) RMB'000 人民幣千元	Compound fertiliser 複合肥 (Unaudited) (未經審核) RMB'000 人民幣千元	Methanol 甲醇 (Unaudited) (未經審核) RMB'000 人民幣千元	Melamine 三聚氰胺 (Unaudited) (未經審核) RMB'000 人民幣千元	Furfuryl alcohol 糠醇 (Unaudited) (未經審核) RMB'000 人民幣千元	Others 其他 (Unaudited) (未經審核) RMB'000 人民幣千元	Total 總計 (Unaudited) (未經審核) RMB'000 人民幣千元
REVENUE	收入							
Sales to external customers	銷售給外部客戶	1,391,823	1,142,530	376,394	185,152	166,240	312,269	3,574,408
Intersegment sales	分部間銷售	-	-	-	-	-	-	-
Total revenue	總收入	1,391,823	1,142,530	376,384	185,152	166,240	312,269	3,574,408
Segment profit	分部溢利	247,653	175,967	78,284	94,099	16,136	70,542	682,681
Interest income	利息收入							4,105
Unallocated other income	未分配其他收入							17,426
Unallocated expenses	未分配開支							(339,990)
Finance costs	財務成本							(142,595)
Profit before tax	除稅前溢利							221,627
Income tax expense	所得稅開支							(35,042)
Profit for the period	期內溢利							186,585

4. REVENUE AND OTHER INCOME/(EXPENSES), NET

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after deduction of relevant taxes and allowances for returns and trade discounts.

An analysis of the Group's revenue, other income and other expenses is as follows:

4. 收入及其他收入／(開支)，淨額

收入亦為本集團的營業額，指出售貨品並扣除相關稅項、退貨撥備及交易折扣後的淨發票價值。

本集團的收入、其他收入及其他開支分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Revenue	收入		
Sale of goods	銷售貨品	4,598,991	3,574,408

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簡明綜合中期財務資料附註 30 June 2018 二零一八年六月三十日

4. REVENUE AND OTHER INCOME/(EXPENSES), NET (CONTINUED)

4. 收入及其他收入／(開支)，淨額(續)

Six months ended 30 June
截至六月三十日止六個月

		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Other income	其他收入		
Bank interest income	銀行利息收入	3,315	4,105
Net profit from sales of by-products	銷售副產品的純利	18,513	15,886
Service fee income from related parties	來自關連方的服務費收入	539	707
Penalty income	罰款收入	1,186	-
Subsidy income	補助收入	1,920	1,400
Others	其他	793	1,594
		26,266	23,692
Other expenses	其他開支		
Impairment loss on fixed assets	固定資產減值損失	(76,500)	-
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	(3,417)	(1,967)
Exchange loss, net	匯兌虧損，淨額	(7,112)	-
Others	其他	(641)	(194)
		(87,670)	(2,161)
Other (expenses)/income, net	其他(費用)／收入，淨額	(61,404)	21,531

5. FINANCE COSTS

5. 財務成本

Six months ended 30 June
截至六月三十日止六個月

		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest on bank loans, overdrafts and other loans, wholly repayable within five years	須於五年內悉數償還的銀行貸款、銀行透支及其他貸款的利息	160,987	142,595
Interest on bank loans, overdrafts and other loans, wholly repayable after five years	須於五年後悉數償還的銀行貸款、銀行透支及其他貸款的利息	-	-
Less: interest capitalised	減：利息資本化	-	-
		160,987	142,595

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Cost of inventories sold	銷售存貨成本	3,539,414	2,891,727
Depreciation of property, plant and equipment	物業、廠房及設備折舊	295,265	280,280
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	4,838	4,784
Amortisation of coal mining rights	煤礦開採權攤銷	2,721	1,874
Minimum lease payments under operating leases:	經營租約項下的最低租金付款：		
Land	土地	199	199
Buildings	樓宇	1,120	1,120
		1,319	1,319
Employee benefit expenses (including directors' remuneration):	僱員福利開支(包括董事薪酬)：		
Salaries and bonuses	薪金及花紅	274,876	252,942
Contributions to defined contribution plans	定期供款計劃的已供款部分	36,203	30,078
Welfare expenses	福利開支	18,338	13,315
		329,417	296,335
Auditors' remuneration	核數師酬金	1,000	1,000
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	3,417	1,967

6. 除稅前溢利

本集團的除稅前溢利乃經扣除：

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7. INCOME TAX EXPENSE

The Company is incorporated in Singapore and is subject to an income tax rate of 20% for the six months ended 30 June 2018 (six months ended 30 June 2017: 20%).

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

The Company's subsidiaries in Mainland China are subject to an income tax rate of 25% (2017: 25%). For the six months ended 30 June 2018, one of the subsidiaries was subject to a concessionary tax rate of 15% as it obtained the New/High Technology Enterprise Award.

The major components of income tax expense for the six months ended 30 June 2018 and 2017 are:

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Current – PRC	即期 – 中國		
Charge for the period	期間稅項	61,977	35,042
Deferred	遞延	-	-
Total tax charge for the period	期間稅項開支總額	61,977	35,042

8. DIVIDEND

Final dividend of RMB85,500,000 (year ended 31 December 2016: RMB40,000,000) for the year ended 31 December 2017 was declared during the six months ended 30 June 2018.

The Company did not recommend or declare any interim dividend for the six months ended 30 June 2018 (six months ended 30 June 2017: Nil).

7. 所得稅開支

本公司於新加坡註冊成立，於截至二零一八年六月三十日止六個月須按20%（截至二零一七年六月三十日止六個月：20%）的所得稅稅率繳納稅項。

於其他地方應課稅溢利的稅項按本集團經營所在的國家現行的稅率計算。

本公司位於中國內地的附屬公司須按25%（二零一七年：25%）的所得稅稅率繳納稅項。截至二零一八年六月三十日止六個月，其中一家附屬公司獲得高新技術企業獎，因此可按優惠稅率15%繳稅。

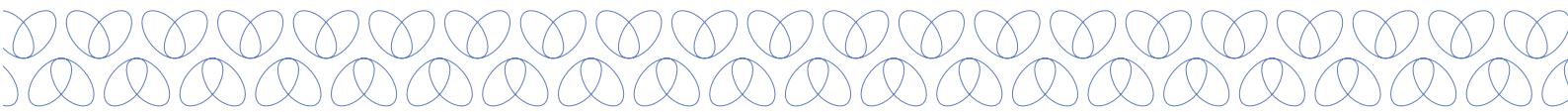
截至二零一八年及二零一七年六月三十日止六個月所得稅開支的主要組成為：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Current – PRC	即期 – 中國		
Charge for the period	期間稅項	61,977	35,042
Deferred	遞延	-	-
Total tax charge for the period	期間稅項開支總額	61,977	35,042

8. 股息

截至二零一七年十二月三十一日止年度的末期股息人民幣85,500,000元（截至二零一六年十二月三十一日止年度：人民幣40,000,000元）已於截至二零一八年六月三十日止六個月內宣派。

本公司並無就截至二零一八年六月三十日止六個月建議或宣派任何中期股息（截至二零一七年六月三十日止六個月：無）。



9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

Earnings per share is calculated by dividing the Group's profit for the period attributable to ordinary equity holders of the Company by the weighted average number of 1,171,621,000 (six months ended 30 June 2017: 1,176,000,000) ordinary shares (inclusive of mandatorily convertible instruments issued) outstanding during the period.

There were no potentially dilutive ordinary shares in existence during the six months ended 30 June 2018 and 2017 and therefore the diluted earnings per share amounts for those periods were the same as the basic earnings per share amounts.

10. PROPERTY, PLANT AND EQUIPMENT, PREPAID LAND LEASE PAYMENTS AND COAL MINING RIGHTS

During the period, payments for purchases of items of property, plant and equipment, land use rights and coal mining rights and proceeds from disposal of items of property, plant and equipment of the Group amounted to approximately RMB608,145,000 and RMB197,600,000 (six months ended 30 June 2017: RMB504,220,000 and nil), respectively.

9. 本公司普通股權益擁有人應佔每股盈利

每股盈利乃根據本公司普通股權益持有人應佔期內本集團溢利，除以期內已發行普通股（包括已發行的強制性可轉換工具）加權平均數1,171,621,000股（截至二零一七年六月三十日止六個月：1,176,000,000股）計算得出。

於截至二零一八年及二零一七年六月三十日止六個月並無潛在攤薄普通股，因此該等期間的每股攤薄盈利金額與每股基本盈利金額相等。

10. 物業、廠房及設備、預付土地租賃款項及煤礦開採權

期內，本集團為購買物業、廠房及設備項目、土地使用權及煤礦開採權所支付的款項以及出售物業、廠房及設備項目所得款項分別為約人民幣608,145,000元及人民幣197,600,000元（截至二零一七年六月三十日止六個月：人民幣504,220,000元及無）。

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11. PREPAYMENTS

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
NON-CURRENT	非即期		
Prepayments:	預付款項：		
Prepayments for purchases of items of property, plant and equipment	購買物業、廠房及設備項目的預付款項	206,340	135,493
CURRENT	即期		
Prepayments:	預付款項：		
Advanced deposits to suppliers	預付供應商的按金	405,661	445,910
Current portion of prepaid land lease payments	預付土地租賃款項的即期部分	3,843	8,953
Other prepayments	其他預付款項	-	2,455
		409,504	457,318

11. 預付款項

12. AVAILABLE-FOR-SALE INVESTMENT

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
NON-CURRENT	非即期		
Unlisted equity investment, at cost:	非上市股本投資，按成本值：		
PRC	中國	6,708	6,708
CURRENT	即期		
Listed equity investment, at fair value:	上市股本投資，按公平值：		
Singapore	新加坡	2,548	2,678
Hong Kong	香港	33,608	34,500

12. 可供出售投資

The above investments in equity securities are designated as available-for-sale financial assets and have no fixed maturity or coupon rate.

上述股本證券投資分類為可供出售金融資產及並無固定到期日或票息率。

The market value of the listed equity investments at the date of approval of these financial statements was approximately RMB36,156,000.

上市股本投資於該等財務報表獲批准當日的市值約為人民幣36,156,000元。

13. INVENTORIES

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Raw materials	原材料	309,575	331,607
Parts and spares	部件及備用零件	79,549	83,954
Work-in-progress	在製品	1,003	-
Finished goods	製成品	365,097	299,477
		755,224	715,038

14. TRADE AND BILLS RECEIVABLES

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade receivables	貿易應收款項	189,673	127,763
Bills receivable	應收票據	48,917	33,066
		238,590	160,829

Trade receivables are non-interest-bearing and are normally settled on terms of 30 to 90 days. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group's bills receivable are non-interest-bearing and are normally settled on terms of 90 to 180 days. Trade and bills receivables are denominated in Renminbi ("RMB").

The Group's trading terms with its customers are mainly payment in advance or on credit for certain customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over these balances.

13. 存貨

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Raw materials	原材料	309,575	331,607
Parts and spares	部件及備用零件	79,549	83,954
Work-in-progress	在製品	1,003	-
Finished goods	製成品	365,097	299,477
		755,224	715,038

14. 貿易應收款項及應收票據

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade receivables	貿易應收款項	189,673	127,763
Bills receivable	應收票據	48,917	33,066
		238,590	160,829

貿易應收款項為免息及一般於30至90日內清償。按其原有發票金額(即其於初步確認時的公平值)確認。本集團的應收票據為免息及一般於90至180日內清償。貿易應收款項及應收票據以人民幣(「人民幣」)計值。

本集團與其客戶的交易條款主要為預付款項，若干客戶或可取得信貸期。各客戶均設有信貸期上限。本集團尋求維持對其尚未到期的應收款項的嚴格控制，以減低信貸風險。逾期結餘會由高級管理層定期審閱。鑒於上文所述，及本集團的貿易應收款項分佈於大量分散的客戶，故並無重大集中的信貸風險。本集團並無就該等結餘持有任何抵押品或其他信貸保證。

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14. TRADE AND BILLS RECEIVABLES (CONTINUED)

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice due date and net of provisions, is as follows:

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Within 1 month	1個月以內	118,752	98,220
1 to 3 months	1至3個月	56,902	8,058
3 to 6 months	3至6個月	2,907	6,835
6 to 12 months	6至12個月	5,153	10,969
Over 12 months	12個月以上	5,959	3,681
		189,673	127,763

15. CASH AND CASH EQUIVALENTS AND PLEDGED TIME DEPOSITS

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Fixed deposits	定期存款	304,311	186,465
Less: Pledged time deposits	減：已抵押定期存款	(304,311)	(186,465)
Cash at banks and on hand	銀行存款及現金	304,991	341,270
Cash and cash equivalents	現金及現金等價物	304,991	341,270

As at 30 June 2018, the cash and bank balances of the Group denominated in RMB amounted to RMB304,991,000 (31 December 2017: RMB341,270,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

14. 貿易應收款項及應收票據(續)

貿易應收款項於申報期末的賬齡分析(根據發票到期日及已扣除撥備)如下：

15. 現金及現金等價物以及已抵押定期存款

於二零一八年六月三十日，以人民幣計值的本集團現金及銀行結餘達到人民幣304,991,000元(二零一七年十二月三十一日：人民幣341,270,000元)。人民幣並不可自由兌換為其他貨幣，然而，根據中國內地的外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

15. CASH AND CASH EQUIVALENTS AND PLEDGED TIME DEPOSITS (CONTINUED)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

16. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Within 1 month	1個月以內	169,792	128,832
1 to 3 months	1至3個月	84,661	50,374
3 to 6 months	3至6個月	18,393	38,120
6 to 12 months	6至12個月	20,192	12,985
Over 12 months	12個月以上	17,297	16,390
		310,335	246,701

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days. Trade payables are denominated in RMB.

15. 現金及現金等價物以及已抵押定期存款(續)

銀行存款按日常銀行存款利率的浮動利率賺取利息。短期定期存款介乎一日至三個月之間的可變期間，視乎本集團即時的現金需求而定，並按各自的短期定期存款利率賺取利息。銀行結餘及已抵押存款乃存放於信譽可靠兼無近期拖欠記錄的銀行。

16. 貿易應付款項

貿易應付款項於申報期末的賬齡分析(根據發票日期)如下：

貿易應付款項為免息及一般於30至90日內清償。貿易應付款項以人民幣計值。

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17. INTEREST-BEARING BANK AND OTHER BORROWINGS

17. 計息銀行及其他借款

		30 June 2018 二零一八年六月三十日			31 December 2017 二零一七年十二月三十一日		
		Contractual interest rate 合約利率	Maturity 到期日	RMB'000 人民幣千元 (Unaudited) (未經審核)	Contractual interest rate 合約利率	Maturity 到期日	RMB'000 人民幣千元 (Unaudited) (未經審核)
CURRENT	即期						
Bank loans	銀行貸款						
- secured	- 有抵押	4.51%	2018 二零一八年	175,000	-	-	-
- unsecured	- 無抵押	2.84% to 6.00% 2.84%至6.00%	2018 to 2019 二零一八年至 二零一九年	2,324,986	4.35% to 5.39% 4.35%至5.39%	2018 二零一八年	1,646,112
				2,499,986			1,646,112
NON-CURRENT	非即期						
Bank loans	銀行貸款						
- secured	- 有抵押	-	-	-	4.13%	2019 二零一九年	176,000
- unsecured	- 無抵押	2.55% to 7.21% 2.55%至7.21%	2018 to 2021 二零一八年至 二零二一年	2,519,066	4.35% to 6.00% 4.35%至6.00%	2019 to 2022 二零一九年至 二零二二年	2,786,288
Loan from the government	政府貸款						
- unsecured (note (b))	- 無抵押(附註(b))	Floating rate at 0.3% above the market prime lending rate 浮動利率0.3% 加市場最優惠 借貸利率	2020 二零二零年	2,727	Floating rate at 0.3% above the market prime lending rate 浮動利率0.3% 加市場最優惠 借貸利率	2020 二零二零年	3,636
				2,521,793			2,965,015
				5,021,779			4,611,127

17. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

17. 計息銀行及其他借款(續)

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Analysed into:	分析為：		
Bank loans repayable:	應償還銀行貸款：		
Within one year or on demand	於一年內或按要求	2,499,986	1,646,112
In the second year	於第二年	1,339,800	2,032,400
In the third to fifth years, inclusive	於第三至第五年 (包括首尾兩年)	1,179,266	929,888
Beyond five years	超過五年	-	-
		5,019,052	4,608,400
Other borrowings repayable:	應償還其他借款：		
In the third to fifth years, inclusive	於第三至第五年 (包括首尾兩年)	2,727	2,727
		5,021,779	4,611,127

Notes:

- (a) The secured bank loans are amounts of RMB175,000,000 which are secured by certain of the Group's items of property, plant and equipment.
- (b) The loan from the government bears interest at a floating rate of 0.30% (2017: 0.30%) above the market prime lending rate and is not due to be repaid within the next 12 months.

附註：

- (a) 有抵押銀行貸款為人民幣175,000,000元，以本集團的若干物業、廠房及設備項目抵押。
- (b) 政府貸款按0.30% (二零一七年：0.30%)的浮動利率加市場最優惠借貸利率計息，不需於未來12個月內償還。

The fair values of the Group's interest-bearing bank and other borrowings approximate to their carrying values.

本集團的計息銀行及其他借款的公平值與其賬面值相若。

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簡明綜合中期財務資料附註 30 June 2018 二零一八年六月三十日

18. MAJOR NON-CASH TRANSACTION – INTEREST CAPITALISATION

During the period under review, the Group did not have capitalised interest expenses (2017: Nil) to property, plant and equipment.

19. CONTINGENT LIABILITIES

As at the end of the reporting period, the Group did not have any significant contingent liabilities.

20. COMMITMENTS

The Group had the following capital and other commitments as at the end of the reporting period:

18. 主要非現金交易—利息資本化

於回顧期間，本集團並無物業、廠房及設備的資本化利息開支（二零一七年：無）。

19. 或然負債

於申報期末，本集團並無任何重大或然負債。

20. 承擔

本集團於申報期末有以下資本及其他承擔：

		30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Capital commitments:	資本承擔：		
Contracted, but not provide for:	已訂約但未撥備：		
Buildings	樓宇	369,115	217,751
Plant and machinery	廠房及機器	1,254,732	207,446
Coal mines	煤礦	-	25,870
		1,623,847	451,067
Other commitments:	其他承擔：		
Purchases of raw materials	購買原材料	88,916	554,272

21. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in this interim financial information, the Group had the following transactions with related parties during the period:

21. 關連方交易

(a) 除本中期財務資料其他部分載述的交易外，本集團於期內與關連方進行下列交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Sales of electricity, water and steam to:	向以下公司銷售水電及蒸汽：		
– Henan Shenzhou Heavy Sealing Co., Ltd.#	– 河南神州重型封頭有限公司#	401	431
– Xinxiang Xinlianxin Chemical Equipment Co., Ltd.#	– 新鄉市心連心化工設備有限公司#	112	122
– Xinxiang Yuyuan Chemical Co., Ltd.#	– 新鄉市玉源化工有限公司#	–	290
Service fee income for provision of calibration and testing services to:	向以下公司提供調試服務的 服務費用收入：		
– Henan Shenzhou Heavy Sealing Co., Ltd.#	– 河南神州重型封頭有限公司#	20	–
– Xinxiang Xinlianxin Chemical Equipment Co., Ltd.#	– 新鄉市心連心化工設備有限公司#	6	–
– Xinxiang Yuyuan Chemical Co., Ltd.#	– 新鄉市玉源化工有限公司#	–	–
Purchases of raw materials and consumables from:	向以下公司購買原材料 及消耗品：		
– Xinxiang Yuyuan Chemical Co., Ltd.#	– 新鄉市玉源化工有限公司#	–	1,634
– Xinxiang Xinlianxin Chemical Equipment Co., Ltd.#	– 新鄉市心連心化工設備有限公司#	26,221	14,534
– Henan Shenzhou Heavy Sealing Co., Ltd.#	– 河南神州重型封頭有限公司#	3,082	–
Service fee expenses for provision of lifting services from:	獲提供吊裝服務支付予 以下公司的服務費用開支：		
– Xinxiang Yuyuan Chemical Co., Ltd.#	– 新鄉市玉源化工有限公司#	–	–
Operating lease expenses to:	經營租約開支予：		
– Henan Xinlianxin Chemicals Group Co., Ltd.	– 河南心連心化工集團有限公司	1,120	1,120

These companies are subsidiaries of Henan Xinlianxin Chemicals Group Co., Ltd. (“Henan Chemicals”), which has common shareholders with the Company. The Company’s executive directors and executive officers have certain equity interests in Henan Chemicals.

該等公司為河南心連心化工集團有限公司(「河南化工」)的附屬公司，河南化工的股東與本公司的股東相同。本公司的執行董事及行政人員於河南化工擁有若干股權。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註 30 June 2018 二零一八年六月三十日

21. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Compensation of directors and key management personnel of the Group:

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Directors' fee	董事袍金	400	400
Salaries and bonuses	薪金及花紅	6,900	1,170
Contributions to defined contribution plans	養老保險及公積金	122	122
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	7,422	1,692

22. SEASONALITY OF OPERATIONS

Due to the seasonal weather conditions, the sales of compound fertiliser are subject to seasonal fluctuations, with peak demand in the third quarter of the year.

21. 關連方交易(續)

(b) 本集團董事及主要管理人員的薪酬：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元	2017 二零一七年 (Unaudited) (未經審核) RMB'000 人民幣千元
Directors' fee	董事袍金	400	400
Salaries and bonuses	薪金及花紅	6,900	1,170
Contributions to defined contribution plans	養老保險及公積金	122	122
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	7,422	1,692

22. 經營季節性

由於季節性氣候狀況，複合肥的銷售隨季節波動，通常一年的第三季度為需求高峰期。



China XLX Fertiliser Ltd.
中國心連心^{*}化肥有限公司^{*}

(Incorporated in Singapore with limited liability)
(於新加坡註冊成立之有限公司)

Stock Code 股份代號：1866

^{*} For identification purpose only 僅供識別



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