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**CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.**

**中國國際海運集裝箱（集團）股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2039)**

**ANNOUNCEMENT ON THE EQUITY INTEREST DISPOSAL OF  
A NON WHOLLY-OWNED SUBSIDIARY  
CIMC ELECTRICITY COMMERCE**

**Equity Acquisition Agreement**

The Board hereby announces that on 13 September 2017, CIMC Investment (a wholly-owned subsidiary of the Company), Gangwan Ruishi (as the Vendors) and Hive Box Technology (as the Purchaser) entered into the Equity Acquisition Agreement, pursuant to which Hive Box Technology shall acquire the entire equity interest in CIMC Electricity Commerce from the Vendors. Of which, the consideration for Hive Box Technology to acquire 78.236% equity interest in CIMC Electricity Commerce held by CIMC Investment shall be RMB633,714,546, which shall be paid to CIMC Investment by way of cash. Upon completion of the Disposal, the Company will no longer hold equity interest in CIMC Electricity Commerce.

**Hong Kong Listing Rules Implications**

As all the applicable percentage ratios in respect of the transaction contemplated under the Equity Acquisition Agreement are less than 5%, the transaction contemplated under the Equity Acquisition Agreement does not constitute a notifiable transaction of the Company under Chapter 14 of the Hong Kong Listing Rules.

**Shenzhen Listing Rules Implications**

According to the Shenzhen Listing Rules, the transaction contemplated under the Equity Acquisition Agreement constitutes a discloseable transaction which is subject to consideration at the general meeting of the Company and is therefore subject to the approval of the Shareholders.

**Second EGM in 2017**

According to the Shenzhen Listing Rules, the transaction contemplated under the Equity Acquisition Agreement is subject to the approval of the Shareholders, therefore, the Company will convene the Second EGM in 2017 on 30 October 2017, at 2:45 p.m. in Shenzhen, PRC for the Shareholders to consider and, if thought fit, to approve the Equity Acquisition Agreement and the transaction thereunder. The notice of the Second EGM in 2017 containing the resolution to be proposed at the Second EGM in 2017 together with the relevant proxy form and the reply slip was published on the Hong Kong Stock Exchange's website and despatched to the Shareholders on 13 September 2017. Holders of A shares and H shares of the Company are entitled to attend the Second EGM in 2017 and vote in respect of the relevant resolution.

The circular containing the contents of the Equity Acquisition Agreement will be despatched to the Shareholders on or before 10 October 2017.

## **1. SUMMARY**

In order to successfully complete withdrawal from the incubation project, CIMC Investment, a wholly-owned subsidiary of the Company, intends to sell its entire 78.236% equity interest in CIMC Electricity Commerce to Hive Box Technology.

The Board hereby announces that on 13 September 2017, CIMC Investment, a wholly-owned subsidiary of the Company, Gangwan Ruishi (as the Vendors) and Hive Box Technology (as the Purchaser) entered into the Equity Acquisition Agreement, pursuant to which Hive Box Technology shall acquire the entire equity interest in CIMC Electricity Commerce from the Vendors. Of which, the consideration for Hive Box Technology to acquire 78.236% equity interest in CIMC Electricity Commerce held by CIMC Investment shall be RMB633,714,546, which shall be paid to CIMC Investment by way of cash. Upon completion of the Disposal, the Company will no longer hold any equity interest in CIMC Electricity Commerce.

## **2. EQUITY ACQUISITION AGREEMENT**

The principal terms of the Equity Acquisition Agreement are set out below:

### **Date:**

13 September 2017

### **Vendors:**

- (1) CIMC Investment, a wholly-owned subsidiary of the Company, which holds 78.236% equity interest in CIMC Electricity Commerce; and
- (2) Gangwan Ruishi, which holds 21.764% equity interest in CIMC Electricity Commerce.

### **Purchasers:**

Hive Box Technology.

### **Transaction proposal:**

Based on its recognition towards the current operations and outlook of CIMC Electricity Commerce and its confidence in the relevant information of CIMC Electricity Commerce provided by the Vendors, Hive Box Technology intends to acquire 100% equity interest in CIMC Electricity Commerce from the Vendors by way of cash payment.

**Consideration and payment method:**

The overall valuation and total transaction consideration of the 100% equity interest in CIMC Electricity Commerce is RMB810,000,000, of which, the transaction consideration paid by Hive Box Technology to CIMC Investment by way of cash payment to acquire the 78.236% equity interest in CIMC Electricity Commerce shall be RMB633,714,546.

The consideration for this transaction was determined after arm's length negotiations between the parties to the Agreement with reference to the valuations of comparable companies relating to the smart delivery locker business. The parties to the Agreement agree that under the circumstances that the operating figures of CIMC Electricity Commerce are less favourable than those provided by the Vendors on the date of signing the Equity Acquisition Agreement, or partial conditions stipulated in the Equity Acquisition Agreement are unable to be satisfied as a result of the occurrence of an event with a material adverse impact, and the material adverse impact of such event still remains unresolved after intensive negotiation between the parties, the total consideration of the transaction shall be correspondingly adjusted pursuant to the terms of the Equity Acquisition Agreement.

**Payment arrangements:**

The parties agree that the transaction consideration shall be paid by Hive Box Technology in three tranches in the following manners: (1) Hive Box Technology shall pay the Vendors the first tranche of the cash consideration (20% of the total consideration) within 10 working days after the conditions for the first tranche of the cash consideration being satisfied or waived, including the signing of the Equity Acquisition Agreement being completed; (2) Hive Box Technology shall pay the Vendors the second tranche of the cash consideration (60% of the total consideration) within 10 working days after the conditions for the second tranche of the cash consideration being satisfied or waived, including the Vendors and CIMC Electricity Commerce having cooperated with Hive Box Technology to complete their due diligence within the timeframe stipulated in the Equity Acquisition Agreement; (3) Hive Box Technology shall pay the Vendors the third tranche of the cash consideration (20% of the total consideration) within 10 working days after the conditions for the third tranche of the cash consideration being satisfied or waived, including being 45 natural days since the payment of the second tranche of the cash consideration.

**CIMC Loan:**

The parties agree that the final amount of the CIMC Loan shall be subject to the amount mutually determined on or before the payment date of the third tranche of the cash consideration under the Equity Acquisition Agreement as agreed by CIMC Investment, Hive Box Technology and the Group. Pursuant to the Equity Acquisition Agreement, the funding to be provided by Hive Box Technology to CIMC Electricity Commerce shall be arranged in line with the payment terms of the consideration for principal repayment of the CIMC Loan to the Group, and the interest shall continue to be repayable by CIMC Electricity Commerce to the Group in accordance with the relevant agreements.

**Settlement of equity transfer:**

Settlement of the equity transfer shall take place after Hive Box Technology has completed the payment of the second tranche of the cash consideration to the Vendors, and CIMC Electricity Commerce has issued the certificate of capital contribution and updated its register of members to register Hive Box Technology as the sole shareholder in the register of members of CIMC Electricity Commerce.

## Effectiveness and completion:

The Equity Acquisition Agreement will become effective and take effect upon signing by each party. The Equity Acquisition Agreement will be fully satisfied upon complete satisfaction of the rights and obligations of each party to the Equity Acquisition Agreement.

## 3. INFORMATION ON THE TRANSACTION SUBJECT – CIMC ELECTRICITY COMMERCE

CIMC Electricity Commerce is a limited liability company established in the PRC with a registered capital of RMB137,844,612, and is principally engaged in the smart delivery locker business. As of the date of this announcement, CIMC Investment holds 78.236% equity interest in CIMC Electricity Commerce, and Gangwan Ruishi holds 21.764% equity interest in CIMC Electricity Commerce. CIMC Electricity Commerce is an indirect non-wholly-owned subsidiary of the Company.

### Principal consolidated financial information of CIMC Electricity Commerce

	Unit: RMB	
	31 December 2016 (audited)	30 June 2017 (unaudited) <sup>(Note)</sup>
Total assets	342,783,119	403,913,366
Total liabilities	159,364,516	301,809,303
Total receivables	2,191,180	498,304
Net assets attributable to the parent company	<u>183,418,603</u>	<u>102,104,063</u>
	2016 (audited)	January – June 2017 (unaudited) <sup>(Note)</sup>
Revenue	8,907,444	19,965,652
Operating profit	-150,038,544	-81,832,164
Net profit attributable to the parent company	-150,022,316	-81,314,540
Net cash flows from operating activities	<u>-161,870,718</u>	<u>-77,112,272</u>

*Note:* Due to time considerations, Pan-China Certified Public Accountants LLP Guangdong branch is still in the process of auditing the financial figures of CIMC Electricity Commerce for the six months ended 30 June 2017. The Company will disclose the relevant audit reports according to the relevant Listing Rules as soon as possible.

The equity interest in CIMC Electricity Commerce to be disposed by CIMC Investment is not restricted by any mortgages, pledges or other third party rights, does not involve major disputes, litigation or arbitration, nor is it involved in any seizure, freezing or other judicial matters.

As of 31 August 2017, the Group has provided the CIMC Loan to CIMC Electricity Commerce with a principal amount of RMB261,900,000 and an interest of RMB2,107,780. Pursuant to the Equity Acquisition Agreement, Hive Box Technology shall provide funding to CIMC Electricity Commerce for the principal repayment of the CIMC Loan, and the interest shall continue to be repayable by CIMC Electricity Commerce.

#### **4. REASONS FOR AND BENEFITS OF THE EQUITY ACQUISITION AGREEMENT**

CIMC Electricity Commerce is an innovative company incubated by the Group and is principally engaged in the smart delivery locker business. The Group has conducted comprehensive analysis on the relevant characteristics of the industry in which CIMC Electricity Commerce operates, and after prudent analysis, the Group has decided to withdraw all its equities and supports the consolidation of CIMC Electricity Commerce with Hive Box Technology. After the transaction, CIMC Electricity Commerce and Hive Box Technology will realise resource-sharing, complementary advantages and mutual benefits, and the Group will achieve successful incubation of an innovative company. The Disposal has no adverse effect on the normal operation of the Group's principal businesses. The proceeds from the Disposal will be used for supplying the Group's operation funds. The Company considers that the Equity Acquisition Agreement and the transaction thereunder were determined after arm's length negotiation among the parties and are in the interests of the Group and the Shareholders as a whole.

#### **5. GENERAL INFORMATION**

The Company is a limited liability company established in the PRC, the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, respectively. The Group is principally engaged in the manufacture of containers, road transportation vehicles, energy, chemical and liquid food equipment, offshore engineering, logistics service, airport equipment, etc.

CIMC Investment is a wholly-owned subsidiary of the Company, and as at the date of the announcement, the Company owns 100% of its issued share capital. CIMC Investment is principally engaged in equity investment, investment management and investment-related businesses.

Hive Box Technology is a limited liability company established in the PRC. Hive Box Technology is principally engaged in the operation of smart delivery locker. To the best of the Directors' knowledge, having made all reasonable inquiries, Hive Box Technology and its shareholders are third parties independent of the Company and its connected persons. According to the analysis on the latest financial figures and information position of Hive Box Technology and the repayment capability of its shareholders, the Company considers that Hive Box Technology, as the purchaser, is fully capable of performing the agreement and making payment.

#### **6. FINANCIAL EFFECT OF THE EQUITY ACQUISITION AGREEMENT ON THE GROUP**

Upon the completion of the Disposal, the Company will no longer hold equity interest in CIMC Electricity Commerce, and CIMC Electricity Commerce will not be consolidated into the financial reports of the Company. It is expected that the transaction contemplated under the Equity Transfer Agreement will result in an increase of approximately RMB400 million in the consolidated net profit of the Group for the year, and will bring forth positive impacts on the consolidated financial results of 2017 of the Company. The figures mentioned above are preliminary estimates by the finance department of the Company, the actual figures will be subject to the audit results from auditors of the Company.

## **7. LISTING RULES IMPLICATIONS**

### **Hong Kong Listing Rules Implications**

As all the applicable percentage ratios in respect of the transaction contemplated under the Equity Acquisition Agreement are less than 5%, the transaction contemplated under the Equity Acquisition Agreement does not constitute a notifiable transaction of the Company under Chapter 14 of the Hong Kong Listing Rules.

### **Shenzhen Listing Rules Implications**

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## **8. SECOND EGM IN 2017**

On 13 September 2017, the Resolution Relating to Equity Transfer of Shenzhen CIMC Electricity Commerce and Logistics Technology Co., Ltd. has been considered and passed at the twelfth meeting in 2017 of the eighth session of the Board of the Company. All Directors agree to proceed the Disposal and its submission for consideration at the general meeting of the Company. None of the Directors hold any material interest in the Disposal contemplated under the Equity Acquisition Agreement and therefore none of them need to abstain from voting in relation to relevant resolutions on the board meeting.

According to the Shenzhen Listing Rules, the transaction contemplated under the Equity Acquisition Agreement is subject to the approval of the Shareholders, therefore, the Company will convene the Second EGM in 2017 on 30 October 2017, at 2:45 p.m. in Shenzhen, PRC for the Shareholders to consider and, if thought fit, to approve the Equity Acquisition Agreement and the transaction thereunder. The notice of the Second EGM in 2017 containing the resolution to be proposed at the Second EGM in 2017 together with the relevant proxy form and the reply slip was published on Hong Kong Stock Exchange's website and despatched to the Shareholders on 13 September 2017. Holders of A shares and H shares of the Company are entitled to attend the Second EGM in 2017 and vote in respect of the relevant resolution.

The circular containing the contents of the Equity Acquisition Agreement will be despatched to the Shareholders on or before 10 October 2017.



## 9. DEFINITIONS

“A Share(s)”	the domestic share(s) in the registered share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in RMB
“Board”	the board of Directors of the Company
“Company”	China International Marine Containers (Group) Co., Ltd. (中國國際海運集裝箱 (集團) 股份有限公司), a joint stock company with limited liability established under the laws of the PRC in January 1980, the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, respectively
“CIMC Electricity Commerce”	Shenzhen CIMC Electricity Commerce and Logistics Technology Co., Ltd. (深圳中集電商物流科技有限公司), a limited liability company established under the laws of the PRC. As at the date of this announcement, 78.236% of its equity interest was held by the Company through CIMC Investment, and is a non wholly-owned subsidiary of the Company
“CIMC Investment”	Shenzhen CIMC Investment Co., Ltd* (深圳市中集投資有限公司), a limited liability company established under the laws of the PRC and a wholly-owned subsidiary of the Company
“CIMC Loan”	the shareholders’ loan provided by the Group to CIMC Electricity Commerce
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the 78.236% equity interest in CIMC Electricity Commerce held by CIMC Investment from CIMC Investment to Hive Box Technology pursuant to the Equity Acquisition Agreement
“Equity Acquisition Agreement” or “Agreement”	the Equity Acquisition Agreement Relating to Shenzhen CIMC Electricity Commerce and Logistics Technology Co., Ltd. entered into among CIMC Investment, Gangwan Ruishi and Hive Box Technology on 13 September 2017
“Gangwan Ruishi”	Shenzhen Gangwan Ruishi Equity Investing Partnership (Limited Partnership)* (深圳港灣睿仕股權投資合夥企業 (有限合夥))
“Group”	the Company and its subsidiaries

“Hive Box Technology” or “Purchaser”	Shenzhen Hive Box Technology Co., Ltd. (深圳市豐巢科技有限公 司), a limited liability company established under the laws of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	the overseas-listed foreign share(s) in the registered share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Independent Third Party(ies)”	independent third party(ies) who is(are) not connected persons of the Company and independent from and not connected with the Directors, chief executives, controlling Shareholders and substantial Shareholders of the Company and any of its subsidiaries or their respective associates
“Listing Rules”	the Hong Kong Listing Rules and the Shenzhen Listing Rules
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi yuan, the lawful currency of the People’s Republic of China
“Second EGM in 2017”	the second extraordinary general meeting in 2017 of the Company to be convened on 30 October 2017, at 2:45 p.m., to consider and, if thought fit, to approve the Equity Acquisition Agreement and the transaction thereunder
“Shareholders”	the holder(s) of the Share(s) of the Company
“Share(s)”	the share(s) of the Company, including the A Share(s) and H Share(s)



“Shenzhen Listing Rules”	the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange
“Vendors”	CIMC Investment and Gangwan Ruishi
“%”	per cent

This announcement is available for reviewing on the website of the Company (<http://www.cimc.com>) and the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

By order of the Board  
**China International Marine Containers (Group) Co., Ltd.**  
**YU Yuqun**  
*Company Secretary*

Hong Kong, 13 September 2017

*As at the date of this announcement, the Board comprises Mr. WANG Hong (Chairman), Mr. WANG Yuhang (Vice-Chairman) and Mr. LIU Chong as non-executive Directors; Mr. MAI Boliang as executive Director; and Mr. PAN Chengwei, Mr. PAN Zhengqi and Mr. WONG Kwai Huen, Albert as independent non-executive Directors*

\* *For identification purpose only.*