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CMIC Ocean En-Tech Holding Co., Ltd.
華商國際海洋能源科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 206)

MAJOR TRANSACTION
LAND DISPOSAL AGREEMENTS

THE LAND DISPOSALS

On 29 October 2020, amongst others:

1. Qingdao TSC Oil & Gas (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Anshun as purchaser, entered into the Land Disposal Agreement A, pursuant to which Qingdao TSC Oil & Gas agreed to sell, and Qingdao Anshun agreed to acquire, Land Property A for the aggregate consideration of RMB157.2 million; and
2. Qingdao TSC Jindi (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Chuang'an as purchaser, entered into the Land Disposal Agreement B, pursuant to which Qingdao TSC Jindi agreed to sell, and Qingdao Chuang'an agreed to acquire, Land Property B for the aggregate consideration of RMB87.8 million.

LISTING RULES IMPLICATION

As the Land Disposal Agreements and the Land Disposals contemplated thereunder were made by the parties within a 12-month period and the Land Disposal Agreements were both entered into by the Group with parties connected or otherwise associated with one another, the Land Disposal Agreements and the Land Disposals contemplated thereunder would be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Land Disposal Agreements and the Land Disposals contemplated thereunder exceed 25%, but all of the applicable percentage ratios are less than 75%, the Land Disposals, in aggregate, constitute a major transaction of the Company and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Land Disposals.

A circular containing, among other things, (1) particulars of the transactions contemplated under the Land Disposal Agreements; (2) a notice of the EGM; and (3) other information concerning the Company as required under the Listing Rules is expected to be despatched to the Shareholders on or around 30 November 2020, as more time is needed for the preparation of certain information (including but not limited to financial information) to be included in the circular.

To the best of the knowledge of the Directors, as at the date of this announcement, no Shareholder has a material interest in the Land Disposals and accordingly, no Shareholder is required to abstain from voting in respect of the ordinary resolution to approve the Land Disposals at the EGM.

The Board announces that on 29 October 2020, amongst others:

- (i) Qingdao TSC Oil & Gas (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Anshun as purchaser, entered into the Land Disposal Agreement A, pursuant to which Qingdao TSC Oil & Gas agreed to sell, and Qingdao Anshun agreed to acquire, Land Property A for the aggregate consideration of RMB157.2 million; and
- (ii) Qingdao TSC Jindi (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Chuang'an as purchaser, entered into the Land Disposal Agreement B, pursuant to which Qingdao TSC Jindi agreed to sell, and Qingdao Chuang'an agreed to acquire, Land Property B for the aggregate consideration of RMB87.8 million.

LAND DISPOSAL AGREEMENT A

On 29 October 2020, among others, Qingdao TSC Oil & Gas (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Anshun as purchaser, entered into the Land Disposal Agreement A, pursuant to which Qingdao TSC Oil & Gas agreed to sell, and Qingdao Anshun agreed to acquire, Land Property A for the aggregate consideration of RMB157.2 million (including estimated amount of tax payable).

The principal terms of the Land Disposal Agreement A are as follows:

Date

29 October 2020

Parties

1. Qingdao TSC Oil & Gas, as vendor;
2. Qingdao Anshun, as purchaser;
3. Qingdao TSC Group; and
4. Qingdao TSC Offshore, as security provider.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Qingdao Anshun and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Land Property A

Land Property A comprises of one piece of Land Parcel A of industrial use with an aggregate land area of approximately 66,609 square metres together with buildings and constructions erected thereon with a gross floor area of approximately 19,920.91 square metres. Land Property A is located at No. 10, Hedong Road, Liuting Street, Chengyang District, Qingdao* (青島市城陽區流亭街道河東路10號), the PRC.

The relevant land use rights of Land Parcel A have been granted by the relevant PRC authority for a period of 50 years from 22 August 2013 to 21 August 2063. As at 30 June 2020, the unaudited net book value of Land Property A was approximately RMB96,471,935. There was no profits attributable to Land Property A for the two financial years prior to entering into the Land Disposal Agreement A.

Land Property A is currently held by Qingdao TSC Group, and it is expected to be initially transferred to Qingdao TSC Oil & Gas, and eventually transferred to Qingdao Anshun upon completion of Land Disposal A.

Consideration and Payment Terms

The total consideration of RMB157.2 million (inclusive of an estimated amount of tax of RMB28.87 million payable by Qingdao TSC Oil & Gas) for Land Property A shall be payable by Qingdao Anshun to Qingdao TSC Oil & Gas in the following manner:

- (i) in light of the fact that Land Property A is held by Qingdao TSC Group upon the entering into of the Land Disposal Agreement A, Qingdao TSC Offshore shall charge the Charged Land in favour of Qingdao Anshun as a security for the First Deposit A (as defined below) payable by Qingdao Anshun to Qingdao TSC Oil & Gas and all tax arising from the Land Disposal A on the part of Qingdao TSC Oil & Gas, within five (5) business days from the date of the Land Disposal Agreement A;
- (ii) within five (5) business days from the completion of registration of the charge over the Charged Land, Qingdao Anshun shall pay RMB23.58 million (i.e. 15% of the total consideration for Land Property A) (the “**First Deposit A**”) to a designated account of Qingdao TSC Oil & Gas, which shall be utilized towards the release of the current security over Land Property A (the “**Land Property A Security**”);
- (iii) within 30 days from the receipt of the First Deposit A by Qingdao TSC Oil & Gas, Qingdao TSC Group shall complete the release of the Land Property A Security and the registration of the transfer of Land Property A to Qingdao TSC Oil & Gas;
- (iv) subject to the completion of the registration of the transfer of Land Property A from Qingdao TSC Group to Qingdao TSC Oil & Gas and within three (3) business days from the date on which the Land Disposal A is approved by the Shareholders at the EGM, Qingdao Anshun and Qingdao TSC Oil & Gas shall open a custodian account in the name of Qingdao TSC Oil & Gas (the “**Custodian Account A**”). At the same time, Qingdao TSC Oil & Gas shall (with the assistance of Qingdao Anshun) submit the relevant transfer details to the relevant property registration authority;
- (v) Qingdao Anshun shall deposit the estimated tax amount of RMB28.87 million (the “**Tax Amount A**”) into the Custodian Account A within five (5) business days from Qingdao TSC Oil & Gas having received a receipt from the relevant property registration authority and having notified Qingdao Anshun of the same;
- (vi) within five (5) business days from Qingdao TSC Oil & Gas having obtained a tax filing form issued by the relevant tax authority subsequent to a tax assessment, Qingdao Anshun shall pay the remaining balance of the consideration for Land Property A (i.e. approximately RMB157.2 million less the First Deposit A and Tax Amount A) to the Custodian Account A. On the same date, the funds in the Custodian Account A may be used towards the payment of relevant tax in the amount specified in the abovementioned tax filing form;

- (vii) within two (2) business days from Qingdao TSC Oil & Gas having obtained a tax payment receipt, Qingdao Anshun shall obtain the property certificate of Land Property A from the relevant property exchange centre (to be accompanied by Qingdao TSC Oil & Gas and the custodian bank), upon which funds may be transferred from the Custodian Account A to Qingdao TSC Oil & Gas, subject to the condition that RMB7.86 million (the “**Residue Fund A**”, i.e. 5% of the total consideration of approximately RMB157.2 million) shall remain in the Custodian Account A; and
- (viii) within five (5) business days from Qingdao Anshun obtaining the property certificate of Land Property A, Qingdao TSC Oil & Gas shall deliver possession of Land Property A to Qingdao Anshun, upon which the Residue Fund A plus any interest arising from the funds deposited in the Custodian Account A shall be transferred from the Custodian Account A to Qingdao TSC Oil & Gas.

The consideration for Land Disposal A was negotiated and determined by the parties to the Land Disposal Agreement A on an arms’ length basis with reference to the book value of Land Property A and the buildings and fixtures thereon as at 30 June 2020, the value of similar land properties in the vicinity of Land Property A, the permitted use of Land Parcel A and the location of Land Property A.

Conditions Precedent and Termination

Shareholders’ Approval and Termination

Qingdao TSC Oil & Gas shall furnish Qingdao Anshun with a copy of the poll results announcement of the Company in respect of the approval by the Shareholders of the Land Disposal A at the EGM within 50 business days from the date Qingdao TSC Oil & Gas having received the First Deposit A (the “**Long Stop Date A**”), failing which Qingdao Anshun may elect to terminate the Land Disposal Agreement A, effective upon the notice of termination having delivered to each of the other parties to the Land Disposal Agreement A.

Within five (5) business days from the earlier of (i) the Long Stop Date A or (ii) the date on which Qingdao TSC Oil & Gas expressly indicates that the Land Disposal A has not been approved by the Shareholders at the EGM, Qingdao TSC Oil & Gas shall return the paid First Deposit A plus a 15% interest per annum thereon, prorated by reference to the actual number of days during which the First Deposit A is held by Qingdao TSC Oil & Gas.

Qingdao Anshun shall, within five (5) business days from the receipt of the First Deposit A and interests refunded by Qingdao TSC Oil & Gas, complete the release of the charge over the Charged Land.

Due Diligence

Upon the transfer of Land Property A from Qingdao TSC Group to Qingdao TSC Oil & Gas, Qingdao Anshun shall commence legal due diligence on Qingdao TSC Oil & Gas and Land Property A (the “**DD on Land Property A**”), which shall be completed within 10 business days upon receiving all due diligence documents set out in the Land Disposal Agreement A (unless otherwise agreed to be extended by the parties). If Qingdao Anshun does not inform Qingdao TSC Oil & Gas in writing of the results of the DD on Land Property A within 12 business days from receiving all due diligence documents, it shall be deemed that Qingdao Anshun has completed the DD on Land Property A, and has agreed to acquire Land Property A on an “as is” basis and confirm the continuous performance of the Land Disposal Agreement A.

If Qingdao Anshun discovers the existence of any material encumbrances (including but not limited to securities, seizure, third party rights etc.) so that Land Property A is unable to be transferred to Qingdao Anshun, it may elect to terminate the Land Disposal Agreement A (effective upon the termination notice having delivered to the other parties to the Land Disposal Agreement A). Qingdao TSC Oil & Gas shall within five (5) business days from receiving such termination notice refund in full the First Deposit A plus a 15% interest per annum thereon, prorated by reference to the actual number of days during which the First Deposit A is held by Qingdao TSC Oil & Gas.

Qingdao Anshun shall, within five (5) business days from the receipt of the First Deposit A and interests refunded by Qingdao TSC Oil & Gas, complete the release of the charge over the Charged Land.

LAND DISPOSAL AGREEMENT B

On 29 October 2020, among others, Qingdao TSC Jindi (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Chuang'an as purchaser, entered into the Land Disposal Agreement B, pursuant to which Qingdao TSC Jindi agreed to sell, and Qingdao Chuang'an agreed to acquire, Land Property B for the aggregate consideration of RMB87.8 million (including estimated amount of tax payable).

The principal terms of the Land Disposal Agreement B are as follows:

Date

29 October 2020

Parties

1. Qingdao TSC Jindi, as vendor;
2. Qingdao Chuang'an, as purchaser; and
3. Qingdao TSC Offshore, as security provider.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Qingdao Chuang'an and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Land Property B

Land Property B comprises of one piece of Land Parcel B of industrial use with an aggregate land area of approximately 34,252 square metres together with buildings and constructions erected thereon with a gross floor area of approximately 7,490 square metres. Land Property B is located at No. 10-1, Hedong Road, Liuting Street, Chengyang District, Qingdao* (青島市城陽區流亭街道河東路10-1號), the PRC.

The relevant land use rights of Land Parcel B have been granted by the relevant PRC authority for a period of 50 years from 22 August 2013 to 21 August 2063. As at 30 June 2020, the unaudited net book value of Land Property B was approximately RMB62,712,850. There was no profits attributable to Land Property B for the two financial years prior to entering into the Land Disposal Agreement B.

Land Property B is currently held by Qingdao TSC Offshore, and it is expected to be initially transferred to Qingdao TSC Jindi, and eventually transferred to Qingdao Chuang'an upon the completion of Land Disposal B.

Consideration and Payment Terms

The total consideration of RMB87.8 million (inclusive of an estimated amount of tax of RMB16.13 million payable by Qingdao TSC Jindi) for Land Property B shall be payable by Qingdao Chuang'an to Qingdao TSC Jindi in the following manner:

- (i) in light of the fact that Land Property B is held by Qingdao TSC Offshore upon the entering into of the Land Disposal Agreement B, Qingdao TSC Offshore shall charge the Charged Land in favour of Qingdao Chuang'an as a security for the First Deposit B (as defined below) payable by Qingdao Chuang'an to Qingdao TSC Jindi and all tax arising from the Land Disposal B on the part of Qingdao TSC Jindi, within five (5) business days from the date of the Land Disposal Agreement B;

- (ii) within five (5) business days from the completion of registration of the charge over the Charged Land, Qingdao Chuang'an shall pay RMB13.17 million (i.e. 15% of the total consideration for Land Property B) (the "**First Deposit B**") to a designated account of Qingdao TSC Jindi, which shall be utilized towards the release of the current security over Land Property B (the "**Land Property B Security**");
- (iii) within 30 days from the receipt of the First Deposit B by Qingdao TSC Jindi, Qingdao TSC Offshore shall complete the release of the Land Property B Security and the registration of transfer of Land Property B to Qingdao TSC Jindi;
- (iv) subject to the completion of the registration of the transfer of Land Property B from Qingdao TSC Offshore to Qingdao TSC Jindi and within three (3) business days from the date on which the Land Disposal B is approved by the Shareholders at the EGM, Qingdao Chuang'an and Qingdao TSC Jindi shall open a custodian account in the name of Qingdao TSC Jindi (the "**Custodian Account B**"). At the same time, Qingdao TSC Jindi shall (with the assistance of Qingdao Chuang'an) submit the relevant transfer details to the relevant property registration authority;
- (v) Qingdao Chuang'an shall deposit the estimated tax amount of RMB16.13 million (the "**Tax Amount B**") into the Custodian Account B within five (5) business days from Qingdao TSC Jindi having received a receipt from the relevant property registration authority and having notified Qingdao Chuang'an of the same;
- (vi) within five (5) business days from Qingdao TSC Jindi having obtained a tax filing form issued by the relevant tax authority subsequent to a tax assessment, Qingdao Chuang'an shall pay the remaining balance of the consideration for Land Property B (i.e. approximately RMB87.8 million less the First Deposit B and Tax Amount B) to the Custodian Account B. On the same date, the fund in the Custodian Account B may be used towards the payment of relevant tax in the amount specified in the abovementioned tax filing form;
- (vii) within two (2) business days from Qingdao TSC Jindi having obtained a tax payment receipt, Qingdao Chuang'an shall obtain the property certificate of Land Property B from the relevant property exchange centre (to be accompanied by Qingdao TSC Jindi and the custodian bank), upon which funds may be transferred from the Custodian Account B to Qingdao TSC Jindi, subject to the condition that RMB4.39 million (the "**Residue Fund B**", i.e. 5% of the total consideration of approximately RMB87.8 million) shall remain in the Custodian Account B; and
- (viii) within five (5) business days from Qingdao Chuang'an obtaining the property certificate of Land Property B, Qingdao TSC Jindi shall deliver possession of Land Property B to Qingdao Chuang'an, upon which the Residue Fund B plus any interest arising from the funds deposited in the Custodian Account B shall be transferred from the Custodian Account B to Qingdao TSC Jindi.

The consideration for Land Disposal B was determined and negotiated by the parties to the Land Disposal Agreement B on an arms' length basis with reference to the book value of Land Property B and the buildings and fixtures thereon as at 30 June 2020, the value of similar land properties in the vicinity of Land Property B, the permitted use of Land Parcel B and the location of Land Property B.

Conditions Precedent and Termination

Shareholders' Approval and Termination

Qingdao TSC Jindi shall furnish Qingdao Chuang'an with a copy of the poll results announcement of the Company in respect of the approval by the Shareholders of the Land Disposal B at the EGM within 50 business days from the date Qingdao TSC Jindi having received the First Deposit B (the "**Long Stop Date B**"), failing which Qingdao Chuang'an may elect to terminate the Land Disposal Agreement B, effective upon the notice of termination having delivered to each of the other parties to the Land Disposal Agreement B.

Within five (5) business days from the earlier of (i) the Long Stop Date B or (ii) the date on which Qingdao TSC Jindi expressly indicates that the Land Disposal B has not been approved by the Shareholders at the EGM, Qingdao TSC Jindi shall return the paid First Deposit B plus a 15% interest per annum thereon, prorated by reference to the actual number of days during which the First Deposit B is held by Qingdao TSC Jindi.

Qingdao Chuang'an shall, within five (5) business days from the receipt of the First Deposit B and interests refunded by Qingdao TSC Jindi, complete the release of the charge over the Charged Land.

Due Diligence

Upon the transfer of Land Property B from Qingdao TSC Offshore to Qingdao TSC Jindi, Qingdao Chuang'an shall commence legal due diligence on Qingdao TSC Jindi and Land Property B (the "**DD on Land Property B**"), which shall be completed within 10 business days upon receiving all due diligence documents set out in the Land Disposal Agreement B (unless otherwise agreed to be extended by the parties). If Qingdao Chuang'an does not inform Qingdao TSC Jindi in writing of the results of the DD on Land Property B within 12 business days from receiving all due diligence documents, it shall be deemed that Qingdao Chuang'an has completed the DD on Land Property B, and has agreed to acquire Land Property B on an "as is" basis and confirm the continuous performance of the Land Disposal Agreement B.

If Qingdao Chuang'an discovers the existence of any material encumbrance (including but not limited to securities, seizure, third party rights etc.) so that Land Property B is unable to be transferred to Qingdao Chuang'an, it may elect to terminate the Land Disposal Agreement B (effective upon the termination notice having delivered to the other parties to the Land Disposal Agreement B). Qingdao TSC Jindi shall within five (5) business days from receiving such termination notice refund in full the First Deposit B plus a 15% interest per annum thereon, prorated by reference to the actual number of days during which the First Deposit B is held by Qingdao TSC Jindi.

Qingdao Chuang'an shall, within five (5) business days from the receipt of the First Deposit B and interests refunded by Qingdao TSC Jindi, complete the release of the charge over the Charged Land.

FINANCIAL EFFECTS

The net gain arising from the Land Disposals will be approximately RMB35 million. The actual amount of gain is subject to audit and will take into account any costs and expenses incurred relating to the Land Properties, and accordingly it may be different from the amount above.

REASONS FOR AND BENEFITS OF THE LAND DISPOSALS

The Land Properties have been used as production sites of the Group. As disclosed in the interim report of the Company published on 21 September 2020, the world, being hard hit by the COVID-19, saw a rare all-round plummet in the international oil prices, and the offshore engineering market, which was gradually recovering, was also forced into a recession. The Group has carefully reviewed its uses of funding and projections of production capacity and sales volume, and considers that it would be beneficial to the Group to reduce its production facilities by the Land Disposals. The Directors are of the view that the Land Disposals will not materially affect the principal business of the Group, as (i) the Land Disposals represent a good opportunity for the Group to reduce costs (including depreciation and other expenses), which would in turn improve the Group's cash flow position and financial strength; and (ii) the remaining production facilities of the Group after the completion of the Land Disposals are expected to be sufficient to satisfy the orders from customers, taking into the account the projected trend of recovery of the offshore engineering market.

The Directors believe that the Land Disposals would represent an opportunity for the Group to realise the value of the Land Properties and will enable the Group to free up capital for its business operation, preserve resources and maintain financial flexibility. The Directors believe that the Land Disposals would strengthen the Group's financial position and benefit the future business development of the Group in the long run.

The cash proceeds from the Land Disposals will be used as general working capital of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Land Disposal Agreements are on normal commercial terms and are negotiated on an arm's length basis, and the Land Disposals are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE PARTIES

Information on Qingdao Anshun

Qingdao Anshun is a company established in the PRC with limited liability. It is principally engaged in industrial park management services, leasing of non-residential property, land use rights and residential housings, marketing and sales, exhibition and conference services, consultation, office services, corporate management and incubation space services.

Information on the Qingdao Chuang'an

Qingdao Chuang'an is a company established in the PRC with limited liability. It is principally engaged in leasing of non-residential property, land use rights and residential housings, real estate agency, marketing and sales, exhibition and conference services, consultation, incubation space services, industrial park management services, safety consultancy and office services.

Information on the Qingdao TSC Jindi

Qingdao TSC Jindi is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in oil and gas technology, computer software, hotel management, industrial parks and tourism project development, freight and storage services, conference and exhibition services, real estate development and property management.

Information on Qingdao TSC Group

Qingdao TSC Group is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in operations relating to mud pumps, valves, chambers body and foundation, and hydraulic equipment.

Information on Qingdao TSC Oil & Gas

Qingdao TSC Oil & Gas is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in oil and gas technologies, computer software, hotel development and management, industrial park and tourism project development and construction, onshore freight agency, storage services, conference and exhibition services, real estate development and operation and property management.

Information on Qingdao TSC Offshore

Qingdao TSC Offshore is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in manufacturing and installation of ocean petroleum construction modules and oil rigs, development and manufacturing of ocean and land oil drilling equipment and parts, and relevant maintenance and services.

Information on the Group

The Company was incorporated in the Cayman Islands with limited liabilities. The Group is principally engaged in the business of designing and manufacturing of rig equipment, manufacture and trading of oilfield expendables and offshore rig construction and services.

LISTING RULES IMPLICATIONS

As the Land Disposal Agreements and the Land Disposals contemplated thereunder were made by the parties within a 12-month period and the Land Disposal Agreements were both entered into by the Group with parties connected or otherwise associated with one another, the Land Disposal Agreements and the Land Disposals contemplated thereunder would be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Land Disposal Agreements and the Land Disposals contemplated thereunder exceed 25%, but all of the applicable percentage ratios are less than 75%, the Land Disposals, in aggregate, constitute a major transaction of the Company and is therefore subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Land Disposals.

A circular containing, among other things, (1) particulars of the transactions contemplated under the Land Disposal Agreements; (2) a notice of the EGM; and (3) other information concerning the Company as required under the Listing Rules is expected to be despatched to the Shareholders on or around 30 November 2020, as more time is needed for the preparation of certain information (including but not limited to financial information) to be included in the circular.

To the best of the knowledge of the Directors, as at the date of this announcement, no Shareholder has a material interest in the Land Disposals and accordingly, no Shareholder is required to abstain from voting in respect of the ordinary resolution(s) to approve the Land Disposals at the EGM.

Shareholders and potential investors of the Company should note that the Land Disposals are subject to the satisfaction of certain conditions precedent; and therefore, the Land Disposals may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to the action they should take.

DEFINITIONS

In this announcement, the following expressions shall have the respective meanings set opposite thereto:

“Board”	the board of Directors
“business day(s)”	has the meaning ascribed to it under applicable PRC laws, rules, regulations, policies or other relevant guidances or document relating to the Land Disposals
“Charged Land”	the land parcel situated at Liuting Street, Airport Industrial Park, Qingdao* (青島市城陽區流亭街道空港工業園), with a land area of approximately 45,560 square metres, and buildings and constructions erected thereon with a gross floor area of approximately 15,288.84 square metres
“Company”	CMIC Ocean En-Tech Holding Co., Ltd., a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 206)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving, among other things, the Land Disposal Agreements and the Land Disposals contemplated thereunder, subject to the receipt of the First Deposit A and First Deposit B
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land Disposal A”	the disposal of Land Property A pursuant to the terms and conditions of the Land Disposal Agreement A
“Land Disposal B”	the disposal of the Land Property B pursuant to the terms and conditions of the Land Disposal Agreement B
“Land Disposals”	Land Disposal A and Land Disposal B
“Land Disposal Agreement A”	the land disposal agreement entered into between Qingdao TSC Oil & Gas, Qingdao Anshun, Qingdao TSC Group and Qingdao TSC Offshore on 29 October 2020 in respect of the Land Disposal A
“Land Disposal Agreement B”	the land disposal agreement entered into between Qingdao TSC Jindi, Qingdao Chuang’an and Qingdao TSC Offshore on 29 October 2020 in respect of the Land Disposal B
“Land Disposal Agreements”	Land Disposal Agreement A and Land Disposal Agreement B
“Land Parcel A”	the land parcel situated at No. 10, Hedong Road, Liuting Street, Chengyang District, Qingdao* (青島市城陽區流亭街道河東路10號)

“Land Parcel B”	the land parcel situated at No. 10-1, Hedong Road, Liuting Street, Chengyang District, Qingdao* (青島市城陽區流亭街道河東路10-1號)
“Land Property A”	the Land Parcel A, together with the buildings and constructions erected thereon, supporting infrastructures and related machinery
“Land Property B”	the Land Parcel B, together with the buildings and constructions erected thereon, supporting infrastructures and related machinery
“Land Properties”	Land Property A and Land Property B
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Qingdao Anshun”	Qingdao Anshun Jiahe Assets Operations Co., Ltd.* (青島安順嘉合產業運營有限公司), a company established in the PRC with limited liability
“Qingdao Chuang’an”	Qingdao Chuang’an Assets Operations Co., Ltd.* (青島創安產業運營有限公司), a company established in the PRC with limited liability
“Qingdao TSC Group”	Qingdao TSC Oil & Gas Equipment Services Group Co., Ltd.* (青島天時油氣裝備服務集團股份有限公司), an indirect wholly-owned subsidiary of the Company
“Qingdao TSC Jindi”	Qingdao TSC Jindi Technology Assets Co., Ltd.* (青島天時錦地科技產業有限公司), an indirect wholly-owned subsidiary of the Company
“Qingdao TSC Offshore”	Qingdao TSC Offshore Equipment Co., Ltd.* (青島天時海洋石油裝備有限公司), an indirect wholly-owned subsidiary of the Company

“Qingdao TSC Oil & Gas”	Qingdao TSC Oil & Gas Technology Services Co., Ltd.* (青島天時油氣科技服務有限公司), an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

By order of the Board
CMIC Ocean En-Tech Holding Co., Ltd.
Lou Dongyang
Chairman

Hong Kong, 29 October 2020

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Cong Yongjian, Mr. Jiang Bing Hua and Mr. Zhang Menggui, Morgan; four non-executive Directors, namely Mr. Lou Dongyang, Mr. Wang Jianzhong, Ms. Fu Rui and Mr. Qian Zewei; and four independent non-executive Directors, namely Mr. Chan Ngai Sang, Kenny, Mr. Zou Zhendong, Mr. Chen Weidong and Mr. Sun Dongchang.