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CIMC ENRIC

CIMC Enric Holdings Limited

中集安瑞科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3899)

ADOPTION OF SHARE AWARD SCHEME 2020 AN INITIAL BUDGET OF HK\$160 MILLION TO PURCHASE NO MORE THAN 2% OF THE ISSUED SHARES OF THE COMPANY AS INCENTIVE TO ELIGIBLE PARTICIPANTS

THE SCHEME

The Board is pleased to announce that it has resolved to adopt the Scheme on 3 April 2020. The purposes of the Scheme are (a) to provide Eligible Participants with an opportunity to own Shares in the Company thereby aligning the interests of the Eligible Participants with that of the Shareholders; (b) to incentivise Eligible Participants to benefit from value enhancement through delivery of performance targets; and (c) to encourage and retain Eligible Participants to make contributions to the long-term and sustainable growth of the Group.

The Scheme forms part of the overall incentive plan for the employees of the Group. The Shares to be granted to Participants under the Scheme shall be in lieu of part of the cash bonus awarded under the overall incentive plan.

Purchase of Shares by Trustee or Issue of New Shares

The Board may from time to time cause to be paid to the Trustee such amount required for the completion of the purchase of Shares on the Stock Exchange out of the Company's resources (15% of such sum will be paid out of the undistributed bonus of the management team of the Company, while the remaining 85% will be paid out of the internal funds of the Company). The Trustee shall apply such amount towards the purchase of Shares in board lots only on the Stock Exchange at the prevailing market price. An initial amount of HK\$160,000,000 has been budgeted for the purchase of Shares on the Stock Exchange. Subject to the prior approval of the Board, the budget of HK\$160,000,000 may be revised if necessary.

If the Shares to be granted are new Shares to be allotted and issued by the Company, the Company shall cause such Shares to be allotted and issued to the Trustee.

The Trustee shall hold such Shares in accordance with the terms of the Trust Deed and shall transfer such Shares to the relevant Participants after all the relevant vesting conditions are fulfilled.

SCHEME LIMITS

The total number of Shares which may be purchased or issued pursuant to the Scheme shall not in aggregate exceed 2% of the Company's total number of issued Shares as at the Adoption Date.

The maximum number of Shares which may be granted to a Participant at any one time or in aggregate under the Scheme must not exceed 0.5% of the Company's total number of issued Shares as at the Adoption Date.

As at the Adoption Date, there are 2,010,484,588 Shares in issue.

The abovementioned Scheme limits may be refreshed from time to time subject to the prior approval of the Board.

OPERATION

Grant of Shares to Participants

The Board may at its absolute discretion select any employee of the Group to be an Eligible Participant under the Scheme. The Board may also determine the number of Shares to be granted (subject to fulfillment of any vesting condition(s)) and the consideration (if any) to be paid by a Participant for the Grant.

IMPLICATIONS UNDER THE LISTING RULES

The Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company.

The Board is pleased to announce that it has resolved to adopt the Scheme on 3 April 2020. A summary of the principal terms of the Scheme is set out below.

PURPOSES

The purposes of the Scheme are (a) to provide Eligible Participants with an opportunity to own Shares in the Company thereby aligning the interests of the Eligible Participants with that of the Shareholders; (b) to incentivise Eligible Participants to benefit from value enhancement through delivery of performance targets; and (c) to encourage and retain Eligible Participants to make contributions to the long-term and sustainable growth of the Group.

The Scheme forms part of the overall incentive plan for the employees of the Group. The Shares to be granted to Participants under the Scheme shall be in lieu of part of the cash bonus awarded under the overall incentive plan.

SCHEME LIMITS

The total number of Shares which may be purchased or issued pursuant to the Scheme shall not in aggregate exceed 2% of the Company's total number of issued Shares as at the Adoption Date.

The maximum number of Shares which may be granted to a Participant at any one time or in aggregate under the Scheme must not exceed 0.5% of the Company's total number of issued Shares as at the Adoption Date.

As at the Adoption Date, there are 2,010,484,588 Shares in issue.

The abovementioned Scheme limits may be refreshed from time to time subject to the prior approval of the Board.

DURATION

Subject to any early termination of the Scheme in accordance with the Scheme Rules, the Scheme shall be valid and effective for a period of 10 years commencing from the Adoption Date.

Unless otherwise specified in the Scheme, the Shares which are granted and subsisting prior to such termination shall continue to be effective and shall be vested pursuant to the provisions of the Scheme accordingly.

ADMINISTRATION

The Scheme shall be subject to the administration of the Board (includes such committee or subcommittee or person(s) as from time to time delegated with the power and authority of the board of Directors to administer the Scheme) and the Trustee in accordance with the Scheme Rules.

The Company shall, in the course of administering the Scheme, comply with, and the Scheme shall be subject to, the Company's Articles of Association, and all other applicable laws, rules and regulations (including those imposed by the Listing Rules from time to time).

OPERATION

Eligible Participants may elect to participate in the Scheme on a voluntary basis at any time while the Scheme is valid and effective. Pursuant to the Scheme, the grant of Shares to the Participants shall be performance-based or in accordance with other assessments as stipulated in the Scheme Rules.

Grant of Shares to Participants

The Board may at its absolute discretion select any employee of the Group to be an Eligible Participant under the Scheme. The Board may also determine the number of Shares to be granted (subject to fulfillment of any vesting condition(s)) and the consideration (if any) to be paid by a Participant for the Grant.

Where any grant of Shares is to be made to any Participant who is a Director (including any independent non-executive Director), such grant must first be approved by all the independent non-executive Directors and in each case excluding any independent non-executive Director who is the Participant.

Purchase of Shares by Trustee or Issue of New Shares

The Board may from time to time cause to be paid to the Trustee such amount required for the completion of the purchase of Shares on the Stock Exchange out of the Company's resources (15% of such sum will be paid out of the undistributed bonus of the management team of the Company, while the remaining 85% will be paid out of the internal funds of the Company). The Trustee shall apply such amount towards the purchase of Shares in board lots only on the Stock Exchange at the prevailing market price. An initial amount of HK\$160,000,000 has been budgeted for the purchase of Shares on the Stock Exchange. Subject to the prior approval of the Board, the budget of HK\$160,000,000 may be revised if necessary.

If the Shares to be granted are new Shares to be allotted and issued by the Company, the Company shall cause such Shares to be allotted and issued to the Trustee.

The Trustee shall hold such Shares in accordance with the terms of the Trust Deed and shall transfer such Shares to the relevant Participants after all the relevant vesting conditions are fulfilled.

Vesting

The vesting of the Grant Shares is subject to the Participant remaining as an Eligible Participant at all times after the date of the Grant and on the vesting date.

Any Share held by the Trustee on behalf of a Participant pursuant to the Scheme Rules shall vest in such Participant in accordance with the vesting condition(s) or vesting schedule as determined by the Board from time to time under the Scheme Rules.

Voting Rights

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

No instruction as to voting may be given by any Participant to the Trustee in respect of the Grant Shares prior to the vesting of such Grant Shares in the Participant.

Compliance

No Grant and no issue and allotment of Shares shall be made by the Company, no payment shall be made and no instruction shall be given by the Company to the Trustee to purchase Shares under the Scheme where any Director is in possession of Inside Information (as defined in the SFO) in relation to the Company or where dealings in the Shares are prohibited under all applicable laws, rules and regulations including without limitation the Listing Rules and/or the SFO. The transfer of vested Shares by the Trustee to the relevant Participants is not prohibited during such periods.

AMENDMENT AND TERMINATION

The Scheme may be amended in any respect by the Board provided that no such amendment shall operate to affect adversely any rights of any Participant which accrued prior to such amendment becoming effective, and provided that no such amendment or alteration to the Scheme which affects the Trustee's rights and obligations under the Trust Deed shall be made without the prior written consent of the Trustee (save as may be required to comply with the applicable laws, rules or regulations including without limitation the Listing Rules and/or the SFO).

The Scheme shall terminate (a) upon expiry of the period of 10 years commencing from the Adoption Date; or (b) on the date determined/resolved by the Board to terminate the Scheme pursuant to the Scheme Rules, whichever is earlier. Any termination of the Scheme shall be without prejudice to any subsisting rights of any Participant.

IMPLICATIONS UNDER THE LISTING RULES

The Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company.

Under the Scheme, Shares may be granted to a Participant who is a director of the Company or any of its subsidiaries. The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for any Grant or issue of new Shares to connected person(s) of the Company under the Scheme.

In the event that any Grant involves the issue of new Shares to Participants, it is the current intention of the Board that such new Shares will be issued pursuant to the general mandate granted by the Shareholders at the annual general meeting of the Company from time to time. If the Board later on decides to seek specific mandate from the Shareholders to issue any new Share, the Company will make further announcement(s) and comply with the relevant requirements under the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Adoption Date”	3 April 2020, the date on which the Scheme is adopted by the Company by a resolution of the Board
“Board”	the board of Directors
“Company”	CIMC Enric Holdings Limited, an exempted company incorporated in the Cayman Islands on 28 September 2004 with limited liability under the Companies Law (Revised) of the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	shall have the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Participant”	any employee of the Group at level 7 or above, and any employee of the Group selected by the Board
“Grant”	the grant of Shares under the Scheme
“Grant Shares”	the Shares to be granted to Participants pursuant to the Scheme

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Participant”	any Eligible Participant who elects to participate in the Scheme in accordance with the terms of and entitled to receive a Grant under the Scheme
“Scheme”	CIMC Enric Holdings Limited Share Award Scheme 2020 as constituted by the Scheme Rules in its present or any amended form
“Scheme Rules”	the rules relating to the Scheme adopted by the Company on the Adoption Date in its present form or any amended form
“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee constituting the Trust, as restated, supplemented and amended from time to time
“Trustee”	the trustee appointed by the Company for the purpose of the Trust, the trustee on the Adoption Date is BOCI-Prudential Trustee Limited, who are independent of the Company and connected persons of the Company
“%”	per cent.

By order of the Board
CIMC Enric Holdings Limited
GAO Xiang
Chairman

Hong Kong, 3 April 2020

As at the date of this announcement, the Board consists of Mr. Gao Xiang (Chairman) and Mr. Yang Xiaohu (General Manager) as executive Directors; Mr. Yu Yuqun, Mr. Wang Yu and Mr. Zeng Han as non-executive Directors; and Ms. Yien Yu Yu, Catherine, Mr. Tsui Kei Pang, Mr. Zhang Xueqian and Mr. Wang Caiyong as independent non-executive Directors.