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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 PROGRESS OF FINAL DIVIDEND FOR 2018 AND CAPITAL RESERVE CAPITALIZATION**

Reference is made to the results announcement for the year ended 31 December 2018 of China International Marine Containers (Group) Co., Ltd. (the “**Company**”) dated 27 March 2019 in relation to, amongst others, the payment of the proposed final dividend for 2018, the circular dated 9 May 2019 (the “**Circular**”), the announcement dated 22 May 2019 in relation to the closure of registrar of members for H Shares of the Company (the “**H Shares**”), the announcement dated 3 June 2019 in relation to, amongst others, the poll results of the annual general meeting of the Company for 2018, second class meeting of A shareholders for 2019 and second class meeting of H shareholders for 2019 at which, amongst others, resolutions approving the payment of cash dividend of RMB5.5 (tax inclusive) for every 10 Shares (the “**Final Dividend for 2018**”) and the issue of 2 Capitalization Shares for every 10 Shares by way of capitalization of capital surplus (the “**Capital Reserve Capitalization**”) to all Shareholders proposed by the board of directors (the “**Board**”) of the Company were passed at the AGM (the “**Poll Results Announcement**”) and the announcement dated 4 June 2019 in relation to the payment of the Final Dividend for 2018 (the “**Final Dividend Payment Announcement**”). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as defined in the Circular.

Under the Poll Results Announcement and the Final Dividend Payment Announcement, the Company (1) will distribute cash dividend to the H Shareholders whose names appear on the register of members of the Company on 12 June 2019 (being the “**Record Date**”) in the amount of RMB5.5 (tax inclusive) for every 10 Shares held. The dividend will be denominated and declared in Renminbi. The actual amount of the H Share Cash Dividend distributed in Hong Kong dollars shall be calculated at the benchmark exchange rate (RMB0.87788 to HK\$1.00) published by the People's Bank of China on 4 June 2019 (i.e. the first business day in Hong Kong immediately following the date of passing of the resolution), being HK\$0.6265 per H Share (tax inclusive); and (2) intends to capitalize the capital surplus from the issue of Shares at premium by issuing Shares to A Shareholders and H Shareholders whose names appear on the registers as at the Record Date in a proportion of 2 Capitalization Shares for every 10 Shares held. Based on the total share capital of the Company of 2,985,442,236 Shares, comprising 1,716,576,609 H Shares and 1,268,865,627 A Shares, as at 12 June 2019 (being the record date to determine the entitlements of Capital Reserve Capitalization and Profit Distribution), the total number of New Shares to be issued by Capital Reserve Capitalization will be 597,088,446 Shares (comprising 343,315,321 New H Shares and 253,773,125 New A Shares).

In respect of H Shareholders, New H Shares will be issued on a pro rata basis and any fractional Shares (if any) will be rounded down to the nearest whole unit. All fractional Shares arising from the Capital Reserve Capitalization will not be issued and distributed but will be aggregated to sell, and the proceeds will be retained by the Company.

In respect of A Shareholders, pursuant to the Operational Guideline of the Shenzhen Branch of the China Securities Depository and Clearing Corporation Limited for Interest Distribution and Rights Issue Registration of Securities Issuers (《中國證券登記結算有限責任公司深圳分公司證券發行人權益分派及配股登記業務指南》) published by the Shenzhen Branch of the China Securities Depository and Clearing Corporation Limited, “any fractional part of one share arising from transfer of shares shall be arranged in the sequence of amounts and the small amount shall be carried to shareholders with larger amount so as to reach the minimum unit of one share, and any fractional part of one cent arising from cash distribution shall be refunded to the relevant listed company.” Any fractional New A Shares arising from the Capital Reserve Capitalization will be processed based on the above applicable guideline accordingly.

Under the Final Dividend Payment Announcement, the Company has appointed Industrial and Commercial Bank of China (Asia) Limited as the receiving agent (the “**Receiving Agent**”) in Hong Kong and will pay to such Receiving Agent the cash dividend declared for payment to H Shareholders. For the H Shareholders investing in Southbound Trading, the cash dividend will be paid through the depository and clearing system of China Securities Depository and Clearing Corporation Limited. For the H Shareholders who are not investors of Southbound Trading, the dividend will be paid to the relevant Shareholders by the Receiving Agent on or about Friday, 28 June 2019, and the relevant cheques will be despatched on the same day to H Shareholders who are entitled to receive such dividends by ordinary post at their own risk.

The Company proposes to despatch the share certificates for the H Shares to the H Shareholders on Friday, 28 June 2019 by ordinary post at their own risk.

## **Taxation**

For the withholding and payment of corporate income tax on the final dividend, Shareholders are advised to refer to the details of the Final Dividend Payment Announcement.

Pursuant to the relevant provisions of the State Taxation Administration of the People’s Republic of China, the Capital Reserve Capitalization of the Company shall be proceeded by the capital surplus from capital premium, and is exempt from any tax or any withholding tax.

Dealings in the New H Shares will be subject to the payment of stamp duty, the Hong Kong Stock Exchange trading fee, transaction levy, or any other applicable fees and charges in Hong Kong.

**Investors and potential investors of the H Shares are recommended by the Company to consult professional tax advisors if they are in any doubt as to the taxation implications of holding, disposing of or dealing in the New H Shares. The Company assumes no responsibility whatsoever for any tax implication or liabilities of the H Shareholders.**

## **Despatch of Cheques**

The Company has appointed Industrial and Commercial Bank of China (Asia) Limited as the Receiving Agent in Hong Kong and will pay to such Receiving Agent the cash dividend declared for payment to H Shareholders. For the H Shareholders investing in Southbound Trading, the cash dividend will be paid through the depository and clearing system of China Securities Depository and Clearing Corporation Limited. For the H Shareholders who are not investors of Southbound Trading, the dividend will be paid to the relevant Shareholders by the Receiving Agent on or about Friday, 28 June 2019, and the relevant cheques will be despatched on the same day to H Shareholders who are entitled to receive such dividends by ordinary post at their own risk.

## **Despatch of H Share Certificates**

The Board proposes to despatch the share certificates for the H Shares to the H Shareholders on Friday, 28 June 2019 by ordinary post at their own risk. In case of joint shareholdings, the certificates for the H Shares will be posted to the address of the first-named person on the register of members of H Shares in respect of such shares.

## **Capitalization Shares Issue to Overseas Shareholders**

According to the latest register of members of the Company, as at the Latest Practicable Date (i.e. Record Date), the Company did not have overseas H Shareholders.

## **Application for the Listing of Capitalization Shares and the Dealings Date**

All necessary arrangements have been made for the New H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. The New A Shares will be listed on the Shenzhen Stock Exchange.

Dealing in the New H Shares is now expected to commence on 2 July 2019, whereas the dealing in the New A Shares is now expected to commence on 28 June 2019 on the Shenzhen Stock Exchange.

**Investors and potential investors are reminded that the proposal of Capital Reserve Capitalization is subject to, inter alia, compliance with the relevant legal procedures and requirements under the Company Law of the PRC to effect the Capital Reserve Capitalization and the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the New H Shares. Application has been made by the Company to the Hong Kong Stock Exchange for the approval for the listing of, and permission to deal in, the New H Shares.**

## Impact on Shareholding upon Completion of Capital Reserve Capitalization

Upon issue of New Shares to be allotted and issued under the Capital Reserve Capitalization by the Company (assuming that no other Shares are allotted or issued and no existing Shares are repurchased prior to the dealing in New Shares), the shareholding structure of the Company will be enlarged as follows:

Type of Shares	Prior to Capitalization Issue		Issued and capitalized No. of Shares	Upon Capitalization Issue	
	No. of Shares	Percentage (%)		No. of Shares	Percentage (%)
A Shares	1,268,865,627	42.5018%	253,773,125	1,522,638,752	42.5018%
H Shares	<u>1,716,576,609</u>	<u>57.4982%</u>	<u>343,315,321</u>	<u>2,059,891,930</u>	<u>57.4982%</u>
Total	<u>2,985,442,236</u>	<u>100%</u>	<u>597,088,446</u>	<u>3,582,530,682</u>	<u>100%</u>

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

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

Hong Kong, 13 June 2019

*As at the date of this announcement, the Board comprises Mr. WANG Hong (Chairman), Mr. LIU Chong (Vice-chairman), Mr. HU Xianfu and Mr. MING Dong as non-executive Directors; Mr. MAI Boliang as an executive Director; and Mr. HE Jiale, Mr. PAN Zhengqi and Ms. LUI FUNG Mei Yee, Mabel as independent non-executive Directors.*