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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)**

## **CONNECTED TRANSACTION**

### **DISPOSAL OF EQUITY INTEREST IN CIMC FINANCE**

The Board is pleased to announce that on 2 September 2021, Transferor B, an indirect wholly-owned subsidiary of the Company, entered into the Share Transfer Agreement with Transferor A, Transferor C and the Transferee pursuant to which, among other things, Transferor B agreed to sell and the Transferee agreed to purchase 7.0109% of equity interest in CIMC Finance (corresponding to the registered capital of RMB64,500,000 in CIMC Finance) at a consideration of RMB117,363,742.

Upon completion of the Share Transfer, Transferor B will cease to have any equity interest in CIMC Finance.

#### **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, CIMC (being the Transferee) indirectly holds 67.67% of the entire share capital of the Company, and is therefore a controlling shareholder and connected person of the Company. Both Transferor A and Transferor C are subsidiaries of CIMC, and therefore are associates of CIMC and connected persons of the Company. The transaction contemplated under the Share Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios as set out in the Listing Rules in respect of the Share Transfer in relation to the Sale Shares to be disposed of by Transferor B under the Share Transfer Agreement is more than 0.1% but all the applicable percentage ratios are less than 5%, the transaction contemplated under the Share Transfer Agreement in relation to the Sale Shares to be disposed of by Transferor B under the Share Transfer Agreement is subject to the reporting and announcement requirements and is exempted from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **I. THE SHARE TRANSFER AGREEMENT**

The principal terms of the Share Transfer Agreement are summarized as follows:

### **Date**

2 September 2021

### **Parties**

- (1) Transferor A, being one of the vendors
- (2) Transferor B, an indirect wholly-owned subsidiary of the Company, being one of the vendors
- (3) Transferor C, being one of the vendors
- (4) Transferee, being the purchaser

### **The Share Transfer**

Pursuant to the Share Transfer Agreement, Transferor A, Transferor B and Transferor C agreed to sell to the Transferee and the Transferee agreed to purchase from Transferor A, Transferor B and Transferor C, 10.5435% (corresponding to the registered capital of RMB97,000,000 in CIMC Finance), 7.0109% (corresponding to the registered capital of RMB64,500,000 in CIMC Finance), 7.0109% of equity interest in CIMC Finance (corresponding to the registered capital of RMB64,500,000 in CIMC Finance) respectively.

### **Consideration**

The consideration under the Share Transfer Agreement payable to Transferor A, Transferor B and Transferor C shall be RMB176,500,109, RMB117,363,742 and RMB117,363,742 respectively.

The aggregate consideration under the Share Transfer Agreement of RMB411,227,593 was determined after arm's length negotiation between the Parties based on the appraisal value of net assets of CIMC Finance of approximately RMB1,674,018,200 as at 31 May 2021, which was evaluated and determined by an independent valuer applying asset-based method. The consideration under the Share Transfer Agreement payable to each Transferor is in proportion to the Transferors' equity interest in the Sale Shares.

## **Payment of the Consideration**

The consideration under the Share Transfer Agreement shall be paid by the Transferee in the following manners:

- (a) 60% of the consideration under the Share Transfer Agreement (i.e. RMB105,900,065 to Transferor A, RMB70,418,245 to Transferor B and RMB70,418,245 to Transferor C) shall be paid within 15 Working Days after the latest of (i) the date of the Share Transfer Agreement and (ii) the date on which the Parties and CIMC Finance have completed their respective internal approval procedures; and
- (b) the remaining 40% of the consideration under the Share Transfer Agreement (i.e. RMB70,600,044 to Transferor A, RMB46,945,497 to Transferor B and RMB46,945,497 to Transferor C) shall be paid within 15 Working Days after the completion of the Share Transfer.

## **Conditions Precedent**

Completion of the Share Transfer is subject to the following conditions precedent (“**Conditions**”):

- (a) necessary approval, consent, authorization, filing or waiver from China Banking and Insurance Regulatory Commission Shenzhen Office for the Share Transfer being obtained;
- (b) necessary shareholders’ resolutions and/or directors’ resolutions of CIMC Finance approving the Share Transfer being passed and all other shareholders of CIMC Finance having waived their rights of first refusal in relation to the Sale Shares;
- (c) all representations and warranties made by the Parties under the Share Transfer Agreement being true, complete and accurate in all aspects, and there being no breach of the Share Transfer Agreement by any of the Parties; and
- (d) the Transferee having completed the payment of 60% of the consideration under the Share Transfer Agreement to the Transferors.

## Completion

Within 15 Working Days after all of the Conditions are fulfilled, the Transferors shall facilitate CIMC Finance to process the registration of the transfer of the Sale Shares from the Transferors to the Transferee. Completion of the Share Transfer shall take place on the date upon which the Sale Shares are registered under the name of the Transferee on the register of members and the articles of association of CIMC Finance, the industrial and commercial registration files and the National Enterprise Credit Information Publicity System.

After completion of the Share Transfer, Transferor B will cease to have any equity interest in CIMC Finance.

## II. INFORMATION ON CIMC FINANCE

CIMC Finance is a banking financial institution established in the PRC and principally engaged in the provision of financial services to fellow subsidiaries of CIMC.

Set out below is the financial information of CIMC Finance for the two years ended 31 December 2019 and 31 December 2020 prepared in accordance with the PRC accounting standards:

	<b>For the financial year ended 31 December</b>	
	<b>2019</b>	<b>2020</b>
	(audited)	(audited)
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Net profit/(loss) before taxation and extraordinary items	175,943	167,126
Net profit/(loss) after taxation and extraordinary items	131,643	125,202

The net asset value of CIMC Finance as of 31 December 2019 and 31 December 2020 were approximately RMB1,621,777,347 and RMB1,687,745,550 respectively.

From November 2018 to June 2021, Transferor B received a total dividend of RMB10,550,000 from CIMC Finance.

### **III. REASONS FOR AND BENEFITS OF ENTERING INTO THE SHARE TRANSFER AGREEMENT**

The Directors consider that the Share Transfer gives a good opportunity of the Group to realize its investment in CIMC Finance. The Share Transfer will enable the Group to increase its working capital of the Group. The existing continuing connected transactions between the Group and CIMC Finance under the Financial Services Framework Agreement (2019) are not affected by the Share Transfer Agreement and will continue should the Company decides to continue to engage CIMC Finance for its provision of the services thereunder.

The Directors (including the independent non-executive Directors) believe that the terms of the transaction contemplated under the Share Transfer Agreement are fair and reasonable; and the transaction contemplated under the Share Transfer Agreement is on the normal commercial terms and in the ordinary and usual course of business of the Group and in the interests of the Company and shareholders of the Company as a whole.

### **IV. FINANCIAL IMPACT ON THE GROUP AND USE OF PROCEEDS**

As a result of the Share Transfer, the Group expects to recognise a gain of approximately RMB6,745,138 upon the completion of the Share Transfer, being the difference between the consideration to be received by Transferor B and initial acquisition cost of RMB99,739,162. The actual gain on the Share Transfer to be recorded by the Company is subject to audit and may be different from the estimated amount.

The proceeds from the Share Transfer to be received by Transferor B of RMB117,363,742 will be used as general working capital.

### **V. IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, CIMC (being the Transferee) indirectly holds 67.67% of the entire share capital of the Company, and is therefore a controlling shareholder and connected person of the Company. Both Transferor A and Transferor C are subsidiaries of CIMC, and therefore are associates of CIMC and connected persons of the Company. The transaction contemplated under the Share Transfer Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios as set out in the Listing Rules in respect of the Share Transfer in relation to the Sale Shares to be disposed of by Transferor B under the Share Transfer Agreement is more than 0.1% but all the applicable percentage ratios are less than 5%, the transaction contemplated under the Share Transfer Agreement in relation to the Sale Shares to be disposed of by Transferor B under the Share Transfer Agreement is subject to the reporting and announcement requirements and is exempted from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since no Director has or may be perceived to have a material interest in the transactions contemplated under the Share Transfer Agreement, none of the Directors is required to abstain from voting on the relevant Board resolutions approving the Share Transfer Agreement under the requirements of the Listing Rules.

## **VI. GENERAL**

The Group 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 are widely used in the energy, chemical and liquid food industries.

Transferee is the controlling shareholder of the Company and is principally engaged in the container manufacturing and service business, road transportation vehicle business, energy, chemical and food equipment business, offshore engineering business and airport facilities equipment business.

Transferor A is an indirect non-wholly owned subsidiary of CIMC and principally engaged in production and operation of various electromechanical equipment for airport.

Transferor B is an indirect wholly-owned subsidiary of the Company and principally engaged in investment holding.

Transferor C is a direct wholly-owned subsidiary of CIMC and principally engaged in international and domestic freight transport agents.

**Completion of the Share Transfer is subject to the satisfaction or waiver of various Conditions and therefore the Share Transfer may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

## VII. DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CIMC” or “Transferee”	China International Marine Containers (Group) Co., Ltd.* (中國國際海運集裝箱(集團)股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC, the A shares of which are listed on the Shenzhen Stock Exchange and the H shares of which are listed on the Main Board of the Stock Exchange
“CIMC Finance”	中集集團財務有限公司 (CIMC Finance Company Limited), a company established under the laws of the PRC and a wholly-owned subsidiary of CIMC
“Company”	CIMC Enric Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on 28 September 2004 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 thereto under the Listing Rules
“controlling shareholder”	shall have the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Financial Services Framework Agreement (2019)”	the framework agreement dated 31 December 2019 entered into among the Company, CIMC Finance and CIMC in relation to the provision of financial services by CIMC Finance to the Group for the period commenced on 1 January 2020 and expiring on 31 December 2022, details of which are set out in the announcement of the Company dated 31 December 2019

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	collectively, the Transferors and the Transferee
“Transferor A”	深圳中集天達空港設備有限公司 (Shenzhen CIMC-Tianda Airport Support Ltd.*), a company established in the PRC with limited liability, an indirect non-wholly owned subsidiary of CIMC
“Transferor B”	中集安瑞科(荊門)能源裝備有限公司(CIMC Enric (Jingmen) Energy Equipment Co., Ltd.*), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company
“Transferor C”	中集世聯達物流科技(集團)股份有限公司 (CIMC Shilianda Logistics Technology (Group) Co., Ltd.*) (formerly known as 中集現代物流發展有限公司 (CIMC Modern Logistic Development Co., Ltd*)), a company established in the PRC with limited liability, a direct wholly-owned subsidiary of CIMC
“Transferors”	collectively, Transferor A, Transferor B and Transferor C, each a “Transferor”
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excludes Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	24.5653% of equity interest in CIMC Finance (corresponding to the registered capital of RMB226,000,000 in CIMC Finance), among which 10.5435% is owned by Transferor A, 7.0109% is owned by Transferor B and 7.0109% is owned by Transferor C as at the date of the Share Transfer Agreement



“Shareholder(s)”	shareholder(s) of the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Transfer”	the transfer of the Sale Shares from the Transferors to the Transferee for an aggregate consideration of RMB411,227,593 as contemplated under the Share Transfer Agreement
“Share Transfer Agreement”	the share transfer agreement dated 2 September 2021 entered into by and amongst the Parties in relation to the Share Transfer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Working Day(s)”	the statutory working days in the PRC
“%”	per cent.

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

Hong Kong, 2 September 2021

*As at the date of this announcement, the Board of the Company consists of Mr. Gao Xiang (Chairman) as non-executive Director; Mr. Yang Xiaohu (General Manager) as executive Director; 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.*

\* *For identification purposes only*