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## **CIMC-TianDa Holdings Company Limited**

**中集天達控股有限公司**

(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 445)

### **CONNECTED TRANSACTION IN RELATION TO THE INVESTMENT IN CIMC ANFANG TECHNOLOGY CO., LTD**

#### **THE INVESTMENT AGREEMENT**

The Board is pleased to announce that on 16 July 2019 (after trading hours of the Stock Exchange), Allied Best (China), being an indirect wholly-owned subsidiary of the Company, entered into the Investment Agreement with CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment to establish CIMC Anfang in the PRC.

Pursuant to the Investment Agreement, each of Allied Best (China), CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment has agreed to subscribe for 40%, 35%, 15%, 5% and 5% equity interest in CIMC Anfang respectively by way of capital contribution. The registered capital of CIMC Anfang shall be RMB100,000,000, which shall be contributed as to RMB40,000,000 by Allied Best (China), RMB35,000,000 by CIMC Technology, RMB15,000,000 by Shenzhen Daohe, RMB5,000,000 by CIMC Leasing and RMB5,000,000 by CIMC Investment.

#### **THE ACTING-IN-CONCERT AGREEMENT**

On 16 July 2019 (after trading hours of the Stock Exchange), Allied Best (China), Shenzhen Daohe and CIMC Investment entered into an Acting-in-concert Agreement, pursuant to which Shenzhen Daohe and CIMC Investment shall, in respect of their respective equity interest held in CIMC Anfang, vote or procure to vote in agreement with Allied Best (China) on certain matters that require decisions from the shareholders and the directors of CIMC Anfang. Pursuant to the Acting-in-concert Agreement, if unanimous opinion in relation to the matters that require action in concert is unable to be reached, Shenzhen Daohe and CIMC Investment shall vote or procure to vote on Allied Best (China)'s instructions.

#### **LISTING RULES IMPLICATIONS**

Each of CIMC Technology, CIMC Leasing and CIMC Investment is a wholly-owned subsidiary of CIMC, which in turn is the controlling shareholder of the Company, and hence a connected person of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios (as defined in the Listing Rules) exceed 0.1% but are less than 5%, the entering into of the Investment Agreement, the Acting-in-concert Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company and is subject to the reporting and announcement requirements, but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board is pleased to announce that on 16 July 2019 (after trading hours of the Stock Exchange), Allied Best (China), being an indirect wholly-owned subsidiary of the Company, entered into the Investment Agreement with CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment to establish CIMC Anfang in the PRC.

## **THE INVESTMENT AGREEMENT**

The principal terms of the Investment Agreement are summarised as follows:

Date : 16 July 2019

Parties : (i) Allied Best (China)  
(ii) CIMC Technology  
(iii) Shenzhen Daohe  
(iv) CIMC Leasing  
(v) CIMC Investment

### **Business scope**

The business scope of CIMC Anfang includes, among other things, (i) the design, technology development, sale and installation of mobile fire stations and emergency rescue stations; and (ii) the sale and installation of fire-fighting vehicles, fire prevention and fighting equipment.

### **Capital structure**

Pursuant to the Investment Agreement, Allied Best (China), CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment shall establish CIMC Anfang in the PRC with limited liability.

Pursuant to the Investment Agreement, each of Allied Best (China), CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment has agreed to subscribe for 40%, 35%, 15%, 5% and 5% equity interest in CIMC Anfang respectively by way of Capital Contribution. The registered capital of CIMC Anfang shall be RMB100,000,000, which shall be contributed as to RMB40,000,000 by Allied Best (China), RMB35,000,000 by CIMC Technology, RMB15,000,000 by Shenzhen Daohe, RMB5,000,000 by CIMC Leasing and RMB5,000,000 by CIMC Investment (collectively, the "**Capital Contribution**").

The Capital Contribution shall be made by installments based on the operation needs of CIMC Anfang. The Investors shall make their respective Capital Contribution in accordance with the payment schedule and the installment amount as determined by the shareholders' meeting of CIMC Anfang. In any event, the Investors shall make their respective Capital Contribution in full into the registered capital of CIMC Anfang on or before 31 December 2030.

The amount of the Capital Contribution was determined after arm's length negotiations among the Investors taking into account, among other factors, the prospect and the development needs of the business and the working capital requirements of CIMC Anfang.

The Capital Contribution by Allied Best (China) is expected to be funded by the internal resources of the Group.

### **Profit distribution**

The profits of CIMC Anfang shall be distributed to the Investors in proportion to their respective equity interest in CIMC Anfang.

### **Effective control**

The Investors agreed that the Company shall have effective control over CIMC Anfang and as such, the financial results of CIMC Anfang will be consolidated into the Group's financial statements.

### **Board composition**

The CIMC Anfang Board shall comprise seven directors. Allied Best (China) shall nominate two directors, including the chairman, and CIMC Technology shall nominate two directors, including the vice-chairman; whereas, each of Shenzhen Daohe, CIMC Leasing and CIMC Investment shall nominate one director. Appointment of each director shall be for a term of three years, which is renewable upon the expiry of the term.

### **Management and operation**

The CIMC Anfang Board shall appoint one general manager and one finance manager. The general manager shall be accountable to the CIMC Anfang Board, and the finance manager shall be recommended by CIMC and nominated by the general manager.

CIMC Anfang shall have a supervisor jointly nominated by the Investors. Appointment of such supervisor shall be for a term of three years, which is renewable upon expiry of the term.

## **THE CIMC ANFANG ARTICLES**

Upon the establishment of CIMC Anfang, the CIMC Anfang Articles will be adopted. Under the CIMC Anfang Articles, salient terms regarding the business scope, capital commitment, profit distribution and management of CIMC Anfang are principally the same as those in the Investment Agreement. Other salient terms of the CIMC Anfang Articles proposed to be adopted are set forth below:

## **Shareholders' meeting of CIMC Anfang**

In order to pass any resolution in the shareholders' meeting of CIMC Anfang, the shareholders of CIMC Anfang shall exercise their voting rights in proportion to their respective Capital Contribution. No resolution of the shareholders of CIMC Anfang shall be passed in relation to the following matters, unless the consent of shareholders representing not less than two-thirds of the registered capital of CIMC Anfang is obtained:

- (i) the increase or decrease of the registered capital of CIMC Anfang;
- (ii) the division, dissolution or consolidation of CIMC Anfang;
- (iii) the change of form of the corporate organisation of CIMC Anfang; and
- (iv) the alteration to the CIMC Anfang Articles.

Save for the matters above, all resolutions of the shareholders of CIMC Anfang shall be passed by a simple majority of votes of all shareholders of CIMC Anfang.

## **Board meeting of CIMC Anfang**

No resolution of the directors of CIMC Anfang shall be passed in relation to the following matters, unless the consent from not less than two-thirds of all directors of CIMC Anfang is obtained:

- (i) the increase or decrease of the registered capital of CIMC Anfang;
- (ii) the division, dissolution or consolidation of CIMC Anfang;
- (iii) the change of form of the corporate organisation of CIMC Anfang; and
- (iv) the alteration to the CIMC Anfang Articles.

Save for the matters above, all resolutions of the board of CIMC Anfang shall be passed by a simple majority of votes of all directors of CIMC Anfang.

## **THE ACTING-IN-CONCERT AGREEMENT**

On 16 July 2019 (after trading hours of the Stock Exchange), Allied Best (China), Shenzhen Daohe and CIMC Investment entered into an Acting-in-concert Agreement, pursuant to which Shenzhen Daohe and CIMC Investment shall, in respect of their respective equity interest held in CIMC Anfang, vote or procure to vote in agreement with Allied Best (China) on certain matters that require decisions from the shareholders and the directors of CIMC Anfang. Pursuant to the Acting-in-concert Agreement, if unanimous opinion in relation to the matters that require action in concert is unable to be reached, Shenzhen Daohe and CIMC Investment shall vote or procure to vote on Allied Best (China)'s instructions.

The Directors have discussed with the Group's auditor and confirmed that under the prevailing accounting principles, having regard to the terms of the Acting-in-concert Agreement and the relevant provisions of the CIMC Anfang Articles, the Company will have effective control over CIMC Anfang and as such, the financial results of CIMC Anfang will be consolidated into the Group's financial statements as a subsidiary of the Company upon the establishment of CIMC Anfang.

## **INFORMATION ABOUT THE INVESTORS**

Allied Best (China) is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in the design, manufacturing and sale of fire-fighting equipment.

CIMC Technology is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of CIMC. It is principally engaged in the development of intelligent equipment and technology, and equity investment, management and consultations.

Shenzhen Daohe is a limited partnership established in the PRC and is principally engaged in investment holding. Shenzhen Daohe is a platform being set up for the managerial staff of CIMC and/or the Company to invest for stakes in CIMC's new investments, including but not limited to CIMC Anfang. As at the date of this announcement, Shenzhen Daohe is owned by two employees of the Company. In the event of any investment in Shenzhen Daohe and/or CIMC Anfang being made by any connected person(s) of the Company, the Company would comply with the Listing Rules as and when appropriate.

CIMC Leasing is a company established in the PRC with limited liability and a direct wholly-owned subsidiary of CIMC. It is principally engaged in the lease financing business.

CIMC Investment is a company established in the PRC with limited liability and a direct wholly-owned subsidiary of CIMC. It is principally engaged in equity investment and management.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Group is one of the leading manufacturers of fire engines, fire prevention and fighting equipment in the PRC. In order to facilitate its business growth, the Group employs a number of strategies, including the formation of strategic alliances, as well as mergers and acquisitions of companies which can complement the Group's existing lines of business.

The business scope of CIMC Anfang is considered to be complementary to the Group's existing lines of business and would be a desirable natural expansion of the current business of the Group. As such, the Directors consider that the establishment of CIMC Anfang is in line with the Group's business growth strategy.

The Directors (including the independent non-executive Directors) consider that the terms of the Investment Agreement, the Acting-in-concert Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Each of CIMC Technology, CIMC Leasing and CIMC Investment is a wholly-owned subsidiary of CIMC, which in turn is the controlling shareholder of the Company, and hence a connected person of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios (as defined in the Listing Rules) exceed 0.1% but are less than 5%, the entering into of the Investment Agreement, the Acting-in-concert Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company and is subject to the reporting and announcement requirements, but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## DEFINITIONS

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

<b>“Acting-in-concert Agreement”</b>	the acting-in-concert agreement dated 16 July 2019 entered into between Allied Best (China), Shenzhen Daohe and CIMC Investment
<b>“Allied Best (China)”</b>	Allied Best (China) Fire Safety Appliances Manufacturing Co., Ltd (萃聯(中國)消防設備製造有限公司), a company established in the PRC with limited liability and an indirect wholly owned subsidiary of the Company
<b>“Board”</b>	the board of Directors
<b>“Capital Contribution”</b>	has the meaning ascribed thereto in the paragraph headed “Capital structure” under the section “The Investment Agreement” in this announcement
<b>“CIMC”</b>	China International Marine Containers (Group) Co., Ltd., a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Stock Exchange (stock code: 2039)
<b>“CIMC Anfang”</b>	CIMC Anfang Technology Co., Ltd* (中集安防科技有限公司), a company to be established in the PRC with limited liability in accordance with the terms and conditions of the Investment Agreement and to be owned as to 40% by Allied Best (China), 35% by CIMC Technology, 15% by Shenzhen Daohe, 5% by CIMC Leasing and 5% by CIMC Investment
<b>“CIMC Anfang Board”</b>	the board of directors of CIMC Anfang
<b>“CIMC Anfang Articles”</b>	the articles of association of CIMC Anfang to be adopted upon its establishment
<b>“CIMC Investment”</b>	Shenzhen CIMC Investment Co., Ltd* (深圳市中集投資有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of CIMC

<b>“CIMC Leasing”</b>	CIMC Finance Leasing Co., Ltd* (中集融資租賃有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of CIMC
<b>“CIMC Technology”</b>	CIMC Technology Co., Ltd* (中集技術有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of CIMC
<b>“Company”</b>	CIMC-TianDa Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 445)
<b>“connected person”</b>	has the meaning as ascribed thereto under the Listing Rules
<b>“controlling shareholder”</b>	has the meaning as ascribed thereto under the Listing Rules
<b>“Directors”</b>	directors of the Company
<b>“Group”</b>	the Company and its subsidiaries
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“Investment Agreement”</b>	the investment agreement dated 16 July 2019 entered into between Allied Best (China), CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment in relation to the establishment, management and operations of CIMC Anfang
<b>“Investors”</b>	collectively, Allied Best (China), CIMC Technology, Shenzhen Daohe, CIMC Leasing and CIMC Investment
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“PRC”</b>	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and Macau Special Administrative Region of the PRC
<b>“Shenzhen Daohe”</b>	Shenzhen Daohe Venture Capital Partnership Enterprise* (深圳道合創業投資合夥企業) (limited partnership), a limited partnership established in the PRC
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.01 each in the share capital of the Company
<b>“Shareholder(s)”</b>	the holder(s) of Share(s)
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited

“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

\* *The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*

By order of the Board  
**CIMC-TianDa Holdings Company Limited**  
**Li Ching Wah**  
*Company Secretary*

Hong Kong, 16 July 2019

As at the date of this announcement, the Directors are as follows:

<i>Dr. Li Yin Hui</i>	<i>Chairman and Non-executive Director</i>
<i>Mr. Jiang Xiong</i>	<i>Honorary Chairman and Executive Director</i>
<i>Mr. Zheng Zu Hua</i>	<i>Executive Director</i>
<i>Mr. Luan You Jun</i>	<i>Executive Director</i>
<i>Mr. Yu Yu Qun</i>	<i>Non-executive Director</i>
<i>Mr. Robert Johnson</i>	<i>Non-executive Director</i>
<i>Dr. Loke Yu</i>	<i>Independent non-executive Director</i>
<i>Mr. Heng Ja Wei</i>	<i>Independent non-executive Director</i>
<i>Mr. Ho Man</i>	<i>Independent non-executive Director</i>