**Xiamen C&D Inc.**

**Consolidated Balance Sheet**

As at 31 December 2016

(In RMB Yuan)

|  |  |  |
| --- | --- | --- |
|  | **December 31, 2016** | **January 1,2016** |
| **Current assets** | | |
| Monetary funds | 10,944,947,103.64 | 9,775,810,967.82 |
| Financial assets at fair value through profit or loss | 141,136,574.46 | 210,376,885.23 |
| Derivative financial assets | 25,475,701.27 | 3,980,361.45 |
| Notes receivable | 1,243,488,792.98 | 1,157,671,441.22 |
| Accounts receivable | 3,223,736,883.53 | 2,861,404,545.31 |
| Prepayment | 14,234,443,617.09 | 8,086,053,337.92 |
| Interest receivable | 1,482,493.21 | 21,260,766.53 |
| Other account receivable | 8,811,861,078.22 | 2,277,780,079.43 |
| Inventories | 61,311,846,886.93 | 59,175,629,592.99 |
| Non-current assets due within one year | 359,014,287.45 | 240,401,707.39 |
| Other current assets | 6,807,451,228.38 | 2,000,202,250.88 |
| **Total current assets** | **107,104,884,647.16** | **85,810,571,936.17** |
| **Non-current assets** | | |
| Disposable financial assets | 1,267,000,971.35 | 1,130,604,425.95 |
| Long-term receivable | 5,257,811,104.67 | 3,785,165,038.28 |
| Long-term equity investment | 2,488,452,624.57 | 1,426,312,810.72 |
| Property investment | 6,302,370,308.83 | 4,041,564,668.00 |
| Fixed assets | 1,167,416,302.59 | 1,070,324,726.18 |
| Construction in process | 65,640,365.49 | 62,190,086.15 |
| Intangible assets | 394,554,077.19 | 401,380,400.33 |
| R&D expense | 3,281,083.21 | 1,167,563.55 |
| Goodwill | 223,350,416.44 | 212,384,747.87 |
| Long-term prepaid expenses | 426,660,440.47 | 332,204,475.17 |
| Differed income tax assets | 1,468,321,293.78 | 1,049,828,343.37 |
| Other non-current assets | 254,840,134.75 | 108,917,867.52 |
| **Total non-current assets** | **19,319,699,123.34** | **13,622,045,153.09** |
| **Total assets** | **126,424,583,770.50** | **99,432,617,089.26** |
| **Current liabilities** | | |
| Short-term loans | 3,044,122,725.99 | 1,980,386,471.36 |
| Financial liabilities at fair value through profit or loss |  | 301,162,970.00 |
| Derivative financial liabilities | 24,554,089.72 | 13,614,869.67 |
| Notes payable | 6,915,062,399.14 | 4,890,078,421.36 |
| Accounts payable | 10,030,794,301.06 | 7,104,563,827.04 |
| Accounts received in advance | 27,270,451,273.80 | 24,330,397,866.06 |
| Employee compensation payable | 1,260,708,490.93 | 982,362,617.40 |
| Tax payable | 1,653,852,087.38 | 1,741,823,958.81 |
| Interest payable | 226,217,761.63 | 151,009,595.08 |
| Dividends payable | 92,208,767.60 |  |
| Other account payable | 6,880,979,542.68 | 6,801,984,853.27 |
| Non-current liabilities due within one year | 4,648,278,724.99 | 3,473,615,968.92 |
| Other current liabilities | 2,811,833,580.95 | 2,087,880,922.18 |
| **Total current liabilities** | **64,859,063,745.87** | **53,858,882,341.15** |
| **Non-current liabilities** | | |
| Long-term borrowings | 17,135,181,678.13 | 14,137,260,472.09 |
| Bond payable | 10,397,295,670.73 | 3,376,694,509.16 |
| Long-term payable | 762,781,151.16 | 962,733,846.08 |
| Estimated liabilities | 77,031,114.76 | 41,585,077.76 |
| Deferred income | 61,728,884.87 | 38,114,372.34 |
| Differed income tax liabilities | 496,558,753.81 | 340,851,533.14 |
| Other non-current liabilities | 5,800,000.00 | 6,800,000.00 |
| **Total non-current liabilities** | **28,936,377,253.46** | **18,904,039,810.57** |
| **Total liabilities** | **93,795,440,999.33** | **72,762,922,151.72** |
| **Owners' Equity** | | |
| Share capital | 2,835,200,530.00 | 2,835,200,530.00 |
| Capital reserves | 2,478,069,609.81 | 2,449,267,131.16 |
| Other comprehensive income | 201,103,652.30 | 269,776,317.90 |
| Surplus reserves | 1,037,184,547.42 | 926,489,132.39 |
| Generic risk reserve | 21,371,059.20 | 21,371,059.20 |
| Undistributed profit | 14,948,294,014.98 | 12,592,835,194.61 |
| **Total equity attributable to the parent company owners** | **21,521,223,413.71** | **19,094,939,365.26** |
| Minority interest | 11,107,919,357.46 | 7,574,755,572.28 |
| **Total owners'equity** | **32,629,142,771.17** | **26,669,694,937.54** |
| **Total liabilities and owners'equity** | **126,424,583,770.50** | **99,432,617,089.26** |

**Xiamen C&D Inc.**

**Consolidated Income Statement**

For the year ended 31 December 2016

(In RMB Yuan)

|  |  |  |
| --- | --- | --- |
|  | **2016** | **2015** |
| **Operating income** | **145,590,890,512.63** | **128,088,561,668.84** |
| **Operating cost** | **133,916,186,422.74** | **115,738,757,486.34** |
| Business taxes and surcharges | 2,516,176,766.38 | 3,343,660,242.78 |
| Selling expenses | 3,770,206,329.52 | 3,625,219,546.20 |
| General and administrative expenses | 335,553,668.83 | 317,339,590.90 |
| Finance expenses | 480,331,735.72 | 452,302,765.60 |
| Loss on impairment of assets | 177,989,903.33 | 342,302,801.23 |
| Add: Income from change in fair value | -207,937.20 | 49,859,702.76 |
| Investment income | 791,270,136.63 | 613,451,822.42 |
| Including: Investment income from associates and joint ventures | 62,605,434.34 | 92,441,411.99 |
| **Operating profit** | **5,185,507,885.54** | **4,932,290,760.97** |
| Add: Non-operating income | 134,096,434.48 | 147,993,509.29 |
| Including: Gain from disposal of non-current assets | 3,406,708.73 | 9,279,210.27 |
| Less: Non-operating expenses | 26,616,684.25 | 56,444,825.98 |
| Including: Loss from disposal of non-current assets | 12,171,902.87 | 31,251,298.25 |
| **Profit before tax** | **5,292,987,635.77** | **5,023,839,444.28** |
| Less: Income tax expenses | 1,343,495,374.07 | 1,460,093,306.47 |
| **Net profit** | **3,949,492,261.70** | **3,563,746,137.81** |
| Net profit attributable to the parent company owners | 2,854,662,757.36 | 2,641,350,412.26 |
| Minority shareholders' income | 1,094,829,504.34 | 922,395,725.55 |
| **Other comprehensive income** | **-73,759,911.06** | **163,800,508.56** |
| **Total comprehensive income for the year** | **3,875,732,350.64** | **3,727,546,646.37** |
| Total comprehensive income attributable to owners of the parent company | 2,785,990,091.76 | 2,799,292,606.51 |
| Total comprehensive income attributable to minority shareholders | 1,089,742,258.88 | 928,254,039.86 |
| **Earnings per share** | | |
| Basic earnings per share | 1.01 | 0.93 |

**Xiamen C&D Inc.**

**Consolidated Cash Flow Statement**

For the year ended 31 December 2016

(In RMB Yuan)

|  |  |  |
| --- | --- | --- |
|  | **2016** | **2015** |
| **Cash flows from operating activities** | | |
| Cash received from selling commodities and providing labor services | 164,701,728,214.50 | 129,936,038,585.68 |
| Refunds of taxes and levies | 1,061,428,056.32 | 1,372,651,919.90 |
| Cash received relating to other operating activities | 9,087,630,906.07 | 8,402,812,057.85 |
| Subtotal of cash inflows from operating activities | 174,850,787,176.89 | 139,711,502,563.43 |
| Cash paid for goods and services | 159,977,760,480.66 | 119,099,335,127.34 |
| Cash paid to and on behalf of employees | 2,011,795,444.66 | 1,798,524,801.51 |
| Cash paid for taxes | 5,166,706,700.30 | 4,233,913,218.68 |
| Cash paid relating to other operating activities | 12,534,972,421.92 | 8,802,232,917.00 |
| Subtotal of cash outflows from operating activities | 179,691,235,047.54 | 133,934,006,064.53 |
| **Net cash flows from operating activities** | **-4,840,447,870.65** | **5,777,496,498.90** |
| **Cash flows from investing activities** | | |
| Cash received from sales of investments | 46,010,136,179.49 | 2,800,667,227.84 |
| Cash received from return on investments | 836,730,515.53 | 382,767,305.65 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 63,578,680.22 | 262,031,730.47 |
| Net cash received from disposal of subsidiaries or other operational units | 520,709,077.57 | 13,722,486.06 |
| Cash received relating to other investing activities | 337,229,122.21 | 253,278,686.90 |
| Subtotal of cash inflows from investing activities | 47,768,383,575.02 | 3,712,467,436.92 |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 543,990,941.34 | 431,821,226.41 |
| Cash paid on investments | 51,033,760,176.04 | 2,070,858,364.69 |
| Net cash paid for acquisition of subsidiaries and other business units | 383,041,738.31 | 24,948,431.35 |
| Other cash paid for investment activities | 3,364,505,437.88 | 61,633,333.33 |
| Subtotal of cash outflows from investing activities | 55,325,298,293.57 | 2,589,261,355.78 |
| **Net cash flows from investing activities** | **-7,556,914,718.55** | **1,123,206,081.14** |
| **Cash flows from financing activities** |  |  |
| Cash received from capital contributions | 4,341,097,304.74 | 255,142,952.42 |
| Including: Cash received from subsidiary company absorbed investment of minority shareholders' equity | 4,341,097,304.74 | 255,142,952.42 |
| Cash received from borrowings | 35,928,606,335.00 | 35,314,621,541.60 |
| Cash received from issuing bonds | 13,608,894,556.33 | 4,978,000,000.00 |
| Other cash received form financing activities | 15,000,000.00 | 1,500,000,000.00 |
| Subtotal of cash inflows from financing activities | 53,893,598,196.07 | 42,047,764,494.02 |
| Repayment of borrowings | 36,740,809,381.35 | 43,013,277,427.39 |
| Cash paid for distributing dividends and profit or paying interests | 2,086,895,270.81 | 2,388,067,838.42 |
| Including: Dividend and profit paid by subsidiaries to minority shareholders | 267,051,408.50 | 86,477,315.81 |
| Cash payments relating to other financing activities | 1,869,799,151.74 | 445,233,333.34 |
| Subtotal of cash outflows from financing activities | 40,697,503,803.90 | 45,846,578,599.15 |
| **Net cash flows from financing activities** | **13,196,094,392.17** | **-3,798,814,105.13** |
| **Foreign exchange rate fluctuation consequences on cash and cash equivalents** | 76,050,942.16 | 13,692,171.64 |
| **Net increase in cash and cash equivalents** | 874,782,745.13 | 3,115,580,646.55 |
| Add: Balance of cash and cash equivalents at the beginning of the year | 8,870,938,068.92 | 5,755,357,422.37 |
| **Balance of cash and cash equivalents at the end of the year** | 9,745,720,814.05 | 8,870,938,068.92 |