

THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CIMC Enric Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**CONTINUING CONNECTED TRANSACTION  
AND  
RE-ELECTION OF DIRECTOR  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to  
the Independent Board Committee and Independent Shareholders**



---

A notice convening the extraordinary general meeting of CIMC Enric Holdings Limited to be held at Room Mont Blanc, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Wednesday, 3 February 2010 at 3:00 p.m. is set out on pages 34 to 35 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 4:00 p.m. on 1 February 2010 (Monday) or not less than 48 hours before the time appointed for any adjournment thereof. Completion and return of the proxy form will not preclude shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish.

Hong Kong, 18 January 2010

# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
I.    Introduction .....	6
II.   Continuing Connected Transaction .....	7
III.  Re-election of Director .....	13
IV.  Extraordinary General Meeting .....	14
V.   Additional Information .....	16
<b>Letter from the Independent Board Committee</b> .....	17
<b>Letter from Somerley</b> .....	18
<b>Appendix – General Information</b> .....	27
<b>Notice of the Extraordinary General Meeting</b> .....	34

## DEFINITIONS

*In this circular, the following expressions have the following meanings, unless the context otherwise requires:*

“Acquired Groups”	Sound Winner Holdings Limited and Full Medal Limited, both being companies incorporated under the laws of the BVI with limited liability, and their respective subsidiaries, acquisitions of which were completed on 14 August 2009
“Acquisitions”	the acquisitions of the Acquired Groups, details of which were disclosed in the announcements of the Company dated 10 September 2008, 20 April 2009 and 14 August 2009, and the circular of the Company dated 3 June 2009
“Approved Aggregated Annual Cap(s)”	the maximum aggregated annual value(s) of the transactions contemplated under the Master Supply of Spare Parts Agreement and the Holvrieka Master Supply of Spare Parts Agreement for the financial years ending 31 December 2010 and 2011, which were approved by the then independent Shareholders on the extraordinary general meeting of the Company held on 26 June 2009
“Articles”	the articles of association of the Company
“associate(s)”	as such term is defined under the Listing Rules
“Board”	the board of Directors
“Burg Industries”	Burg Industries B.V., a company (Besloten Vennootschap) established under the laws of the Netherlands with limited liability, which is indirectly owned by CIMC as to 80%
“Burg Industries Group”	Burg Industries and its subsidiaries and associates
“BVI”	British Virgin Islands
“Charm Wise”	Charm Wise Limited, a company incorporated in the BVI with limited liability and a substantial Shareholder holding 22.24% of the Shares, and a wholly-owned subsidiary of CIMC

## DEFINITIONS

“CIMC”	中國國際海運集裝箱(集團)股份有限公司 China International Marine Containers (Group) Co., Ltd., a joint stock company incorporated under the laws of the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange
“CIMC Group”	CIMC and its subsidiaries (excluding members of the Group) and associates
“CIMC HK”	China International Marine Containers (Hong Kong) Limited 中國國際海運集裝箱(香港)有限公司, a company incorporated under the laws of Hong Kong with limited liability, which is a wholly-owned subsidiary of CIMC
“CIMC Vehicle”	CIMC Vehicle Investment Holdings Company Limited, a company incorporated under the laws of BVI with limited liability, which is a wholly-owned subsidiary of CIMC Vehicle (Group) Co. Ltd., 56% and 24% of the issued share capital of which are in turn held by CIMC and CIMC HK, respectively
“Companies Ordinance”	Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	CIMC Enric Holdings Limited 中集安瑞科控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of Stock Exchange
“connected person(s)”	as such term is defined under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held, to consider and approve, if appropriate, the Revised Aggregated Annual Caps and the re-election of Director
“EURO”	Euro, the lawful currency of the European Union
“Group”	the Company and its subsidiaries

## DEFINITIONS

“Holvrieka Master Supply of Spare Parts Agreement”	the master supply of spare parts agreement dated 14 August 2009 entered into between the Company and Burg Industries for the provision of spare parts by the Burg Industries Group, for a term from the date of completion of the Acquisitions, i.e. 14 August 2009, to 31 December 2011
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, to advise the Independent Shareholders with regard to the Revised Aggregated Annual Caps
“Independent Financial Adviser” or “Sommerley”	Sommerley Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO having CE registration number AAJ067 and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised Aggregated Annual Caps
“Independent Shareholders”	Shareholders who are not required to abstain from voting in respect of the resolution on the Revised Aggregated Annual Caps at the EGM pursuant to the Listing Rules
“Latest Practicable Date”	11 January 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Master Supply of Spare Parts Agreement”	the master supply of spare parts agreement dated 14 August 2009 entered into between the Company and CIMC for the provision of spare parts by CIMC Group (excluding members of the Group) to the Group (including the Acquired Groups), following completion of the Acquisitions on 14 August 2009
“Mr. TSUI”	Mr. Tsui Kei Pang (徐奇鵬), an independent non-executive Director

## DEFINITIONS

“Mr. van der Burg”	Mr. Petrus Gerardus Maria van der Burg, a non-executive Director
“Mr. Zhao”	Mr. Zhao Qingsheng, an executive Director and Chairman of the Company
“PGM”	P.G.M. Holding B.V., a company ( <i>Besloten Vennootschap</i> ) incorporated under the laws of the Netherlands with limited liability, which is owned as to 99.50% by Mr. van der Burg, a Director
“PRC”	the People’s Republic of China and for the purposes of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Revised Aggregated Annual Cap(s)”	the revised maximum aggregated annual value(s) of the Transaction and the transactions contemplated under the Holvrieka Master Supply of Spare Parts Agreement for the two financial years ending 31 December 2010 and 2011
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	shall have the meaning ascribed to it under the Companies Ordinance
“substantial shareholder”	shall have the meaning ascribed to it under the Listing Rules
“Transaction”	the continuing connected transactions contemplated under the Master Supply of Spare Parts Agreement

## DEFINITIONS

"2007 Master Agreement"	the master agreement dated 1 November 2007 between the Company and CIMC in relation to the provision of transportation equipment by CIMC Group as spare parts for the Group's production, for a term expired on 31 December 2009, details of which were disclosed in the announcement of the Company dated 4 November 2007
"%"	per cent.

*In this circular, EURO has been converted to RMB at the rate of EURO1.00 = RMB8.8701, which was the exchange rate used when the Approved Aggregated Annual Caps were approved, for illustration purpose only. No representation is made that any amounts in EURO or RMB have been, could have been or could be converted at the above rate or at any other rates or at all.*



**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)**

*Executive Directors:*

Zhao Qingsheng (*Chairman*)  
Gao Xiang (*General Manager*)  
Jin Jianlong  
Yu Yuqun

*Non-executive Directors:*

Jin Yongsheng  
Petrus Gerardus Maria van der Burg

*Independent non-executive Directors:*

Wong Chun Ho  
Gao Zhengping  
Tsui Kei Pang

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principle place of business  
in Hong Kong:*

Unit 908, 9th Floor  
Fairmont House  
No. 8 Cotton Tree Drive  
Central  
Hong Kong

*Head office in the PRC:*

CIMC R&D Center  
No. 2 Gangwan Avenue  
Shekou Industrial Zone  
Shenzhen, Guangdong  
The PRC

18 January 2010

*To the Shareholders*

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTION  
AND  
RE-ELECTION OF DIRECTOR  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**I. INTRODUCTION**

On 28 December 2009, the Company made an announcement, among other things, in relation to the Revised Aggregated Annual Caps proposed to be approved by the Independent Shareholders at the EGM.



## LETTER FROM THE BOARD

In addition, on 11 November 2009, the Company announced that Mr. TSUI was appointed as an independent non-executive Director and a member of the audit committee and the remuneration committee of the Company respectively, all with effect from 11 November 2009. Pursuant to A.4.2 of Appendix 14 to the Listing Rules and Article 86(3) of the Articles, the appointment of Mr. TSUI as an independent non-executive Director is subject to re-election by the Shareholders at the EGM.

The purposes of this circular are (i) to provide you with further information regarding the Transaction and the Revised Aggregated Annual Caps; (ii) to set out the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Revised Aggregated Annual Caps; (iii) to set out the recommendation of the Independent Board Committee after taking into consideration the advice of the Independent Financial Adviser in relation to the Revised Aggregated Annual Caps; (iv) to provide you with further information on re-election of Mr. TSUI; and (v) to give you notice of the EGM to consider and if thought fit, to approve the resolutions regarding the Revised Aggregated Annual Caps and the re-election of Mr. TSUI at the EGM.

## II. CONTINUING CONNECTED TRANSACTION

### A. Background

Reference is made to the announcements of the Company dated 4 November 2007 and 3 June 2009 on continuing connected transactions. On 1 November 2007, the Company entered into the 2007 Master Agreement with CIMC for a term expired on 31 December 2009. On 14 August 2009, the Company entered into the Master Supply of Spare Parts Agreement with CIMC for the provision of spare parts by CIMC Group, for a term from the date of completion of the Acquisitions, i.e. 14 August 2009, to 31 December 2011. Among other things, the aggregated annual caps of the transactions contemplated under the Master Supply of Spare Parts Agreement and the Holvrieka Master Supply of Spare Parts Agreement for the financial years ending 31 December 2009, 2010 and 2011 were approved by the then independent Shareholders on 26 June 2009.

Since the 2007 Master Agreement has expired on 31 December 2009 and it was anticipated that the Group and CIMC Group would continue to enter into such transactions in its ordinary course of business in years 2010 and 2011, the 2007 Master Agreement should be renewed. However, since the nature of transactions contemplated under the 2007 Master Agreement is the same as that under the Master Supply of Spare Parts Agreement, instead of renewing the 2007 Master Agreement, the Approved Aggregated Annual Caps were therefore proposed to be revised and enlarged to cover the relevant transactions between the whole Group and CIMC Group for the years ending 31 December 2010 and 2011.

## LETTER FROM THE BOARD

### **B. The Master Supply of Spare Parts Agreement and the Holvrieka Master Supply of Spare Parts Agreement**

As disclosed in the announcement of the Company dated 3 June 2009, the followings are the major terms and particulars of the Master Supply of Spare Parts Agreement and the Holvrieka Master Supply of Spare Parts Agreement both dated 14 August 2009:

*The Master Supply of Spare Parts Agreement:*

- |                              |   |  |
|------------------------------|---|--|
| Contracting parties          | : | The Company and CIMC   |
| Term                         | : | From the date of completion of the Acquisitions, i.e. 14 August 2009, to 31 December 2011, subject to renewal  |
| Type of spare parts provided | : | Including but not limited to vehicle chassis and vehicle platform  |
| Price determination          | : | Price should be determined in the following order: <ul style="list-style-type: none"><li>(i) at State-prescribed prices (being the prices set by the relevant laws, regulations and other governmental regulatory documents issued by the relevant authorities of the PRC Government);</li><li>(ii) where there is no State-prescribed price, at market prices (being the price at which such type of spare parts is provided to independent third parties in the same or surrounding area in the ordinary course of business); and</li><li>(iii) where there is no relevant market prices, at prices equivalent to the actual costs incurred in providing such spare parts plus reasonable margin to be determined by the parties</li></ul> |

## LETTER FROM THE BOARD

Execution agreements : Individual purchase orders and other execution agreements may be made between the Group and the CIMC Group. Where any term of an execution agreement is in contradiction with terms of the master agreement, the later shall prevail

Reasons for entering into the agreement : To regulate the supply of spare parts by CIMC Group to the Group

*The Holvrieka Master Supply of Spare Parts Agreement:*

Contracting parties : The Company and Burg Industries

Term : From the date of completion of the Acquisitions, i.e. 14 August 2009, to 31 December 2011, subject to renewal

Type of spare parts provided : Vehicle chassis and other related spare parts

Price determination : Prices should be determined on an arm's length basis and comparable to the prevailing market rates or at rates similar to those offered by the Burg Industries Group to other independent third parties

Execution agreements : Individual purchase orders and other execution agreements may be made between the Group and the Burg Industries Group. Such purchase orders and execution agreements may only contain provisions which are in all material respects consistent with the binding principles, guidelines, terms and conditions contained in the master agreement

Reasons for entering into the agreement : To regulate the supply of spare parts by the Burg Industries Group to the Group

## LETTER FROM THE BOARD

### C. Historical figures

The following table sets forth the historical transaction amounts of the transactions (i) between the Group (excluding the Acquired Groups) and CIMC Group under the 2007 Master Agreement or transaction of a nature similar thereto; (ii) between the Acquired Groups and CIMC Group under the Master Supply of Spare Parts Agreement or transaction of a nature similar thereto; and (iii) under the Holvrieka Master Supply of Spare Parts Agreement or transaction of a nature similar thereto:

	For the financial year ended		For the first six months of 2009
	31 December 2007	2008	
(1) Transactions between the Group (excluding the Acquired Groups) and CIMC Group under the 2007 Master Agreement/transaction of a nature similar thereto	Approximately RMB14,843,000	Approximately RMB74,332,000	Approximately RMB15,733,000
(2) Transactions between the Acquired Groups and CIMC Group under the Master Supply of Spare Parts Agreement/transaction of a nature similar thereto	Approximately RMB28,961,000	Approximately RMB52,171,000	Approximately RMB9,415,000
(3) Transactions under the Holvrieka Master Supply of Spare Parts Agreement/transaction of a nature similar thereto	Approximately EURO377,000 (equivalent to approximately RMB3,344,028)	Approximately EURO375,000 (equivalent to approximately RMB3,326,288)	Approximately EURO100,000 (equivalent to approximately RMB887,010)
<b>Total of (1) to (3):</b>	Approximately RMB47,148,028	Approximately RMB129,829,288	Approximately RMB26,035,010

<b>LETTER FROM THE BOARD</b>
------------------------------

**D. The Approved Aggregated Annual Caps and the Revised Aggregated Annual Caps**

The following table sets forth the Approved Aggregated Annual Caps and the Revised Aggregated Annual Caps, and their respective breakdowns:

	<b>For the financial year ending 31 December</b>	
	<b>2010</b>	<b>2011</b>
(1) Approved annual caps for transactions contemplated under the Master Supply of Spare Parts Agreement ( <i>Note 1</i> )	RMB65,987,000	RMB95,722,000
(2) Approved annual caps for transactions contemplated under the Holvrieka Master Supply of Spare Parts Agreement ( <i>Note 2</i> )	EURO375,000 (equivalent to approximately RMB3,326,288)	EURO375,000 (equivalent to approximately RMB3,326,288)
(3) <b>Approved Aggregated Annual Caps</b> (i.e. total of (1) and (2)) ( <i>Note 3</i> )	RMB69,313,288	RMB99,048,288
(4) Estimated maximum transaction amount for transactions between the Group (excluding the Acquired Groups) and CIMC Group under the Master Supply of Spare Parts Agreement ( <i>Note 4</i> )	RMB144,600,000	RMB187,300,000
(5) Revised annual caps for transactions contemplated under the Master Supply of Spare Parts Agreement (i.e. total of (1) and (4)) ( <i>Note 5</i> )	RMB210,587,000	RMB283,022,000
(6) <b>Revised Aggregated Annual Caps</b> (i.e. total of (2) and (5)): ( <i>Note 6</i> )	RMB213,913,288	RMB286,348,288

## LETTER FROM THE BOARD

*Notes:*

- (1) The approved annual caps for transactions contemplated under the Master Supply of Spare Parts Agreement were set specifically for the transactions between the Acquired Groups and CIMC Group (which became continuing connected transactions of the Company under Chapter 14A following the completion of the Acquisitions on 14 August 2009) only, and did not cover those between other members of the Group and CIMC Group.
- (2) No revision to the approved annual caps for transactions contemplated under the Holvrieka Master Supply of Spare Parts Agreement is anticipated to be necessary.
- (3) In accordance with Rule 14A.25 of the Listing Rules, the approved annual caps for the transactions under the Master Supply of Spare Parts Agreement and Holvrieka Master Supply of Spare Parts Agreement were aggregated.
- (4) The estimated maximum transaction amount for transactions between the Group (excluding the Acquired Groups) and CIMC Group under the Master Supply of Spare Parts Agreement for the financial years ending 31 December 2010 and 2011 are determined based on the estimated purchase volumes with reference to the historical transaction amounts and the expected growth of the Group.
- (5) The revised annual caps for transactions under the Master Supply of Spare Parts Agreement have taken into account the transactions between (i) the Acquired Groups and CIMC Group; and (ii) the rest of the Group and CIMC Group.
- (6) In accordance with Rule 14A.25 of the Listing Rules, the proposed revised annual caps for transactions contemplated under the Master Supply of Spare Parts Agreement and the approved annual caps for the Holvrieka Master Supply of Spare Parts Agreement are aggregated.

### **E. Compliance with the Listing Rules**

Since CIMC indirectly owned approximately 56.59% of the Shares as at the Latest Practicable Date, CIMC is a controlling Shareholder and the Transaction constitutes continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As the Board anticipated that the applicable percentage ratios for the Revised Aggregated Annual Caps would not be less than 2.5%, and the annual consideration was expected to be higher than HK\$10,000,000, the Revised Aggregated Annual Caps would be subject to the Independent Shareholders' approval at the EGM.

### **F. Principal activities of the parties**

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 is widely used in the energy, chemical and liquid food industries. Key products of the Group include (but not limited to) seamless pressure cylinders, natural gas refueling station systems and trailers, tanks containers, compressed natural gas trailers, liquefied natural gas trailers, specialty gas trailers, cryogenic tanks, liquid food tanks and road tanks.

CIMC is principally engaged in the manufacturing and sales of containers, road transportation vehicles, energy, chemical and liquid food equipment as well as air and sea transportation equipment through its various direct and indirect operating subsidiaries.

## LETTER FROM THE BOARD

### G. Recommendations

Your attention is drawn to:

- (a) the letter from the Independent Board Committee set out on page 17 of this circular; and
- (b) the letter from the Independent Financial Adviser set out on pages 18 to 26 of this circular.

The Board considers that the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Group, and that the Transaction, including the Revised Aggregated Annual Caps, is fair and reasonable and in the interests of the Shareholders as a whole. Accordingly, the Board recommends that the Independent Shareholders should vote in favour of the resolution approving the Revised Aggregated Annual Caps as set out in the notice of the EGM.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser and in particular the principal factors set out in the letter from the Independent Financial Adviser, considers that the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Group, and that the Transaction, including the Revised Aggregated Annual Caps, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Group and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends that the Independent Shareholders should vote in favour of the resolution approving the Revised Aggregated Annual Caps as set out in the notice of the EGM.

### III. RE-ELECTION OF DIRECTOR

On 11 November 2009, the Company announced that Mr. TSUI was appointed as an independent non-executive Director, a member of the audit committee and the remuneration committee of the Company respectively, all with effect from 11 November 2009. Pursuant to A.4.2 of Appendix 14 to the Listing Rules and Article 86(3) of the Articles, the appointment of Mr. TSUI is subject to re-election by the Shareholders at the EGM.

The biography of Mr. TSUI is as follows:

Mr. TSUI, aged 49, obtained a bachelor's degree in law (Honours) and a master's degree in law from The University of Hong Kong. He is a solicitor of Hong Kong, a solicitor of England and Wales (non-practising), a China Appointed Attesting Officer and a Civil Celebrant of Marriages. Mr. TSUI is currently a partner of Gallant Y.T. Ho & Co. and specialises in China business practices. He is also the vice chairman of the Mainland Legal Affairs Committee of The Law Society of Hong Kong, an honorary legal adviser of The

## LETTER FROM THE BOARD

Hong Kong Association for the Advancement of Real Estate and Construction Technology Limited as well as a member of China Committee of Hong Kong General Chamber of Commerce.

Mr. TSUI has entered into an appointment letter with the Company dated 17 November 2009, under which he is appointed as an independent non-executive Director and a member of the audit committee and the remuneration committee of the Company respectively, with an initial term of three years commencing on 11 November 2009, subject to certain early termination clauses of the letter. The appointment is subject to retirement by rotation and re-election at the annual general meeting of the Company according to the Articles. Pursuant to the aforesaid appointment letter, Mr. TSUI is entitled to a director's remuneration of HK\$120,000 per annum, which is determined with reference to his duties and responsibilities with the Company, the performance and profitability of the Group and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. TSUI (i) did not hold any positions with any members of the Group; (ii) was not related to any director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group; and (iii) was not interested in any shares of the Company within the meaning of Part XV of the SFO. Mr. TSUI has also confirmed that he did not hold any directorship in any listed public companies in the last three years.

Save as disclosed above, Mr. TSUI has confirmed that there was no other information required to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his appointment as an independent non-executive Director and a member of the audit committee and the remuneration committee of the Company respectively.

### **Recommendation**

Having taken into account the expertise and experience of Mr. TSUI, the Directors consider that it is in the interests of the Company and the Shareholders as a whole to re-elect Mr. TSUI as an independent non-executive Director. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM in relation to the re-election of Mr. TSUI.

### **IV. EXTRAORDINARY GENERAL MEETING**

Set out on pages 34 to 35 of this circular is the notice convening the EGM at which ordinary resolutions will be proposed to approve, among other things, the Revised Aggregated Annual Caps and the re-election of Mr. TSUI.

In view of the interests of Charm Wise, CIMC HK (both of which are wholly-owned subsidiaries of CIMC) and CIMC Vehicle (which is indirectly owned by CIMC as to 80%) in the Transaction, Charm Wise, CIMC HK and CIMC Vehicle and their respective associates, which were holding approximately 56.59% of the Shares in aggregate as at the Latest Practicable Date, will abstain from voting in relation to the resolution approving the Revised Aggregated Annual Caps at the EGM.



## LETTER FROM THE BOARD

In view of the directorship and/or senior management position held by Mr. Zhao, a Director, in CIMC, Charm Wise and CIMC HK, Mr. Zhao, who beneficially owned 214,000 Shares which carry voting rights, representing approximately 0.02% of the Shares as at the Latest Practicable Date, will abstain from voting in relation to the resolution approving the Revised Aggregated Annual Caps at the EGM pursuant to the Articles.

In view of the directorship and/or senior management position held by Mr. van der Burg, a Director, in certain subsidiaries of CIMC, PGM, which is controlled by Mr. van der Burg as to 99.50% and beneficially owned 103,905,085 Shares, representing 12.12% of the Shares as at the Latest Practicable Date, will also abstain from voting in relation to the resolution approving the Revised Aggregated Annual Caps at the EGM pursuant to the Articles.

As far as the Company was aware, having made all reasonable enquiries, as at the Latest Practicable Date:–

- (a) Charm Wise, CIMC HK, CIMC Vehicle, Mr. Zhao, Mr. van der Burg and their respective associates controlled or were entitled to exercise control over the voting right in respect of their respective Shares;
- (b) (i) there were no voting trusts or other agreements or arrangements or understanding (other than an outright sale) entered into by or binding upon any of Charm Wise, CIMC HK, CIMC Vehicle, Mr. Zhao, Mr. van der Burg or their respective associates;
- (ii) there were no obligations or entitlements of Charm Wise, CIMC HK, CIMC Vehicle, Mr. Zhao, Mr. van der Burg or their respective associates,

whereby it/he/they had or might have temporarily or permanently passed control over the exercise of the voting rights in respect of its/his/their Shares to a third party, either generally or on a case-by-case basis; and

- (c) there is no discrepancy between the beneficial shareholding interest of Charm Wise, CIMC HK, CIMC Vehicle, Mr. Zhao, Mr. van der Burg or their respective associates in the Company as disclosed in this circular and the number of Shares in respect of which it/his/they would control or would be entitled to exercise control over the voting rights at the EGM where ordinary resolution will be proposed to approve the Revised Aggregated Annual Caps.

Pursuant to Rule 13.39(4) of the Listing Rules, the votes of Shareholders at the EGM will be taken by poll.

**LETTER FROM THE BOARD**

**V. ADDITIONAL INFORMATION**

Your attention is also drawn to the additional information set out in the appendix to this circular.

By order of the Board  
**CIMC Enric Holdings Limited**  
**Zhao Qingsheng**  
*Chairman*

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

*The following is the text of a letter of recommendation from the Independent Board Committee which has been prepared for the purpose of inclusion in this circular:*



### **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)**

18 January 2010

*To the Independent Shareholders*

Dear Sir or Madam,

### **CONTINUING CONNECTED TRANSACTION**

We refer to the circular of the Company dated 18 January 2010 (the “Circular”) to the Shareholders, of which this letter forms part. Terms defined in the Circular have the same meanings when used in this letter unless otherwise specified.

We have been appointed by the Board as the Independent Board Committee to advise you as to whether, in our opinion, the Revised Aggregated Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned.

Somerley has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Revised Aggregated Annual Caps. Details of its advice, together with the principal factors taken into consideration in arriving at such, are set out in its letter on pages 18 to 26 of the Circular.

Your attention is drawn to the letter from the Board set out on pages 6 to 16 of the Circular and the general information set out in the appendix to the Circular.

Having taken into account the advice given by the Independent Financial Adviser in particular the principal factors set out in the letter from the Independent Financial Adviser, we consider that the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Group, and that the Transaction, including the Revised Aggregated Annual Caps, is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Group and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution approving the Revised Aggregated Annual Caps to be proposed at the EGM.

Yours faithfully,  
*Independent Board Committee*  
**CIMC Enric Holdings Limited**

**Wong Chun Ho**

**Gao Zhengping**  
*Independent non-executive Directors*

**Tsui Kei Pang**

## LETTER FROM SOMERLEY

*The following is the text of the letter of advice from Somerley to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.*



**SOMERLEY LIMITED**  
10th Floor  
The Hong Kong Club Building  
3A Chater Road  
Central  
Hong Kong

18 January 2010

To: *the Independent Board Committee and  
the Independent Shareholders*

Dear Sirs,

### CONTINUING CONNECTED TRANSACTION

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in relation to the on-going purchase of spare parts (including but not limited to vehicle chassis and vehicle platform) from CIMC Group pursuant to the terms of the Master Supply of Spare Parts Agreement for which the Independent Shareholders' approval is being sought for the Revised Aggregated Annual Caps. Details of the Transaction and the Revised Aggregated Annual Caps are set out in the letter from the Board contained in the circular of the Company to the Shareholders dated 18 January 2010 (the "Circular"), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

As at the Latest Practicable Date, CIMC through Charm Wise, CIMC HK, (both are wholly-owned subsidiaries of CIMC) and CIMC Vehicle (which is indirectly owned by CIMC as to 80%) in aggregate interested in approximately 56.59% of the entire issued ordinary share capital of the Company. Being a substantial Shareholder, CIMC is therefore a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Master Supply of Spare Parts Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the Company anticipates that the applicable percentage ratios for the Revised Aggregated Annual Caps for the two years ending 31 December 2011 are expected to exceed 2.5% and the annual consideration payable to the CIMC Group is expected to exceed HK\$10 million, the Revised Aggregated Annual Caps will be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and will also be required to be approved by way of poll by the Independent Shareholders. In view of the interests of Charm Wise, CIMC HK and CIMC Vehicle in the Transaction, Charm Wise, CIMC HK and CIMC Vehicle and their respective associates, will abstain from voting in relation to the resolution approving the Revised Aggregated Annual Caps

## LETTER FROM SOMERLEY

at the EGM. In view of the directorship and/or senior management position held by Mr. Zhao, a Director, in CIMC, Charm Wise and CIMC HK, Mr. Zhao, who beneficially owned 214,000 Shares which carry voting rights, representing approximately 0.02% of the entire issued ordinary share capital of the Company as of the Latest Practicable Date, will also abstain from voting in relation to the resolution approving the Revised Aggregated Annual Caps at the EGM pursuant to the Articles. In view of the directorship and/or senior management position held by Mr. van der Burg, a Director, in certain subsidiaries of CMIC, PGM, which is controlled by Mr. van der Burg as to 99.5% and beneficially owned 103,905,085 Shares, representing 12.12% of the entire issued ordinary share capital of the Company as of the Latest Practicable Date, will also abstain from voting in relation to the resolution approving the Revised Aggregated Annual Caps at the EGM pursuant to the Articles.

The Independent Board Committee, comprising all of the independent non-executive Directors, namely Mr. Wong Chun Ho, Mr. Gao Zhengping and Mr. Tsui Kei Pang, has been established to make recommendation to the Independent Shareholders as to whether the Revised Aggregated Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole. We, Somerley, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

In formulating our opinion, we have relied on the information and facts supplied, and the opinions expressed, by the Directors and management of the Group and have assumed that they are true, accurate and complete and will remain so up to the time of the EGM. We have also sought and received confirmation from the Directors that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to believe that any material information has been withheld from us, nor doubt the truth, accuracy or completeness of the information provided. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view. We have, however, not conducted any independent investigation into the business and affairs of the Company or the CIMC Group, nor have we carried out any independent verification of the information supplied.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED**

In arriving at our opinion and recommendation on whether the Revised Aggregated Annual Caps are fair and reasonable, we have taken the following principal factors and reasons into consideration:

#### **1. Background to and reasons for the Revised Aggregated Annual Caps**

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 is widely used in the energy, chemical and liquid food industries. Key products of the Group include (but not limited to) seamless pressure cylinders, natural gas refueling station systems and trailers, tanks containers, compressed natural gas trailers, liquefied natural gas trailers, specialty gas trailers, cryogenic tanks, liquid food tanks and road tanks.

## LETTER FROM SOMERLEY

The Group has been purchasing spare parts like container chassis, semi-trailer and dump semi-trailer for the production of the Group's products from the CIMC Group since 2004. CIMC Group is principally engaged in the manufacturing and sales of containers, road transportation vehicles, energy, chemical and liquid food equipment as well as air and sea transportation equipment through its various direct and indirect operating subsidiaries.

The Company entered into the 2007 Master Agreement with CIMC on 1 November 2007 to govern the terms of the Group's purchase of spare parts (including but not limited to vehicle chassis and vehicle platform) from CIMC for a term up to 31 December 2009.

The Acquired Groups became wholly-owned subsidiaries of the Company since 14 August 2009 and they are 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 industry. The Company entered into the Master Supply of Spare Parts Agreement with CIMC to regulate the ongoing provision of spare parts by CIMC Group to the Acquired Groups for a term from 14 August 2009 to 31 December 2011. The Master Supply of Spare Parts Agreement and the respective annual caps have been approved by the then independent Shareholders at an extraordinary general meeting of the Company held on 26 June 2009.

Since the 2007 Master Agreement has expired on 31 December 2009 and it is anticipated that the Group and CIMC Group will continue to enter into such transactions in its ordinary course of business for the two years ending 31 December 2011, the 2007 Master Agreement should be renewed. However, in view of the nature of transactions contemplated under the 2007 Master Agreement is the same as that under the Master Supply of Spare Parts Agreement, instead of renewing the 2007 Master Agreement, the Approved Aggregated Annual Caps are therefore proposed to be revised and enlarged to cover the relevant transactions between the Group (excluding the Acquired Groups) and CIMC Group for the two years ending 31 December 2010 and 2011.

Under the twelfth five-year energy plan, the PRC Government will continue to encourage the use of natural gas for commercial, industrial, residential and vehicular purposes, targeting to increase the proportion of natural gas in the overall primary energy consumption mix. The PRC Government has launched construction projects on the gas pipeline network and expressed intention to gradually export the advanced technology in energy equipments sector to overseas markets. According to the National Energy Work Meeting held in 2009, the pre-determined target annual production of natural gas is 86 billion cubic metres, 105 billion cubic metres and 120 billion cubic metres for 2009, 2010 and 2011 respectively, representing a cumulative average growth rate of approximately 18.12%.

## LETTER FROM SOMERLEY

Amid the public's increasing awareness of the usage of clean energies, including natural gas and the PRC Government's supportive policy in promoting the production output of natural gas in the PRC, the demand for the Group's products, including but not limited to transportation equipments, is estimated to increase and this will in turn stimulate the Group's demand for spare parts.

We are of the view that it is in the interest of the Company to seek Independent Shareholders' approval of the Revised Aggregated Annual Caps such that the Group could maintain a reliable source of supply of spare parts (including but not limited to vehicle chassis and vehicle platform) from CIMC Group, which is the market leader with a long history in the business of transportation equipment manufacturing (including but not limited to vehicle chassis and vehicle platform), and benefit from the rapid and healthy growth in the PRC natural gas market.

### **2. Principal terms of the Master Supply of Spare Parts Agreement**

Pursuant to the Master Supply of Spare Parts Agreement, CIMC Group and its associates shall supply vehicle chassis, vehicle platform and other spare parts to the Group. The price will be determined in accordance with (a) the State-prescribed prices (being the prices set by the relevant laws, regulations and other governmental regulatory documents issued by the relevant authorities of the PRC Government); (b) where there is no State-prescribed price, at market prices (being the price at which such type of spare parts is provided to independent third parties in the same or surrounding area in the ordinary course of business); and (c) where there is no relevant market prices, at prices equivalent to the actual costs incurred in providing such spare parts plus reasonable margin to be determined by the parties.

We consider the pricing mechanism for the Master Supply of Spare Parts Agreement is fair and reasonable as they are either firstly based on an objective pricing with reference to the State-prescribed prices; secondly, in the absence of a national pricing reference, then reference is made to prevailing market prices. Only in situations where both State-prescribed prices and market prices are not available, then the charges will be determined on actual cost basis plus a fair and reasonable margin. In all cases, the price for the Transaction must be fair and reasonable and should not be less favourable to the Group than those available from independent third parties.

We have reviewed sample contracts for the purchase of similar products by the Group from CIMC Group and compared against similar purchase contracts entered into between the Group and other independent suppliers. We noted that the terms of acquiring spare parts from CIMC Group (including but not limited to vehicle chassis and vehicle platform) are no less favourable to the Group than the terms offered by other independent suppliers.

<b>LETTER FROM SOMERLEY</b>
-----------------------------

### 3. The Revised Aggregated Annual Caps

The Transaction is subject to the Listing Rules' requirements and conditions as more particularly discussed under the section headed "Reporting requirements and conditions of the Transaction" below. In particular, the Transaction is subject to the Revised Aggregated Annual Caps as discussed below.

(i) *Review of historical figures*

Set out below are the historical sales of spare parts (including but not limited to vehicle chassis and vehicle platform) from CIMC Group to the Group (excluding the Acquired Groups) during the two years ended 31 December 2008 and the first six months of 2009:

	<b>For the financial year ended 31 December</b>		<b>For the six months ended 30 June</b>
	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Total purchase of spare parts from CIMC Group by the Group (excluding the Acquired Groups) of approximately	14,843,000	74,332,000	15,733,000

There has been a strong growth in the purchase of spare parts by the Group (excluding the Acquired Groups) from CIMC Group from approximately RMB14.8 million in 2007 to approximately RMB74.3 million in 2008, representing a tremendous growth of approximately four times. The growth was contributed by both the increase in spare parts purchase volume as well as the increase in selling price of such products in the PRC market.

The demand for the products of the Group (excluding the Acquired Groups) has consequently been adversely impacted in 2009 amid the global economic turmoil hit hard the energy equipment industry. Therefore, the purchase of spare parts from CIMC Group contracted severely during the first half of 2009 when compared with the corresponding period in 2008.



<b>LETTER FROM SOMERLEY</b>
-----------------------------

(ii) *Assessment of the Revised Aggregated Annual Caps*

Set out below is the breakdown of Revised Aggregated Annual Caps for each of the two financial years ending 31 December 2011:

	<b>For the financial year ending 31 December</b>	
	<b>2010</b>	<b>2011</b>
	<i>RMB</i>	<i>RMB</i>
<b>Annual caps approved in the extraordinary general meeting held on 26 June 2009 under:</b>		
Master Supply of Spare Parts Agreement	65,987,000	95,722,000
	3,326,288	3,326,288
Holvrieka Master Supply of Spare Parts Agreement	<u>(equivalent to EURO375,000)</u>	<u>(equivalent to EURO375,000)</u>
<b>Approved Aggregated Annual Caps</b>	69,313,288	99,048,288
Additional cap amount	<u>144,600,000</u>	<u>187,300,000</u>
<b>Revised Aggregated Annual Caps</b> <i>(Note)</i>	213,913,288	286,348,288

*Note:* In accordance with Rule 14A.25 of the Listing Rules, the proposed revised annual caps for transactions contemplated under the Master Supply of Spare Parts Agreement and the approved annual caps for the Holvrieka Master Supply of Spare Parts Agreement are aggregated.

The Approved Aggregated Annual Caps approved by the then independent Shareholders for transactions contemplated under the Master Supply of Spare Parts Agreement and the Holvrieka Master Supply of Spare Parts Agreement were estimated and set specifically for the transactions between the Acquired Groups, Burg Industries Group and CIMC Group only, and did not cover those between other members of the Group and CIMC Group. The Directors consider that no revision of the approved annual caps for transactions contemplated under the Holvrieka Master Supply of Spare Parts Agreement and the annual caps for the transactions contemplated under the Master Supply of Spare Parts Agreement between the Acquired Groups and CIMC Group are necessary. The additional cap amount under the Revised Aggregated Annual Caps (“Additional Cap Amount”) is catered for the transactions between the Group (excluding the Acquired Groups) and CIMC Group which were previously contemplated under the 2007 Master Agreement.

## LETTER FROM SOMERLEY

In assessing the reasonableness of the Additional Cap Amount, we have discussed with the Directors the basis and assumptions underlying the projections for the purchase of spare parts from CIMC Group by the Group (excluding the Acquired Groups) for the purpose of setting the Additional Cap Amount.

In determining the Additional Cap Amount under the Master Supply of Spare Parts Agreement for the financial years ending 31 December 2010 and 2011, the Directors have taken into account the estimated number of sets of natural gas transportation equipment to be sold by the Group (excluding the Acquired Groups) by making reference to the historical transactions in 2008 and the estimated growth of the Group's business. We are advised by the Directors that due to the aftermath of the financial tsunami, the demand for the Company's products in the first half of 2009 has been affected substantially. When determining the Additional Cap Amount in the coming two years ending 31 December 2011, the Directors have also considered picking up of the transactions in the second half of 2009 as the economy showed signs of recovery during such period.

The PRC Government has expressed a strong intention to encourage the usage of clean energies by enhancing the annual production of natural gas. Furthermore, there is a number of large-scale pipelines and LNG receiving terminals which commenced or will commence operation during 2009 to 2011, including the line A of Central Asia-China Gas Pipeline, which launched in December 2009, West-East Pipeline II and the line B of the Central Asia-China Gas Pipeline, which would begin operations in 2010, and the coming operation of CNPC Dalian LNG project and extension of Fujian LNG terminal in 2011. With the increasing accessibility of the sophisticated natural gas network, usage of natural gas has been gaining popularity and expected that the coverage of natural gas will continue to spread throughout the PRC, especially from sub-urban to coastal metropolitan cities. The consumption of natural gas, is therefore expected to maintain its growth in the coming few years. Hence, the demand for the Group's products will ride on an upward trend. Inevitably, the Group's requirement for spare parts from CIMC Group is estimated to increase accordingly. The Additional Cap Amount is determined based on the projected number of product sets to be sold multiplied by the market price of the corresponding spare parts needed for the production of such products.

Save as disclosed above, the significant growth in the Additional Cap Amount for 31 December 2010 of 94.5% when compared to the actual transaction value in year 2008 is mainly driven by the estimated growing demand for spare parts from a new subsidiary of the Company. The Group acquired 80% of the equity interest in Jingmen Hongtu Special Aircraft Manufacturing Co., Ltd ("Hongtu"), which is principally engaged in the manufacturing of specialised equipment, including but not limited to liquefied gas trucks and chemicals trucks in the PRC. The acquisition of Hongtu was completed in July 2009. It is expected that sourcing of spare parts

## LETTER FROM SOMERLEY

by Hongtu will be switched from independent third parties to CIMC Group from 2010 onwards. The forecasted procurement of Hongtu in 2010 accounted for approximately 37.5% of the Additional Cap Amount of 2010. After excluding the expected procurement for Hongtu in 2010 which is based on its actual quantity purchased in 2008, the Additional Cap Amount in 2010 represents a growth of approximately 21.5% when compared to the historical transactions in 2008. The Company estimates a 29.5% growth for the Additional Cap Amount of 2011 when compared to 2010. In deriving the Additional Cap Amount, the management of the Group has adopted the existing average purchase price for spare parts.

### REPORTING REQUIREMENTS AND CONDITIONS OF THE TRANSACTION

Pursuant to Rules 14A.37 to 14A.40 of the Listing Rules, the Transaction is subject to the following annual review requirements:

- (a) each year the independent non-executive Directors must review the Transaction and confirm in the annual report and accounts that the Transaction has been entered into:
  - (i) in the ordinary and usual course of business of the Group;
  - (ii) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
  - (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole;
- (b) each year the auditors of the Company must provide a letter to the Board (with a copy provided to the Stock Exchange at least ten business days prior to the bulk printing of the Company's annual report) confirming that the Transaction :
  - (i) has received the approval of the Board;
  - (ii) is in accordance with the pricing policies of the Group;
  - (iii) has been entered into in accordance with the relevant agreements governing the Transaction; and
  - (iv) has not exceeded the Revised Aggregated Annual Caps;
- (c) the Company shall allow, and shall procure the relevant counterparties to the Transaction to allow, the Company's auditors to have sufficient access to their records for the purpose of the reporting on the Transaction as set out in paragraph (b);

## LETTER FROM SOMERLEY

- (d) the Company shall promptly notify the Stock Exchange and publish an announcement in accordance with the Listing Rules if it knows or has reason to believe that the independent non-executive Directors and/or auditors of the Company will not be able to confirm the matters set out in paragraphs (a) and/or (b) respectively.

In light of the reporting requirements attached to the Transaction, in particular, (i) the restriction of the value of the Transaction by way of the Revised Aggregated Annual Caps; and (ii) the ongoing review by the independent non-executive Directors and auditors of the Company of the terms of the Transaction and the Revised Aggregated Annual Caps not being exceeded, we are of the view that appropriate measures will be in place to govern the conduct of the Transaction and assist in safeguarding the interests of the Independent Shareholders.

### OPINION

Having taken into account the above principal factors, we consider that the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Group. We further consider that the Transaction including the Revised Aggregated Annual Caps is fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend and we ourselves recommend, the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Revised Aggregated Annual Caps.

Yours faithfully  
For and on behalf of  
**SOMERLEY LIMITED**  
**Maggie Chan**  
*Director*

## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained herein the omission of which would make any statement contained in this circular misleading.

## 2. DISCLOSURE OF DIRECTORS' INTERESTS

- (a) As at the Latest Practicable Date, the interest of the Directors and the chief executive of the Company in the shares and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

### (i) Long position in the shares of the Company

Name of Director	Capacity	Class of shares of the Company	Number of shares held as at the Latest Practicable Date	Percentage of issued share capital of the relevant class of shares as at the Latest Practicable Date (note 1)
Mr. Zhao	Beneficial owner	Ordinary	214,000	0.02%
	Beneficiary of a trust (note 2)	Ordinary (note 3)	40,141,626	4.68%
	Beneficiary of a trust (note 2)	Preference (note 3)	138,414,166	13.63%
Jin Yongsheng	Beneficial owner	Ordinary	246,000	0.03%
Mr. van der Burg	Interest of controlled corporation	Ordinary	103,905,085 (note 4)	12.12%

*Notes:*

1. The percentages are calculated based on the total number of ordinary shares and preference shares (as appropriate) of the Company in issue as at the Latest Practicable Date, which were 857,452,201 and 1,015,641,321 respectively.
2. Pursuant to a stock credit plan (the “**Stock Credit Plan**”) adopted by CIMC Vehicle (Group) Co., Ltd. (“**CIMC Vehicle Group**”), Shenzhen International Trust & Investment Co., Limited has been appointed as trustee to acquire and to hold on trust, for the benefit of certain senior management of CIMC and certain employees of CIMC Vehicle Group, a 20% equity interest in CIMC Vehicle Group. Under the Stock Credit Plan, there are a total of 220,770,000 units, of which 45,000,000 units have been allocated. Mr. Zhao, an executive Director, is a participant in the Stock Credit Plan, with 3,000,000 allocated units. CIMC Vehicle Group holds 100% interests of CIMC Vehicle. Hence, Mr. Zhao is deemed to be interested in the relevant class of shares of the Company as a beneficiary of a trust.
3. The ordinary shares refer to the Shares and the preference shares refer to the non-redeemable convertible preference shares allotted and issued to CIMC Vehicle on 14 August 2009 pursuant to the sale and purchase agreement dated 2 September 2008 entered into between the Company as purchaser and CIMC HK and CIMC Vehicle as vendors (the “**SPA**”) (as amended by a supplemental agreement dated 20 April 2009 made among the same parties). CIMC Vehicle is controlled by CIMC as to 80%.
4. These 103,905,085 ordinary shares are held by PGM, which is controlled by Mr. van der Burg as to 99.50%.

**(ii) Long positions in underlying shares of equity derivatives of the Company**

Options granted by the Company on 11 November 2009 under the share option scheme approved by the Shareholders on 12 July 2006:

Name of Director	Exercise price (HK\$)	Number of share options outstanding as at the Latest Practicable Date	Percentage of total issued ordinary share capital as at the Latest Practicable Date	Exercisable period
Mr. Zhao	4.00	500,000	0.06%	11/11/2010 – 10/11/2019
	4.00	500,000	0.06%	11/11/2011 – 10/11/2019
Gao Xiang	4.00	500,000	0.06%	11/11/2010 – 10/11/2019
	4.00	500,000	0.06%	11/11/2011 – 10/11/2019
Jin Jianlong	4.00	400,000	0.05%	11/11/2010 – 10/11/2019
	4.00	400,000	0.05%	11/11/2011 – 10/11/2019

Name of Director	Exercise price (HK\$)	Number of share options outstanding as at the Latest Practicable Date	Percentage of total issued ordinary share capital as at the Latest Practicable Date	Exercisable period
Yu Yuqun	4.00	400,000	0.05%	11/11/2010 – 10/11/2019
	4.00	400,000	0.05%	11/11/2011 – 10/11/2019
Jin Yongsheng	4.00	250,000	0.03%	11/11/2010 – 10/11/2019
	4.00	250,000	0.03%	11/11/2011 – 10/11/2019
Mr. van der Burg	4.00	500,000	0.06%	11/11/2010 – 10/11/2019
	4.00	500,000	0.06%	11/11/2011 – 10/11/2019
Wong Chun Ho	4.00	250,000	0.03%	11/11/2010 – 10/11/2019
	4.00	250,000	0.03%	11/11/2011 – 10/11/2019
Gao Zhengping	4.00	250,000	0.03%	11/11/2010 – 10/11/2019
	4.00	250,000	0.03%	11/11/2011 – 10/11/2019

## (iii) Long positions in the shares of associated corporations

Name of associated corporation	Name of Director	Capacity	Number of shares held as at the Latest Practicable Date	Shareholding percentage as at the Latest Practicable Date
CIMC Vehicle Group	Mr. Zhao	Beneficiary of a trust	3,000,000	1.36% (Note)

*Note:* The percentage is calculated based on the total number of allocated stock credit units under the Stock Credit Plan as at the Latest Practicable Date, which was 220,770,000.

- (b) As at the Latest Practicable Date, so far as was known to the Directors, the interest of the persons (not being Directors or the chief executive of the Company) in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO were as follows:-

Substantial shareholder	Capacity	Class of shares of the Company	Number of shares held as at the Latest Practicable Date	Percentage of issued share capital of the relevant class of shares as at the Latest Practicable Date (note 1)
CIMC	Interest of controlled corporation	Ordinary	485,250,116 (note 3)	56.59%
	Interest of controlled corporation	Preference (note 2)	1,015,641,321	100%
CIMC HK	Interest of controlled corporation	Ordinary	190,703,000 (note 4)	22.24%
	Beneficial owner	Ordinary	254,405,490	29.67%
	Beneficial owner	Preference	877,227,155	86.37%
Charm Wise	Beneficial owner	Ordinary	190,703,000 (note 4)	22.24%
Wu Fapei	Beneficiary of a trust (note 5)	Ordinary	40,141,626	4.68%
	Beneficiary of a trust (note 5)	Preference	138,414,166	13.63%
PGM	Beneficial owner	Ordinary	103,905,085 (note 6)	12.12%
Wang Yusuo ("Mr. Wang")	Interest of controlled corporation	Ordinary	43,441,000 (note 7)	5.07%
	Beneficial owner	Ordinary	2,000,000 (note 8)	0.23%
Zhao Baoju ("Ms. Zhao")	Interest of controlled corporation	Ordinary	43,441,000 (note 7)	5.07%
	Interest of spouse	Ordinary	2,000,000 (note 8)	0.23%
Xinao Group International Investment Limited ("XGII")	Beneficial owner	Ordinary	43,441,000 (note 7)	5.07%



*Notes:*

1. The percentages are calculated based on the total number of ordinary shares and preference shares (as appropriate) of the Company as at the Latest Practicable Date, which were 857,452,201 and 1,015,641,321 respectively.
2. These preference shares refer to the non-redeemable convertible preference shares allotted and issued to CIMC Vehicle on 14 August 2009 pursuant to the SPA (as amended). CIMC Vehicle is controlled by CIMC as to 80%.
3. These ordinary shares comprise 190,703,000 ordinary shares held by Charm Wise, 254,405,490 ordinary shares held by CIMC HK and 40,141,626 ordinary shares held by CIMC Vehicle. Charm Wise and CIMC HK are wholly-owned subsidiaries of CIMC, and CIMC Vehicle is controlled by CIMC as to 80%.
4. The two references to 190,703,000 ordinary shares refer to the same block of shares held by Charm Wise, which is wholly-owned by CIMC HK, a wholly-owned subsidiary of CIMC.
5. Mr. Wu Fapei is a participant in the Stock Credit Plan, with 3,000,000 allocated units. Hence, Mr. Wu is deemed to be interested in the relevant class of shares of the Company as a beneficiary of a trust.
6. These 103,905,085 ordinary shares were allotted and issued to PGM on 14 August 2009 pursuant to the sale and purchase agreement dated 2 September 2008 made between the Company as purchaser and CIMC HK and PGM as vendors (as amended by a supplemental agreement dated 20 April 2009 made among the same parties). PGM is controlled by Mr. van der Burg, a Director, as to 99.50%.
7. The three references to 43,441,000 ordinary shares refer to the same block of shares held by XGII, which is beneficially owned as to 50% by Mr. Wang and as to 50% by Ms. Zhao.
8. These 2,000,000 ordinary shares are beneficially owned by Mr. Wang, and Ms. Zhao, being his spouse, is deemed to be interested in such shares.
9. The table below sets out the posts held by the Directors in the following substantial Shareholders as at the Latest Practicable Date:

*CIMC*

<b>Name of Director</b>	<b>Posts held in CIMC</b>
Mr. Zhao	Vice-president
Jin Jianlong	General manager of finance management department
Yu Yuqun	Secretary to the board

*CIMC HK*

<b>Name of Director</b>	<b>Posts held in CIMC HK</b>
Mr. Zhao	Director
Jin Jianlong	Director

*Charm Wise*

<b>Name of Director</b>	<b>Posts held in Charm Wise</b>
Mr. Zhao	Director

*XGII*

<b>Name of Director</b>	<b>Posts held in XGII</b>
Jin Yongsheng	Director

- (c) Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, none of the Directors or chief executives of the Company had any interest or short positions in any shares or underlying shares or interest in debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### 3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into a service contract or service agreement with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

### 4. DIRECTOR'S INTERESTS IN CONTRACTS

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting and which is significant in relation to the business of the Group.

### 5. DIRECTORS' INTERESTS IN ASSETS

Save as the interest in the Acquisitions and/or the Acquired Groups of Mr. Zhao, Mr. Jin Jianlong, Mr. Yu Yuqun and Mr. van der Burg, all with shareholding interest and/or directorship or senior management position in CIMC and/or its subsidiaries and/or PGM (see the paragraph headed "2. Disclosure of Directors' Interests" in this appendix above), as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2008, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

### 6. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice which is contained in this circular:

Name	Qualification
Somerley	a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

Somerley has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they appear.

As at the Latest Practicable Date, Somerley did not have any direct or indirect interest in any assets which had since 31 December 2008 (being the date which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, Somerley was not beneficially interested in the share capital of any member of the Group nor had any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

#### **7. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2008, being the date to which the latest published audited financial statements of the Group were made up.

#### **8. DIRECTORS' INTERESTS IN COMPETING BUSINESS**

As at the Latest Practicable Date, none of the Directors or his/her associates had any interests which competed or was likely to compete, either directly or indirectly, with the Group's business.

#### **9. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours at Unit 908, 9th Floor, Fairmont House, No. 8 Cotton Tree Drive, Central, Hong Kong up to and including the date of the EGM:

- (a) the Holvrieka Master Supply of Spare Parts Agreement;
- (b) the Master Supply of Spare Parts Agreement; and
- (c) the 2007 Master Agreement.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING



**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)**

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of the shareholders of CIMC Enric Holdings Limited (the “**Company**”) will be held at Room Mont Blanc, Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Wednesday, 3 February 2010 at 3:00 p.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions as ordinary resolutions of the Company:–

**ORDINARY RESOLUTIONS**

1. “**THAT** (i) the proposed revised aggregated annual caps for the financial years ending 31 December 2010 and 2011 in respect of the transactions contemplated under the Master Supply of Spare Parts Agreement (as defined in the circular of the Company dated 18 January 2010 (the “**Circular**”), a copy of which is marked “A” and tabled before the Meeting and initialed by the chairman of the Meeting for identification purpose) and the Holvrieka Master Supply of Spare Parts Agreement (as defined in the Circular, a copy of which is marked “B” and tabled before the Meeting and initialed by the chairman of the Meeting for identification purpose) as set out in the Circular be and are hereby approved; and (ii) the directors of the Company (the “**Directors**”) be and are hereby authorised for and on behalf of the Company to do all such acts and things, to sign and execute all such documents, instruments and agreements and to take all such steps as they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with (i) of this resolution above.”
2. “To re-elect Mr. TSUI Kei Pang as an independent non-executive Director and to authorise the board of Directors (the “**Board**”) to fix his remuneration.”

By order of the Board  
**CIMC Enric Holdings Limited**  
**Zhao Qingsheng**  
*Chairman*

Hong Kong, 18 January 2010

## NOTICE OF THE EXTRAORDINARY GENERAL MEETING

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principle place of business in Hong Kong:*

Unit 908, 9th Floor  
Fairmont House  
No. 8 Cotton Tree Drive  
Central  
Hong Kong

*Head office in the PRC:*

CIMC R&D Center  
No. 2 Gangwan Avenue  
Shekou Industrial Zone  
Shenzhen, Guangdong  
The PRC

*Notes:*

- (1) Any shareholder entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and, on a poll, to vote instead of him. A proxy need not be a shareholder of the Company.
- (2) Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share, shall alone be entitled to vote in respect thereof.
- (3) A form of proxy for use at the Meeting is enclosed.
- (4) In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on 1 February 2010 (Monday) or not less than 48 hours before the time appointed for any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Meeting or any adjourned meeting.
- (5) The ordinary resolutions as set out above will be determined by way of a poll pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- (6) As at the date of this notice, the Board consists of Mr. Zhao Qingsheng (Chairman), Mr. Gao Xiang (General Manager), Mr. Jin Jianlong and Mr. Yu Yuqun as executive Directors; Mr. Jin Yongsheng and Mr. Petrus Gerardus Maria van der Burg as non-executive Directors; and Mr. Wong Chun Ho, Mr. Gao Zhengping and Mr. Tsui Kei Pang as independent non-executive Directors.