CIMC ENRIC

[For Immediate Release]

Revenue decreased by 3.3% to RMB7,968 million for FY2016
Profit from operations down 7.3% to RMB666 million

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(Hong Kong, 21 March 2017) - CIMC Enric Holdings Limited (“CIMC Enric”, or the “Company”, together with its subsidiaries, the “Group”) (Stock code: 03899.HK) announces its annual results for the year ended 31 December 2016.

Mr. Gao Xiang, the Chairman of CIMC Enric, said, “CIMC Enric experienced a crucial year in 2016 with a range of challenges facing the sectors it engaged in. After many years recorded profit attributable to equity shareholders of the Company, the Company reported to loss attributable to equity shareholders for the year of 2016. Nevertheless, it would not affect the Group’s vision of becoming a world-leading manufacturer of specialised equipment and provider of project engineering services for energy, chemical and liquid food industries.”

Impairment Provision

On 27 August 2015, the group entered into agreements in relation to acquire the entire equity of SinoPacific Offshore & Engineering Co., Ltd. On 1 June 2016, as certain conditions precedent under the agreements had not been fulfilled or waived, the Board decided not to proceed with the acquisition. Details of the termination of acquisition were disclosed in the announcements of the Company dated 1 June 2016 and 3 June 2016 respectively.

The Company made provisions of approximately RMB1.36 billion in aggregate for the first instalments of consideration, relevant consideration repayment, loans and guarantees for the financial year ended 31 December 2016. Accordingly, the provisions resulted a substantial loss of the Group for the year ended 31 December 2016. The Board considered the provisions were primarily non-recurring in nature.

Operational Performance

For the year ended 31 December 2016, loss attributable to equity shareholders of the Company amounted to RMB928,772,000, representing a fall of 278.9% over the previous year (2015: profit attributable to equity shareholders RMB519,194,000). Basic loss per share was RMB0.480 (2015: basic earnings per share RMB0.268) and diluted loss per share was RMB0.480 (2015: diluted earnings per share RMB0.265).

International oil price remained weak in the first half of the year and gradually recovered in the second half, the price advantage of natural gas as an alternative fuel to oil slowly improved with the rising oil price thus increasing the demand for natural gas equipment at the same time.

However, this was not enough to offset the weak performance in the first half and the segment still recorded a slight decline in revenue. Despite a stable sales volume, the falling average selling price of both standard and special tank containers caused the chemical equipment segment to post a decrease in revenue. With the acquisition of Briggs Group Limited and appreciation of Euro against RMB, which is the Group's reporting currency; the liquid food equipment segment's revenue saw an increase during the year. As a result, the revenue for 2016 slipped by RMB272,930,000 to RMB7,968,403,000 (2015: RMB8,241,333,000). The performance of each segment is discussed below:

During 2016, the energy equipment segment's revenue fell by 4.6% to RMB3,241,382,000 (2015: RMB3,396,808,000) because of a decline in the demand for natural gas equipment in general which was caused by a stall in oil-to-gas conversion projects in China as well as the attractiveness of using natural gas as an alternative fuel given the diminished price advantage of natural gas over oil during the year. In particular the sales volume of CNG trailers, CNG seamless pressure cylinders and CNG refueling stations saw various degrees of decrease comparing with last year. At the same time, due to increased competitive pressures, the average selling price ("ASP") declined which also contributed to the fall in segment revenue. The segment remains the top grossing segment and accounted for 40.7% (2015: 41.2%) of the Group's total revenue.

The chemical equipment segment's revenue decreased by 8.8% to RMB2,471,644,000 (2015: RMB2,709,679,000) mainly due to a fall in ASP brought on by low steel price in the first half of the year and competitive pressure. The segment made up 31.0% of theGroup's total revenue (2015: 32.9%).

The liquid food equipment segment's revenue posted a slight growth of 5.6% to RMB2,255,377,000 during the year (2015: RMB2,134,846,000) mainly because of the acquisition of Briggs Group Limited and appreciation of Euro (the operating currency of the Group's European subsidiaries) against RMB which is the Group's reporting currency. The segment accounted for 28.3% of the Group's total revenue (2015: 25.9%).

No dividend for the year ended 31 December 2016 is recommended by the board of directors of the Company.

Prospects

Global economic activity remained subdued in 2016, with global GDP growth at approximately 3.1% for 2016, where growth in emerging market and developing economies was diverse but in many cases challenging, while a modest and uneven recovery continued in advanced economies. Global GDP growth is projected at 3.4% for 2017. For China, the country's GDP growth for 2016 recorded a 26-year low of 6.7%. The Chinese government set the 2017 GDP growth target at approximately 6.5%; whilst IMF estimated the growth in China to be 6.2% in 2017.

The market expects the Chinese government to announce supportive policies to help stabilising the economic growth in China. The government also targets to promote renovation and upgrade in the industrial goods manufacturing industry, and has been actively seeking new drivers for development and growth by means of "Made in China 2025" action plan, "One Belt One Road" strategy, state-owned enterprises reform, as well as new technology promotion. CIMC Enric will continue to explore and develop new opportunities with the government's future development paths.

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To seize market opportunities and support its long-term development, the Group will focus on enhancement of its core competitiveness and business integration of the newly acquired subsidiaries, on the back of dedicated efforts on organic growth and persistent innovation. For the existing business, the Group targets to achieve increased productivity and cost reduction by enhancing its core strengths. Meanwhile, the Group strives to develop new business and growth drivers by establishing project companies, innovative technology and new business models. The Group will strengthen the development of our new businesses, such as the distributed energy, oil and gas module and intermodal transport of LNG tank containers. The Group's overall goal is progression to one-stop solutions, to offer comprehensive and tailor-made products and services to customers. More attention will be devoted to exploring overseas markets in order to achieve sustainable revenue growth.

On the foundation of Sino-European cooperation, the Group has established a business structure of "local knowledge and global operation". To further develop strategic and operational management capability of its management team in a global sense, the Group will continue to promote leadership training programmes and incentive schemes to develop and motivate talented leaders, who are essential for the Group's long-term success. In addition, through the leadership training programmes, the Group targets to enhance the capability of its management team to pursue continuous business development under undesirable external environment and to grasp market opportunities timely. In the past few years, the Group's leadership training programmes provided to the China team have been successful, such programmes have covered the European team since 2016. In order to achieve better management and strengthen internal control, the

Group has implemented measures to enhance its organisational structure and work procedures of each department at the headquarters as well as its subsidiaries.

Energy equipment

Since 2014, following the plunge in international oil price by more than half and the Chinese government's natural gas pricing reforms implemented in recent years, the price advantage of natural gas as an alternative fuel over oil had weakened gradually, and the gap between natural gas price and oil price had narrowed significantly, and to a certain extent, undermined the motivation for oil-to-gas conversion projects in China as well as the attractiveness of natural gas as a vehicle fuel. Therefore, the market demand for natural gas equipment declined in 2016. Moreover, the natural gas equipment industry in China has grown rapidly in recent years, market competition becoming more intense and AVP of some products decreased significantly.

While the National Development and Reform Commission of China did not announce any natural gas price cut in 2016, the gradually recovery of international oil price in the second half of 2016 together with favourable policy by the Chinese government, the remarkable economic benefits of natural gas due to the widening price differential between oil and gas as OPEC agreed to reduce output at the end of 2016; the energy equipment segment saw its order intake to pick up in the second half of the year.

The National Energy Administration of China (the "NEA") published the "Energy Sector Development 13th Five Year Plan" in 2016 which set the target of natural gas accounting for 10% of the primary energy consumption in 2020 (2015: 5.9%). Moreover, the "China Natural Gas Development Report (2016)" published jointly by Oil and Gas Bureau of the NEA, Development Research Center of the State Council and Strategic Research Center of Oil and Gas Resources of the Ministry of Land and Resources outlined a string of policy suggestions to promote the use of natural gas. Given the absolute environmental benefits of natural gas over other fossil fuels and together with the supportive policies by the Chinese government, the Group remains confident on the long-term prospects of the natural gas industry in China. The sales of LNG heavy trucks in China has increased significantly since the end of 2016, driving the Company's remarkable recovery in LNG equipment orders.

Douglas-Westwood projects global capital expenditure on floating LNG facilities to reach a total of USD41.6 billion for 2017 to 2022, compared with USD11.4 billion over 2011 to 2015; therefore apart from carrying out marketing strategies in the China market, the energy equipment segment will look for more growth opportunities in overseas markets. Moreover, the Group believes that LNG marine storage and transport industry and marine oil and gas module industry remain positive in the long-term, the segment will continue to explore business opportunities in these areas as well as develop small-scale LNG liquefaction systems and equipment and EPC (engineering, procurement and construction) services.

Chemical equipment

In recent years, the Group's chemical equipment segment has recorded modest growth on the back of previous years' global economic recovery. In 2016, the slow global economic growth continued to impact on the chemical industry, and the Group's tank containers business has experienced cyclical fluctuations of the chemical market. The selling price of tank containers was decreasing while sale volume increased in 2016. In January 2017, the Ministry of Transport of China together with 17 other government ministries announced the "Notice on Promotion of Intermodal Transportation" which is set to boost the penetration of tank containers in China. In view of the enhancing safety regulations, the safe, eco-friendly and efficient tank container logistics will further take over from the lower-end modes of transport. Therefore, while we expect that the industry cyclical fluctuation would last in 2017, the growth of tank containers business will remain positive. Due to the steel price's rebound to a more reasonable level recently, the Group expects the selling price pressure of tank containers will be moderately less than the one of 2016.

With many years of expertise and experience in the chemical equipment industry, the segment remains committed to maintaining its leading position in tank container manufacturing business by controlling production costs, improving quality and tightening operational efficiency. To pursue a healthy and sustainable growth in revenue, the segment will step up its effort to develop the market of special and high-end tank containers, expanding the intermodal transport of tank containers for railway transport and LNG tank containers in China. In China, we will plan our production capacity for maintaining of leading market position.

For long term business growth, we will expand more after-sale services including depot service, repair and maintenance, annual inspection and tank containers managed by Internet of Things. We also will explore more opportunities on new products and integrated solution for medical and hazardous goods waste logistics industries. We will continue to make use of the resources of Burg Service B.V. which has increased our presence in the Europe market, and has gained access to advanced technologies for repair and modification of tank containers in Europe.

Liquid food equipment

Backed by the strong brand names of "Ziemann Holvrieka" and "Briggs", the Group's liquid food equipment segment is committed to offer engineering services and system solutions for the liquid food industry. Through the acquisition of Ziemann Holvrieka Asia Co., Ltd, the segment has expanded its production capacity in China and will continue to introduce advanced manufacturing technologies and process automation from Europe to China. With a high level of technological and technical competence of production equipment for beer, the segment will strive vertically towards integrated EPC turnkey solutions, and horizontally towards diversification to juice storage and transportation and dairy product processing, achieve persistent innovation, and explore more business opportunities and revenue sources in Central America and the emerging markets.

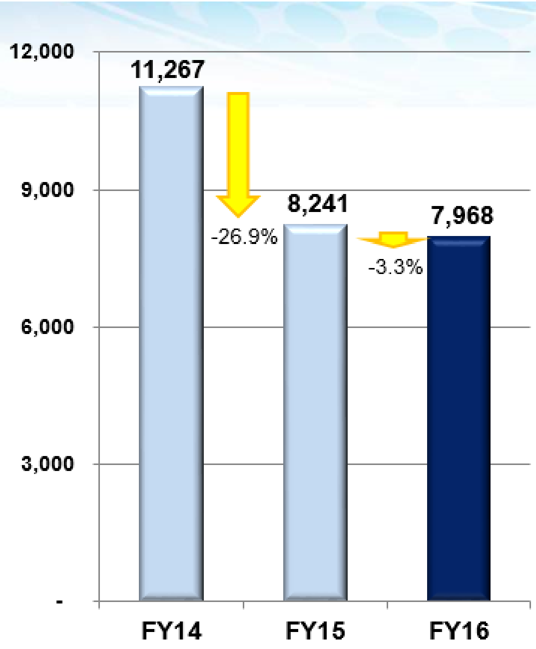
The acquisition of Briggs Group Limited in 2016, with offices in the UK and the USA, strengthened the segment's process capabilities with extensive process design knowledge in breweries, pharmaceutical and distilleries. In addition, the liquid food equipment segment has developed process innovations and has participated in trade exhibitions to present the innovations to the market. The segment targets to develop innovative products for sustainable brewing processes and high efficient resource management which translate to greener breweries and lower operating costs to our customers.

Mr. Gao Xiang concluded, "I would like to express my sincere gratitude to our shareholders, customers, suppliers and business partners for their continuing support, and thank our staff and management for their dedication and hard work. Looking ahead, the Group remains prudently optimistic about the outlook of the sectors it engaged in. The Group firmly believes that the combination of the Group's key strategies and diversified business model will create sustainable and long-term value to shareholders."

Financial Highlights

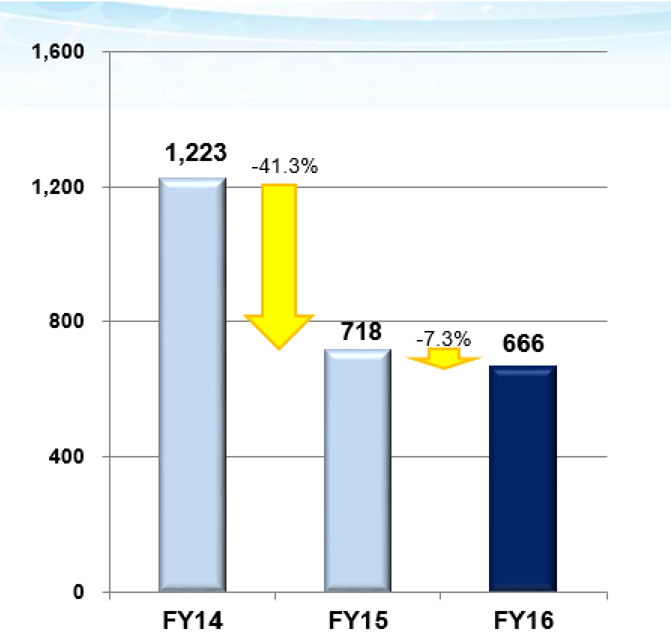
RMB'000	**2016**	2015	**Change**
Revenue	**7,968,403**	8,241,333	**-3.3%**
Gross profit	**1,403,633**	1,532,717	**-8.4%**
Profit from operations	**665,559**	718,276	**-7.3%**
(Loss)/profit for the year	**(936,680)**	536,213	**-274.7%**
(Loss)/profit attributable to equity shareholders	**(928,772)**	519,194	**-278.9%**
(Loss)/earnings per share – basic	**(RMB0.480)**	RMB0.268	**-279.1%**
(Loss)/earnings per share– diluted	**(RMB0.480)**	RMB0.265	**-281.1%**
Net asset value per share	**RMB2.737**	RMB3.340	**-18.1%**

RMB million



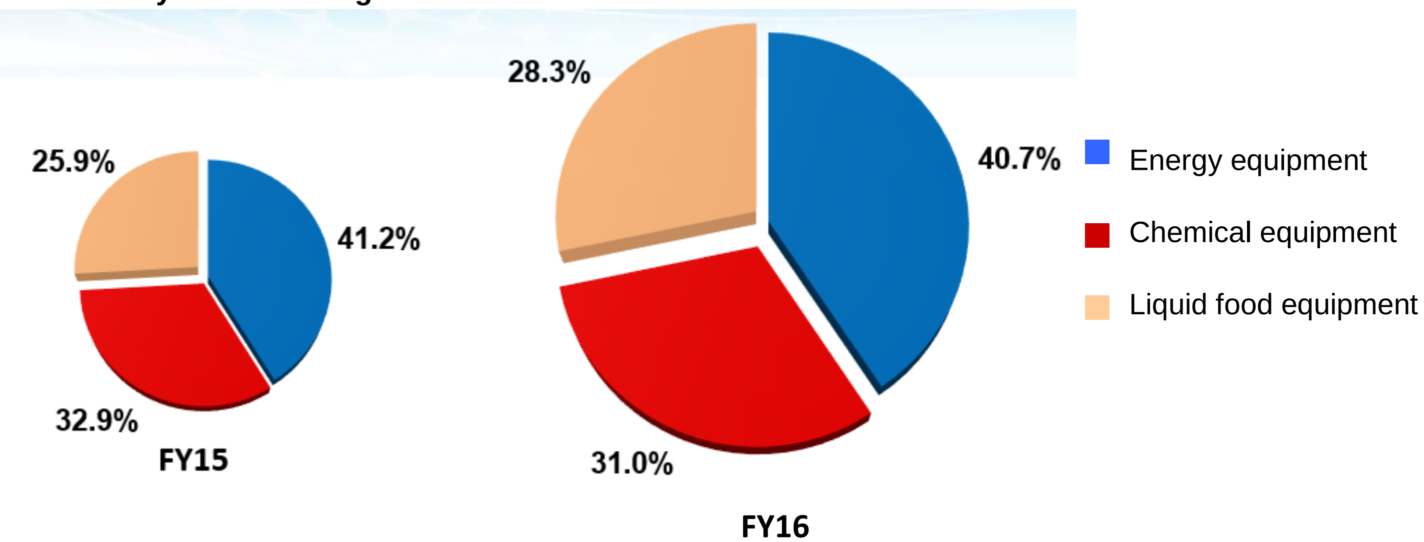
Revenue

RMB million



Profit from operations

Sales by Business Segments



CIMC Enric Holdings Limited

CIMC Enric is principally engaged in the design, development, manufacturing, engineering and sales of, and the provision of technical maintenance services for, a wide spectrum of transportation, storage and processing equipment that is widely used in the energy, chemical and liquid food industries.

Key products of each segment include: CNG seamless pressure cylinders, on-vehicle LNG fuel tanks, CNG and LNG trailers, LPG trailers and tanks and natural gas refueling station systems in the energy equipment segment; tank containers for chemical liquids, liquefied gas and cryogenic liquids in the chemical equipment segment; and stainless steel processing and storage tanks in the liquid food equipment segment. Project engineering services are also provided by the energy equipment segment and liquid food segment.

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The announcement of the annual results for the year ended 31 December 2016 is available at the Company's IR portal at www.irasia.com/listco/hk/enric.