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**CIMC ENRIC**

**CIMC Enric Holdings Limited**

**中集安瑞科控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3899)**

**ISSUANCE OF HK\$1,680,000,000 ZERO COUPON  
CONVERTIBLE BONDS DUE 2026**

**Lead Manager**

**Morgan Stanley**

**ISSUANCE OF CONVERTIBLE BONDS**

On 16 November 2021 (after trading hours), the Company and the Manager entered into the Subscription Agreement in relation to the Bond Issue. Subject to fulfilment (or waiver) of the conditions precedent set forth in the Subscription Agreement, some of which are set out under the section headed “*Conditions to the Subscription Agreement*” below, the Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds in the aggregate principal amount of HK\$1,680,000,000 on the Closing Date.

The Bonds may be converted into Conversion Shares pursuant to the Conditions. Based on the initial conversion price of HK\$11.78 per Share and assuming full conversion of the Bonds, the Bonds will be convertible into 142,614,601 Conversion Shares, representing approximately 7.0% of the issued share capital of the Company as at the date of this announcement and approximately 6.6% of the issued share capital of the Company as enlarged by the issue of such Conversion Shares.

The Bonds and the Conversion Shares have not been and will not be registered under the U.S. Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act.

## **LISTING**

The Company will apply to the Hong Kong Stock Exchange for the listing of the Bonds on the Hong Kong Stock Exchange. An application by the Company will also be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

## **GENERAL MANDATE**

The Conversion Shares are to be issued under the General Mandate and the Bond Issue is not subject to approval of the Shareholders.

## **GENERAL**

**Completion of the Bond Issue is subject to the satisfaction of the conditions precedent to the Subscription Agreement and may or may not materialise. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

On 16 November 2021 (after trading hours), the Company and the Manager entered into the Subscription Agreement in connection with the Bond Issue.

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

16 November 2021

### **Parties to the Subscription Agreement**

- (a) the Company as the Issuer; and
- (b) Morgan Stanley & Co. International plc as the Manager.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Manager and its ultimate beneficial owners are each an Independent Third Party of the Company.

## **Subscription**

Subject to fulfilment (or waiver) of the conditions precedent set forth in the Subscription Agreement, some of which are set out under the section headed "*Conditions to the Subscription Agreement*" below, the Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds in the aggregate principal amount of HK\$1,680,000,000 on the Closing Date.

The Manager has informed the Company that it intends to offer and sell the Bonds to not less than six independent placees, and each of the placees and their respective ultimate beneficial owners will be an Independent Third Party and is not a connected person of the Company.

The Bonds and the Conversion Shares have not been and will not be registered under the U.S. Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act.

## **Conditions to the Subscription Agreement**

The obligations of the Manager to subscribe and pay for the Bonds are subject to the fulfilment or waiver of, among others, the following conditions on or prior to the Closing Date:

- (a) **Due diligence:** the Manager being satisfied with the results of its due diligence investigations with respect to the Group, and the Offering Circular shall have been prepared in form and content satisfactory to the Manager;
- (b) **Other contracts:** the execution and delivery (on or before the Closing Date) of the Subscription Agreement, Trust Deed and Agency Agreement, and the execution and delivery on or before the date of the Subscription Agreement of the Securities Lending Agreement, each in a form reasonably satisfactory to the Manager, by the respective parties;
- (c) **Shareholders' lock-up:** CIMC (HK) shall have executed a valid, binding and enforceable lock-up undertaking on or before the date of the Subscription Agreement in the form as agreed in the Subscription Agreement;
- (d) **Auditors' letters:** on the Publication Date and on the Closing Date, there having been delivered to the Manager letters, each in form and substance satisfactory to the Manager and addressed to the Manager from PricewaterhouseCoopers;

- (e) **Financial officer's certificate:** on the Publication Date, there having been delivered to the Manager a financial officer's certificate, substantially in the form as agreed in the Subscription Agreement;
- (f) **Compliance:** at the Closing Date:
  - (i) the representations and warranties of the Company in the Subscription Agreement (taking into account of the facts and circumstances subsisting on the Closing Date) being true, accurate and correct at, and as if made on such date;
  - (ii) the Company having performed all of its obligations under the Subscription Agreement expressed to which it is a party to be performed on or before such date; and
  - (iii) there having been delivered to the Manager a certificate of a duly authorised officer of the Company confirming the matters listed in (i) and (ii) above in the form attached to the Subscription Agreement dated as of such date;
- (g) **Material adverse change:** after the date of the Subscription Agreement and up to and at the Closing Date, there shall not have occurred any change (nor any development or event involving a prospective change), in the condition (financial or otherwise), prospects, results of operations, business, general affairs or properties of the Company or of the Group taken as a whole, which, in the opinion of the Manager, is material and adverse in the context of the issue and offering of the Bonds;
- (h) **NDRC approval:** the NDRC having given its approval in respect of the issue of the Bonds and such approval remaining in full force and effect, and not altering the terms of the Subscription Agreement, Trust Deed and Agency Agreement, on the Closing Date, and written evidence of such approval having been given to the Manager;
- (i) **Other consents:** on or prior to the Closing Date there shall have been delivered to the Manager copies of all consents and approvals required in relation to the issue of the Bonds and the performance of the Company's obligations under the Trust Deed, the Agency Agreement and the Bonds;
- (j) **Listing:** the Hong Kong Stock Exchange having agreed to list the Conversion Shares upon conversion of the Bonds and the Hong Kong Stock Exchange having agreed, subject to any conditions satisfactory to the Manager, to list the Bonds (or, in each case, the Manager being satisfied that such listing will be granted); and
- (k) **Legal opinions:** on or before the Closing Date, there having been delivered to the Manager legal opinions as to the laws of the Cayman Islands, the PRC, as to English law and as to Hong Kong law, in each case dated the Closing Date and in form and substance satisfactory to the Manager.

The Manager may, at its discretion and upon such terms as it thinks fit, waive compliance with the whole or any part of the conditions precedent other than item (a) above.

### **Lock-up Undertaking of the Company**

The Company has undertaken with the Manager that for a period from the date of the Subscription Agreement up to the date falling 90 days after the Closing Date (both dates inclusive), except for the Bonds and the Conversion Shares issued on conversion of the Bonds and any Shares or options granted pursuant to the Share Schemes, neither it nor any person acting on its behalf will, without the prior written consent of the Manager:

- (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them;
- (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares;
- (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise; or
- (d) announce or otherwise make public an intention to do any of the foregoing.

### **Lock-up Undertaking of Shareholders**

CIMC (HK) has entered into a lock-up undertaking in favour of the Manager and undertakes that for a period from the date of such undertaking up to the date falling 90 days after the Closing Date (both dates inclusive), it (including its subsidiaries and affiliates) will not, without the prior written consent of the Manager, except for the up to 80,000,000 Lock-up Shares which are subject to the Securities Lending Agreement:

- (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Lock-up Shares or securities of the same class as the Lock-up Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Lock-up Shares or securities of the same class as Lock-up Shares or other instruments representing interests in Lock-up Shares or other securities of the same class as them;
- (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of Lock-up Shares;

- (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Lock-up Shares or other securities, in cash or otherwise; or
- (d) announce or otherwise make public an intention to do any of the foregoing.

## **Termination**

The Manager may, by notice to the Company given at any time prior to payment of the net subscription monies for the Bonds to the Company, terminate the Subscription Agreement in any of the following circumstances:

- (a) if there shall have come to the notice of the Manager any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the Subscription Agreement or any failure to perform, or breach of, any of the Company's undertakings or agreements in the Subscription Agreement;
- (b) if any of the conditions precedent specified in the Subscription Agreement and described above has not been satisfied or waived by the Manager on or prior to the Closing Date;
- (c) if in the opinion of the Manager, there shall have been, since the date of the Subscription Agreement, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Issuer on any stock exchange or in any over the counter market) or currency exchange rates or foreign exchange controls such as would in its view (after prior consultation with the Company to the extent practicable), be likely to prejudice materially the success of the offering and distribution of the Bonds or dealings in the Bonds in the secondary market;
- (d) if, in the opinion of the Manager, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, the Shanghai Stock Exchange, the Singapore Stock Exchange and/or the Hong Kong Stock Exchange and/or any other stock exchange on which the Company's securities are traded; (ii) a suspension or a material limitation in trading in the Company's securities on the Hong Kong Stock Exchange and/or any other stock exchange on which the Company's securities are traded; (iii) a general moratorium on commercial banking activities in the United States, the PRC, Singapore, Hong Kong and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, the PRC, Hong Kong, Singapore or the United Kingdom; or (iv) a change or development involving a prospective change in taxation affecting the Company, the Bonds, and the Shares to be issued upon conversion of the Bonds or the transfer thereof; or

- (e) if, in the opinion of the Manager, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in its view (after prior consultation with the Company to the extent practicable) be likely to prejudice materially the success of the offering and distribution of the Bonds or dealings in the Bonds in the secondary market.

## **PRINCIPAL TERMS OF THE BONDS**

The principal terms of the Bonds are summarised below:

Issuer:	CIMC Enric Holdings Limited.
Issue:	Hong Kong dollar-denominated zero coupon convertible bonds due 2026 in an aggregate principal amount of HK\$1,680,000,000, convertible into the Company's fully paid ordinary shares of nominal value of HK\$0.01 each.
Interest:	The bonds are zero coupon and do not bear any interest.
Issue price:	100.0% of the principal amount of the Bonds.
Form and denomination of the Bonds:	The Bonds will be issued in registered form in the denomination of HK\$2,000,000 each and integral multiples of HK\$1,000,000 in excess thereof.
Status of the Bonds:	The Bonds will constitute direct, unconditional, unsubordinated and, subject to the Conditions, unsecured obligations of the Company and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves.
Maturity:	Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions, the Company will redeem each Bond at 103.81% of its principal amount together with accrued and unpaid default interest (if any) thereon on the Maturity Date.

Negative pledge: So long as any Bond remains outstanding (as defined in the Trust Deed), the Company will not, and the Company shall procure that none of its Principal Subsidiaries (as defined in the Conditions) (other than a Listed Subsidiary (as defined in the Conditions) or a subsidiary of such Listed Subsidiary) will, create, permit to subsist or arise or have outstanding, any Encumbrance (as defined in the Conditions), upon the whole or any part of their respective present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto, the Bonds are secured (i) equally and rateably by the same Encumbrance or (ii) by such other security as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed).

Default interest: The Bonds are zero coupon and do not bear interest unless, upon due presentation thereof, payment of principal is improperly withheld or refused. If the Company fails to pay any sum in respect of the Bonds when the same becomes due and payable under the Conditions, interest shall accrue on the overdue sum at the rate of 2.0% per annum from the due date up to whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder and (b) the day falling seven days after the Trustee or the Principal Agent has notified the Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under the Conditions). If interest is required to be calculated for a period of less than one year, it will be calculated on the basis of a 360-day year consisting of twelve months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

Conversion right: Subject to the Conditions, the Bondholders have the right to convert their Bonds into Shares at any time during the conversion period referred to below.



Conversion period: Subject to the Conditions and upon compliance with the Conditions, at any time (i) on or after the 41st day after the Closing Date up to the close of business (at the place where the certificate evidencing such Bond is deposited for conversion) on the 10th day prior to the Maturity Date (both days inclusive), (ii) if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than 15 days (both days inclusive and in the place aforesaid) prior to the date fixed for redemption thereof or (iii) if notice requiring redemption has been given by such Bondholder pursuant to the Conditions, then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice.

Conversion price: HK\$11.78 per Share, subject to adjustment for, among other things, consolidation, subdivision, redesignation or reclassification of Shares, capitalisation of profits or reserves, Capital Distributions (as defined in the Conditions), rights issues of Shares or options over Shares, rights issues of other securities, issues at less than Current Market Price, other issues at less than Current Market Price, modification of rights of conversion, other offers to Shareholders and other events as described in the Conditions.

Adjustment upon Change of Control: If a Change of Control occurs, the Company shall give notice to Bondholders (the “**Change of Control Notice**”) within 14 days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of conversion rights such that the relevant conversion date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times \frac{c}{T})}$$

Where:

NCP = the new Conversion Price after adjustment

OCP = the Conversion Price in effect on the relevant conversion date

CP = conversion premium of 28% expressed as a fraction

c = the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date

t = the number of days from and including the Issue Date to but excluding the Maturity Date

Ranking of the Conversion Shares:

The Conversion Shares to be issued upon exercise of the conversion right attaching to the Bonds will be fully paid and rank pari passu in all respects with the Shares then in issue on the date on which the name of the exercising Bondholder is registered as holder of the relevant Conversion Shares in the register of members of the Company.

Redemption for taxation reasons:

The Bonds may be redeemed at the option of the Company in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with the Conditions (which notice shall be irrevocable) and in writing to the Trustee and the Principal Agent, on the date specified in the Tax Redemption Notice for redemption at the Early Redemption Amount (as defined in the Conditions), together with accrued and unpaid default interest (if any) to but excluding such date (if any), if the Company satisfies the Trustee immediately prior to the giving of such notice that (i) the Company has or will become obliged to pay Additional Tax Amounts (as defined in the Conditions) as provided or referred to in the Conditions a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, Hong Kong or the PRC or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 16 November 2021, and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due.

If the Company exercises its tax redemption right, each Bondholder shall have the right to elect that its Bonds shall not be redeemed. Upon a Bondholder electing not to have its Bonds redeemed in such circumstances, any payments due after the relevant date shall be made subject to any deduction or withholding of any tax required to be deducted or withheld.

Redemption at the option  
of the Issuer:

On giving not less than 30 nor more than 60 days' notice to the Principal Agent and the Trustee in writing and to the Bondholders in accordance with the Conditions (which notice will be irrevocable), the Company:

- (a) may at any time after 14 December 2024 and prior to the Maturity Date redeem in whole, but not in part, the Bonds for the time being outstanding at the Early Redemption Amount, together with accrued and unpaid default interest (if any) to but excluding the date fixed for redemption, provided that the closing price of the Shares (as derived from the daily quotations sheet of the Hong Kong Stock Exchange or, as the case may be, the equivalent quotation sheet of an Alternative Stock Exchange) for each of 20 out of 30 consecutive trading days, the last of which occurs not more than five trading days prior to the date upon which notice of such redemption, is published was at least 130% of the applicable Early Redemption Amount for each Bond divided by the Conversion Ratio (as defined in the Conditions) then applicable; or
- (b) may at any time prior to the Maturity Date redeem in whole, but not in part, the Bonds for the time being outstanding at the Early Redemption Amount, together with accrued and unpaid default interest (if any) to but excluding the date fixed for redemption, provided that prior to the date of such notice at least 90% in principal amount of the Bonds originally issued has already been converted, redeemed or purchased and cancelled.

Redemption at the option of the Bondholders:	The Company will, at the option of any Bondholders, redeem all or some only of such Bondholder's Bonds on 30 November 2024 (the " <b>Put Option Date</b> ") at 102.27% of their principal amount, together with accrued and unpaid default interest (if any) up to but excluding such Put Option Date. To exercise such option, the Bondholder must deposit at the specified office of any paying agent a duly completed and signed put notice in the form for the time being current, obtainable from the specified office of any paying agent, together with the certificate evidencing the Bonds to be redeemed, not more than 60 days and not less than 30 days prior to the Put Option Date.
Redemption for delisting or Change of Control:	If at any time (i) the Shares cease to be listed or admitted to trading or suspended for trading for a period equal to or exceeding 30 consecutive trading days on the Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange; or (ii) a Change of Control occurs, the holder of each Bond will have the right at such holder's option, to require the Issuer to redeem all or some only of such holder's Bonds on the Relevant Event Redemption Date at the Early Redemption Amount, together with accrued and unpaid default interest (if any) up to but excluding such date (if any).
Listing:	The Company will apply to the Hong Kong Stock Exchange for the listing of the Bonds on the Hong Kong Stock Exchange. An application by the Company will also be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.
Clearing systems:	The Bonds will be represented by beneficial interests in the global certificate, which will be registered in the name of a nominee of, and deposited on the Issue Date with a common depository for, Euroclear and Clearstream. Beneficial interests in the global certificate will be shown on, and transfers thereof will be effected only through records maintained by, Euroclear and Clearstream. Except as described in the global certificate, certificates for Bonds will not be issued in exchange for beneficial interests in the global certificate. The Bonds will be sold outside the United States in reliance on Regulation S under the U.S. Securities Act.

Transferability: Transfers of interests in the Bonds evidenced by the global certificate will be effected in accordance with the rules of the relevant clearing systems.

## **CONVERSION PRICE AND CONVERSION SHARES**

The initial Conversion Price of HK\$11.78 per Conversion Share represents:

- (a) a premium of 28% over the closing price of the Shares at HK\$9.20 per Share on 16 November 2021, which is the date of the Subscription Agreement;
- (b) a premium of 24% over the average closing price of the Shares at HK\$9.48 per Share for the last five consecutive trading days up to and including 16 November 2021, which is the date of the Subscription Agreement; and
- (c) a premium of 23% over the average closing price of the Shares at HK\$9.57 per Share for the last ten consecutive trading days up to and including 16 November 2021, which is the date of the Subscription Agreement.

142,614,601 Conversion Shares will be issued upon exercise of the conversion right attaching to the Bonds in full based on the initial Conversion Price of HK\$11.78 per Conversion Share.

The 142,614,601 Conversion Shares, having an aggregate nominal amount of HK\$1,426,146.01 based on a par value of HK\$0.01 per Share, represent:

- (a) approximately 7.0% of the total number of Shares of the Company in issue as at the date of this announcement; and
- (b) approximately 6.6% of the enlarged total number of issued Shares of the Company upon allotment and issue of such Conversion Shares, assuming that there is no other change to the issued share capital of the Company.

Based on the estimated net proceeds (being the gross proceeds of HK\$1,680,000,000 after the deduction of expenses payable in connection with the Bond Issue) and 142,614,601 Conversion Shares, the net proceeds per Conversion Share is estimated to be approximately HK\$11.63.

## **GENERAL MANDATE**

The Conversion Shares that may fall to be issued upon exercise of the conversion right attaching to the Bonds will be issued under the General Mandate. As at the date of this announcement, the General Mandate has not been fully utilised and up to 403,688,117 new Shares may be issued thereunder. The General Mandate is therefore sufficient for the allotment and issue of the Conversion Shares. As such, the Bond Issue and the Conversion Shares thereunder are not subject to Shareholders' approval at a general meeting.

## **APPLICATION FOR LISTING**

The Company will apply to the Hong Kong Stock Exchange for the listing of the Bonds on the Hong Kong Stock Exchange. An application by the Company will also be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Conversion Shares, which may fall to be issued upon exercise of the conversion rights attaching to the Bonds.

## **REASONS FOR THE BOND ISSUE AND USE OF PROCEEDS**

The gross proceeds from the Bond Issue will be HK\$1,680,000,000. The Company intends to use the proceeds for enhancement and expansion of business operations, improvement of research and development capabilities, potential acquisitions and general corporate purposes.

The Directors are of the view that the Bond Issue can provide the Company with additional funding at lower cost to repay its existing debts and optimise its financing structure, to further strengthen the working capital for the Company, as well as potentially enhance the equity base of the Company.

The Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription Agreement and the Bonds are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

## **CAPITAL RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

As disclosed in the announcements of the Company dated 16 December 2020, 22 April 2021 and 3 May 2021, respectively, the Company entered into a major transaction in relation to the proposed spin-off and separate A-share listing of CIMC Safe Tech. CIMC Safe Tech is a 90%-owned subsidiary of the Company. Together with its subsidiaries, CIMC Safe Tech is primarily engaged in the (a) design, manufacture and sales of standard tank containers, special tank containers and a wide range of multimodal logistics equipment, for the storage and multimodal transportation of bulk cargos, predominantly chemicals, in the forms of liquid, gas and powder; and (b) provision of waste disposal solutions and manufacture and sales of equipment for the disposal of both hazardous and non-hazardous waste. The Company has received independent shareholders' approval at its extraordinary general meeting on 21 May 2021 in relation to the proposed spin-off and A-share listing of CIMC Safe Tech. As at the date of this announcement, no official listing application has been filed with the Shenzhen Stock Exchange. The proposed spin-off and A-share listing is estimated to raise approximately RMB1.0 billion for the Company's expansion plans for its chemical and environmental business.

Save as disclosed above, the Company has not carried out any equity capital raising activities in the twelve months immediately preceding this announcement.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the Company's shareholding structure as at the date of this announcement and upon full exercise of the conversion right attaching to the Bonds:

Name of Shareholders	Shareholding as at the date of this announcement		Assuming the Bonds are fully issued and converted into Shares at the initial Conversion Price of HK\$11.78 each	
	<i>Number of Shares</i>	<i>Approximate % of issued share capital of the Company <sup>(Note 1)</sup></i>	<i>Number of Shares</i>	<i>Approximate % of issued share capital of the Company</i>
CIMC (HK) <sup>(Note 2)</sup>	1,180,313,211 <sup>(Note 2)</sup>	58.2%	1,180,313,211 <sup>(Note 2)</sup>	54.4%
Charm Wise Limited <sup>(Note 2)</sup>	190,703,000 <sup>(Note 2)</sup>	9.4%	190,703,000 <sup>(Note 2)</sup>	8.8%
Bondholders	–	–	142,614,601	6.6%
Public Shareholders	656,351,377	32.4%	656,351,377	30.2%
Total	<u>2,027,367,588</u>	<u>100.0%</u>	<u>2,169,982,189</u>	<u>100.0%</u>

Notes:

- (1) Based on 2,027,367,588 Shares in issue as at the date of this announcement.
- (2) Charm Wise Limited and CIMC (HK) are both wholly-owned subsidiaries of CIMC, which is the ultimate controlling shareholder of the Company. Charm Wise Limited is also a wholly-owned subsidiary of CIMC (HK).

## GENERAL

**Completion of the Bond Issue is subject to the satisfaction of the conditions precedent to the Subscription Agreement and may or may not materialise. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

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

“Agency Agreement”	the paying, conversion and transfer agency agreement (as amended or supplemented from time to time) between the Company, the Trustee and the agents to be named therein to be dated on or about the Closing Date
“Alternative Stock Exchange”	means at any time, in the case of the Shares, if they are not at that time listed and traded on the Hong Kong Stock Exchange, such other internationally recognised stock exchange which is the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in
“associates; connected person(s); controlling shareholder(s); and subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bond Issue”	the issue of the Bonds by the Company
“Bonds”	the zero coupon convertible bonds due 2026 in the aggregate principal amount of HK\$1,680,000,000 to be issued by the Company
“Change of Control”	means the occurrence of one or more of the following events: <ul style="list-style-type: none"><li>(i) the government (central or regional) of the PRC or persons under the control of the government (central or regional) of the PRC cease to directly or indirectly or in combination control CIMC; or</li><li>(ii) CIMC ceases to directly or indirectly control the Company;</li></ul>



“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 company established in the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange and the Main Board of the Hong Kong Stock Exchange, and is the controlling shareholder of the Company
“CIMC (HK)”	China International Marine Containers (Hong Kong) Limited 中國國際海運集裝箱(香港)有限公司
“CIMC Safe Tech”	CIMC Safeway Technologies Co., Ltd.* (中集安瑞環科技股份有限公司) (formerly known as 南通中集罐式儲運設備製造有限公司)
“Closing Date”	the closing date for the Bond Issue, which is expected to be on 30 November 2021, or such later date, not being later than 14 December 2021, as may be agreed between the Company and the Manager
“Company”	CIMC Enric Holdings Limited, an exempted company incorporated in the Cayman Islands on 28 September 2004 with limited liability under the Companies Law (Revised) of the Cayman Islands
“Conditions”	the terms and conditions of the Bonds
“Conversion Price”	HK\$11.78 per Conversion Share subject to adjustment in the manner provided in the Conditions
“Conversion Shares”	Shares to be allotted and issued by the Company upon exercise of the conversion right attaching to the Bonds

“Current Market Price”	<p>means, in respect of a Share on a particular date, the average of the closing prices for one Share (being a Share carrying full entitlement to dividend) for the 10 consecutive trading days ending on the trading day immediately preceding such date; provided that if at any time during the said 10 trading day-period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:</p> <p>(i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the closing price on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the fair market value of that dividend per Share; or</p> <p>(ii) if the Shares to be issued in such circumstances rank for the dividend in question, the closing price on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by the fair market value of that dividend per Share;</p> <p>and provided further that if the Shares on each of the said 10 trading days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the closing price on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the fair market value of that dividend per Share</p>
“Directors”	the directors of the Company
“General Mandate”	<p>the general mandate granted to the Board by the Shareholders at the annual general meeting of the Company held on 21 May 2021, which authorised the Directors to allot, issue or otherwise deal with up to 20% of the total number of Shares of the Company in issue as at that date</p>
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party”	any entity or person who is not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Issue Date”	the date the Bonds are constituted by the Trust Deed, on or about 30 November 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Lock-Up Shares”	the shares held by CIMC (HK) directly (or through nominees) or indirectly through trusts and/or companies controlled by it or their subsidiaries (or through their nominees) and being subject to a lock-up undertaking executed in favour of the Manager
“Manager”	Morgan Stanley & Co. International plc
“Maturity Date”	on or about 30 November 2026
“NDRC”	the National Development and Reform Commission of the PRC or its local counterparts
“Offering Circular”	the Company’s offering circular relating to the Bond Issue
“PRC”	the People’s Republic of China, excluding for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
“Publication Date”	date of the Offering Circular, on or about 25 November 2021
“Principal Agent”	The Bank of New York Mellon, London Branch
“Relevant Cash Dividend”	means any cash dividend specifically declared by the Company

“Relevant Indebtedness”	means any future or present indebtedness incurred outside the PRC which is in the form of or represented by debentures, loan stock, bonds, notes, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments or by bills of exchange drawn or accepted for the purpose of raising money which for the time being are, or are issued with the intention on the part of the issuer thereof that they should be, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or on any other securities market. For the avoidance of doubt, Relevant Indebtedness does not include indebtedness under any bilateral, syndicated or club loans or credit facilities
“Relevant Stock Exchange”	means at any time, in respect of the Shares, the Hong Kong Stock Exchange or the Alternative Stock Exchange (if applicable)
“Scrip Dividend”	means any Shares issued in lieu of the whole or any part of any Relevant Cash Dividend being a dividend which the Shareholders concerned would or could otherwise have received
“Shareholders”	holders of Shares from time to time
“Shares”	ordinary shares with a nominal value of HK\$0.01 each of the Company or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Company
“Share Schemes”	the share option, share award, restricted share or employee share incentive schemes or plans publicly disclosed by the Issuer in its 2021 interim report published on the website of the Hong Kong Stock Exchange on 7 September 2021
“Securities Lending Agreement”	the securities lending agreement between the Manager and CIMC (HK) dated 16 November 2021

“Subscription Agreement”	the conditional subscription agreement dated 16 November 2021 entered into between the Company and the Manager in relation to the Bond Issue
“Trust Deed”	the trust deed (as amended or supplemented from time to time) made between, among others, the Company and the Trustee to be dated on or about the Closing Date
“Trustee”	The Bank of New York Mellon, London Branch
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“United States”	the United States of America
“%”	per cent

By order of the Board  
**CIMC Enric Holdings Limited**  
**Cheong Siu Fai**  
*Company Secretary*

Hong Kong, 17 November 2021

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

*English names marked with “\*” in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.*