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)

Announcement of
Annual Results for the Year Ended 31 December 2016

FINANCIAL HIGHLIGHTS

	2016	2015	
	RMB'000	*RMB'000*	
Revenue	**7,968,403**	8,241,333	-3.3%
Profit from operations	**665,559**	718,276	-7.3%
(Loss)/profit attributable to shareholders	**(928,772)**	519,194	-278.9%
Basic (loss)/earnings per share	**(RMB0.480)**	RMB0.268	

The Board of Directors (the "**Board**") of CIMC Enric Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") announces the audited consolidated financial results of the Group for the year ended 31 December 2016 together with the comparative figures for the year 2015. No dividend for the year ended 31 December 2016 is recommended by the Board.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2016

		Year ended 31 December	
		2016	2015
	Note	***RMB'000***	*RMB'000*
Revenue	*3&8*	**7,968,403**	8,241,333
Cost of sales		**(6,564,770)**	(6,708,616)
Gross profit		**1,403,633**	1,532,717
Change in fair value of derivative financial instruments		**(3,103)**	(5,612)
Other revenue		**215,113**	176,483
Other income, net		**86,291**	34,980
Selling expenses		**(279,790)**	(293,563)
Administrative expenses		**(756,585)**	(726,729)
Profit from operations		**665,559**	718,276
Finance costs	*4(a)*	**(106,897)**	(36,820)
Impairment provision	*5*	**(1,362,915)**	–
Share of post-tax loss of associates		**–**	(426)
(Loss) /profit before taxation	*4*	**(804,253)**	681,030
Income tax expenses	*6*	**(132,427)**	(144,817)
(Loss) /profit for the year		**(936,680)**	536,213
Attributable to:			
Equity shareholders of the Company		**(928,772)**	519,194
Non-controlling interests		**(7,908)**	17,019
(Loss) /profit for the year		**(936,680)**	536,213
(Loss) /earnings per share	*7*		
– Basic		**(RMB0.480)**	RMB0.268
– Diluted		**(RMB0.480)**	RMB0.265

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
(Loss) /profit for the year	**(936,680)**	536,213
Other comprehensive income for the year		
Items that may be reclassified to profit or loss:		
Currency translation differences	**(98,734)**	(47,202)
Total comprehensive income for the year	**(1,035,414)**	489,011
Attributable to:		
Equity shareholders of the Company	**(1,027,506)**	471,992
Non-controlling interests	**(7,908)**	17,019
Total comprehensive income for the year	**(1,035,414)**	489,011

CONSOLIDATED BALANCE SHEET

As at 31 December 2016

		As at 31 December	
		2016	2015
	Note	***RMB'000***	*RMB'000*
Non-current assets			
Property, plant and equipment		**2,148,410**	2,224,597
Construction in progress		**122,767**	114,297
Lease prepayments		**430,176**	440,661
Intangible assets		**228,221**	227,792
Investment in associates		**6,000**	4,000
Prepayment for acquisition of equity interests		**–**	178,634
Goodwill		**317,528**	232,871
Deferred tax assets		**92,593**	72,468
		3,345,695	3,495,320
Current assets			
Inventories		**2,248,202**	1,911,889
Trade and bills receivables	*9*	**2,769,315**	2,566,252
Deposits, other receivables and prepayments		**1,171,474**	1,515,067
Amounts due from related parties		**173,197**	126,224
Restricted bank deposits		**263,640**	661,524
Cash and cash equivalents		**2,916,900**	2,035,950
		9,542,728	8,816,906
Current liabilities			
Derivative financial instruments		**10,197**	7,094
Bank loans		**177,055**	125,000
Loans from a related party		**875,000**	690,000
Trade and bills payables	*10*	**1,966,345**	1,813,486
Other payables and accrued expenses		**2,539,317**	1,598,546
Amounts due to related parties		**73,597**	114,631
Warranty provision		**43,563**	40,656
Income tax payable		**50,587**	28,874
Employee benefit liabilities		**318**	200
		5,735,979	4,418,487
Net current assets		**3,806,749**	4,398,419
Total assets less current liabilities		**7,152,444**	7,893,739

	As at 31 December	
	2016	2015
	RMB'000	*RMB'000*
Non-current liabilities		
Bank loans	**1,421,939**	933,070
Warranty provision	**38,524**	44,911
Deferred tax liabilities	**122,562**	171,887
Deferred income	**264,650**	276,754
Employee benefit liabilities	**2,704**	1,645
	1,850,379	1,428,267
NET ASSETS	**5,302,065**	6,465,472
CAPITAL AND RESERVES		
Share capital	**17,743**	17,733
Reserves	**5,140,988**	6,294,270
Equity attributable to equity shareholders of the Company	**5,158,731**	6,312,003
Non-controlling interests	**143,334**	153,469
TOTAL EQUITY	**5,302,065**	6,465,472

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Attributable to equity shareholders of the Company									
	Share capital	Share premium	Contributed surplus	Capital reserve	Exchange reserve	General reserve fund	Retained profits	Total	Non controlling interests	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2015	17,699	127,924	1,136,308	87,400	(282,818)	373,313	4,623,000	6,082,826	45,804	6,128,630
Comprehensive income										
Profit for the year	–	–	–	–	–	–	519,194	519,194	17,019	536,213
Other comprehensive income										
Currency translation differences	–	–	–	–	(47,202)	–	–	(47,202)	–	(47,202)
Total comprehensive income	–	–	–	–	(47,202)	–	519,194	471,992	17,019	489,011
Issuance of ordinary shares in connection with exercise of share options	34	15,312	–	(4,270)	–	–	–	11,076	–	11,076
Distribution to previous shareholders of Burg Service B.V. under common control combination	–	–	(11,737)	–	–	–	–	(11,737)	–	(11,737)
Equity-settled share-based transactions	–	–	–	55,371	–	–	–	55,371	–	55,371
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	93,814	93,814
Transfer to general reserve	–	–	–	–	–	31,828	(31,828)	–	–	–
2014 final dividend paid	–	–	–	–	–	–	(297,525)	(297,525)	(3,168)	(300,693)
Total contributions by and distributions to owners of the company, recognised directly in equity	34	15,312	(11,737)	51,101	–	31,828	(329,353)	(242,815)	90,646	(152,169)
At 31 December 2015	17,733	143,236	1,124,571	138,501	(330,020)	405,141	4,812,841	6,312,003	153,469	6,465,472

	Attributable to equity shareholders of the Company									
	Share capital *RMB'000*	Share premium *RMB'000*	Contributed surplus *RMB'000*	Capital reserve *RMB'000*	Exchange reserve *RMB'000*	General reserve fund *RMB'000*	Retained profits *RMB'000*	Total *RMB'000*	Non controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2016	**17,733**	**143,236**	**1,124,571**	**138,501**	**(330,020)**	**405,141**	**4,812,841**	**6,312,003**	**153,469**	**6,465,472**
Comprehensive income										
Loss for the year	-	-	-	-	-	-	(928,772)	(928,772)	(7,908)	(936,680)
Other comprehensive income										
Currency translation differences	-	-	-	-	(98,734)	-	-	(98,734)	-	(98,734)
Total comprehensive income	-	-	-	-	(98,734)	-	(928,772)	(1,027,506)	(7,908)	(1,035,414)
Issuance of ordinary shares in connection with exercise of share options	10	3,769	-	(1,117)	-	-	-	2,662	-	2,662
Transfer to retained earnings	-	-	-	(103)	-	-	103	-	-	-
Equity-settled share-based transactions	-	-	-	34,467	-	-	-	34,467	-	34,467
Transfer to general reserve	-	-	-	-	-	47,283	(47,283)	-	-	-
2015 final dividend paid	-	-	-	-	-	-	(162,895)	(162,895)	(2,227)	(165,122)
Total contributions by and distributions to owners of the company, recognised directly in equity	10	3,769	-	33,247	-	47,283	(210,075)	(125,766)	(2,227)	(127,993)
At 31 December 2016	17,743	147,005	1,124,571	171,748	(428,754)	452,424	3,673,994	5,158,731	143,334	5,302,065

NOTES:

1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated results set out in this announcement are extract from the financial statements of the Group for the year ended 31 December 2016. The financial statements are presented in Renminbi ("RMB") unless otherwise stated.

The consolidated financial statements of CIMC Enric Holdings Limited have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the soon published Annual Report 2016.

2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

(i) New and amended standards adopted by the Group

There are no new or amended standards that are effective for the first time for the current accounting period of the Group and the Company that have a material impact on the Group and the Company.

(ii) New standards and interpretations not yet adopted

The following new standards and amendments to standards have been issued but are not effective for the financial period beginning 1 January 2016 and have not been early adopted:

	Effective for accounting periods beginning on or after
Amendments to HKAS 12 "Income Taxes"	1 January 2017
Amendments to HKAS 7 " Statement of Cash Flows"	1 January 2017
HKFRS 9 "Financial Instruments"	1 January 2018
HKFRS 15 "Revenue from Contracts with Customers"	1 January 2018
HKFRS 16 "Leases"	1 January 2019
Amendments to HKFRS 10 and HKAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, interpretation and amendments, certain of which are relevant to the Group's operations. The Group's assessment is disclosed in the soon published Annual Report 2016.

3 REVENUE

The Group is principally engaged in the design, development, manufacturing, engineering and sales of, and the provision of technical maintenance services for, a wide spectrum of transportation, storage and processing equipment that is widely used in the energy, chemical and liquid food industries.

Revenue represents: (i) the sales value of goods sold after allowances for returns of goods, excluding value added taxes or other sales taxes and after the deduction of any trade discounts; and (ii) revenue from project engineering contracts. The amount of each significant category of revenue recognised in revenue during the year is as follows:

	2016	2015
	RMB'000	*RMB'000*
Sales of goods	**5,273,462**	5,465,067
Revenue from project engineering contracts	**2,694,941**	2,776,266
	7,968,403	8,241,333

4 (LOSS) /PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2016	2015
	RMB'000	*RMB'000*
Interest on bank loans and other borrowings	**98,331**	26,956
Less: interest capitalised	**–**	(1,664)
	98,331	25,292
Bank charges	**8,566**	11,528
	106,897	36,820

(b) Staff costs[(i)]

	2016	2015
	RMB'000	*RMB'000*
Salaries, wages and allowances	**1,164,743**	1,108,366
Contributions to retirement schemes	**63,741**	64,787
Equity-settled share-based payment expenses	**34,467**	55,371
	1,262,951	1,228,524

(c) Other items

	2016	2015
	RMB'000	*RMB'000*
Cost of inventories[(i)]	**4,309,111**	4,319,943
Auditors' remuneration		
– Audit services	**6,008**	7,025
– Non-audit services	**1,344**	2,328
Depreciation of property, plant and equipment[(i)]	**190,524**	173,415
Amortisation of intangible assets	**43,036**	26,458
Amortisation of lease prepayments	**10,081**	10,502
Impairment provision for trade receivables	**73,209**	43,159
Reversal of impairment provision for trade receivables	**(683)**	(735)
Impairment provision for other receivables	**1,362,915**	1,351
Reversal of impairment provision for other receivables	**(245)**	(3)
Write-down of inventories	**18,256**	14,798
Reversal of write-down of inventories	**(1,816)**	(12,922)
Research and development costs	**146,827**	178,530
Operating lease charges for property rental	**12,874**	18,308
Provision for product warranties	**17,093**	31,523

(i) Cost of inventories includes RMB355,503,000 (2015: RMB331,071,000) relating to staff costs and depreciation expenses, amount of which is also included in the respective total amounts disclosed separately above or in note 4(b) for each of these types of expenses.

5 IMPAIRMENT PROVISION

The amount represents the provisions for impairments which is analysed as below:

	2016	2015
	RMB'000	*RMB'000*
Impairment provision for receivable from the vendors (i)	**178,634**	–
Impairment provision for receivable from SOE (ii)	**1,184,281**	–
	1,362,915	–

As disclosed in the 2015 Annual Report, an indirect wholly-owned subsidiary of the Company, CIMC Enric Investment Holdings (Shenzhen) Ltd. ("EIHL"), entered into an agreement ("Agreement") on 27 August 2015 with SOEG PTE LTD ("SOEG"), Jiangsu Pacific Shipbuilding Group Co., Ltd. ("Jiangsu Pacific") and Evergreen Group Co., Ltd ("Evergreen") (collectively, the "Vendors"), pursuant to which the Vendors agreed to sell and EIHL agreed to purchase 100% equity interest in SinoPacific Offshore & Engineering Co., Ltd ("SOE"). Afterwards, the Company, SOE and Evergreen entered into a financial assistance framework agreement ("Financial Assistance Agreement") which governed the financial assistance provided by the Group to SOE in the form of loans and guarantees.

On 1 June 2016, the Company announced that the Board considered certain conditions precedent in the Agreement could not be fulfilled and the Vendors had breached certain material terms of the Agreement. EIHL delivered termination notices to the Vendors for, among other things, termination of the Agreement and requested for the return of the prepaid consideration of RMB178,634,000. On the same date, the Company delivered termination notices to SOE and Evergreen for, among other things, termination of the Financial Assistance Agreement and requested SOE to repay the loans of RMB482,052,000 and release the guarantees for bank loans of RMB1,000,000,000 provided by a subsidiary of the Company to, or in favour of, SOE.

During the second half year of 2016, the deposits of RMB1,000,000,000 pledged for SOE's bank loans have been withdrawn by the bank as SOE failed to repay its bank loans upon maturity. As at 31 December 2016, the total receivables due from SOE amounted to RMB1,480,351,000. Based on the information currently available, the Company has made substantial provisions of approximately RMB178,634,000 and RMB1,184,281,000 respectively for the receivable from the Vendors and SOE during the year ended 31 December 2016.

(i) The Company has assessed the impairment risk of the receivable from the Vendors, taking into account the negotiation between the Company and the Vendors and the Company's knowledge of the financial position of the Vendors, and considered that there was a significant doubt on the collectibility of the receivable from the Vendors. Therefore, a full provision of RMB178,634,000 was provided for the receivable from the Vendors during the year ended 31 December 2016.

(ii) The Company has performed an assessment on the impairment risks of receivables from SOE, taking the status of SOE's liquidation and restructuring procedures into account and with reference to the key information currently available to the Group. The key information included the total claimed amounts by SOE's creditors, the claims with preferential and ordinary treatments provided by the liquidation administrator as well as the Group's estimation on the realisable value of SOE's assets considering the potential discount of the assets upon liquidation. The Group assessed that the recoverability ratio is estimated to be approximately 20%.Therefore, the Group has made a substantial provision of RMB1,184,281,000 during the year ended 31 December 2016.

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

Taxation in the consolidated income statement represents:

	2016	2015
	RMB'000	*RMB'000*
Current tax		
Provision for the year	**218,115**	97,264
Over-provision in respect of prior years	**(2,553)**	(6,571)
	215,562	90,693
Deferred tax		
Origination and reversal of temporary differences	**(83,135)**	54,124
	132,427	144,817

No provision has been made for Hong Kong Profits Tax as the Group did not have assessable profits subject to Hong Kong Profits Tax during the years.

According to the Corporate Income Tax Law of the People's Republic of China (the "Tax Law"), the Company's subsidiaries in the PRC are subject to statutory income tax rate of 25%, except for those which are entitled to a preferential tax rate applicable to advanced and new technology enterprises of 15%.

Pursuant to the Tax Law, "Notice of the State Administration of Taxation on Issues Concerning the Determination of Chinese-Controlled Enterprises Registered Overseas as Resident Enterprises on the Basis of Their Bodies of Actual Management" and "Announcement of the State Administration of Taxation on Issues Concerning the Determination of Resident Enterprises on the Basis of Their Actual Management Bodies", the Administration of Local Taxation of Shenzhen Municipality issued an approval under which certain foreign subsidiaries of the Group are regarded as Chinese resident enterprises. Therefore, during the year, no deferred withholding tax liability was provided for the distributable profits of PRC subsidiaries.

Taxation of subsidiaries in the Netherlands, Belgium, Denmark, Germany and United Kingdom are charged at the prevailing rates of 25%, 33.99%, 25%, 30% and 20% respectively in the relevant countries and are calculated on a stand-alone basis.

7 (LOSS) /EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to equity shareholders of the Company is based on the following data:

	2016 ***RMB'000***	2015 *RMB'000*
(Loss)/earnings		
(Loss)/earnings for the purposes of basic and diluted (loss)/earnings per share	**(928,772)**	519,194

	2016	2015
Number of shares		
Weighted average number of shares for the purpose of basic (loss)/earnings per share	**1,936,489,910**	1,934,055,617
Effect of dilutive potential ordinary shares in respect of the Company's share option scheme	**–**	23,660,789
Weighted average number of shares for the purpose of diluted (loss)/earnings per share	**1,936,489,910**	1,957,716,406

No potential ordinary shares for the year ended 31 December 2016 were dilutive since their conversion to ordinary shares would result in a decrease in loss per share.

8 SEGMENT REPORTING

The Group manages its businesses by divisions organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following three reportable segments based on the economic characteristics of the business units.

- Energy equipment
- Chemical equipment
- Liquid food equipment

(a) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below.

	Energy equipment		**Chemical equipment**		**Liquid food equipment**		**Total**	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Revenue from external customers	**3,241,382**	3,396,808	**2,471,644**	2,709,679	**2,255,377**	2,134,846	**7,968,403**	8,241,333
Inter-segment revenue	**2,391**	364	**68,925**	50,224	**3,111**	–	**74,427**	50,588
Reportable segment revenue	**3,243,773**	3,397,172	**2,540,569**	2,759,903	**2,258,488**	2,134,846	**8,042,830**	8,291,921
Reportable segment profit (adjusted profit from operations)	**65,636**	237,770	**411,644**	345,035	**259,151**	251,940	**736,431**	834,745
Interest income from bank deposits	**6,219**	4,732	**25,041**	9,205	**3,580**	3,540	**34,840**	17,477
Interest expense	**(8,025)**	(5,579)	**(25,013)**	(296)	**(7,294)**	(8,996)	**(40,332)**	(14,871)
Depreciation and amortisation for the year	**(147,527)**	(126,779)	**(40,982)**	(35,091)	**(54,510)**	(47,908)	**(243,019)**	(209,778)
Reportable segment assets	**6,776,022**	6,406,000	**2,126,082**	3,012,484	**2,944,387**	2,159,697	**11,846,491**	11,578,181
Additions to non-current assets during the year	**190,803**	635,227	**38,232**	89,236	**96,262**	17,648	**325,297**	742,111
Reportable segment liabilities	**2,810,174**	2,612,186	**851,249**	593,277	**1,790,889**	944,180	**5,452,312**	4,149,643

(b) **Reconciliations of reportable segment revenues, profit or loss, assets and liabilities**

	2016	2015
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**8,042,830**	8,291,921
Elimination of inter-segment revenue	**(74,427)**	(50,588)
Consolidated revenue	**7,968,403**	8,241,333

	2016	2015
	RMB'000	*RMB'000*
(Loss)/profit		
Reportable segment profit	**736,431**	834,745
Elimination of inter-segment profit	**(10,366)**	(6,574)
Reportable segment profit derived from Group's external customers	**726,065**	828,171
Finance costs	**(106,897)**	(36,820)
Unallocated operating income and expenses	**(60,506)**	(109,895)
Share of post-tax loss of associates	**–**	(426)
Impairment provision	**(1,362,915)**	–
Consolidated (loss)/profit before taxation	**(804,253)**	681,030

	2016	2015
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**11,846,491**	11,578,181
Elimination of inter-segment receivables	**(160,800)**	(65,726)
	11,685,691	11,512,455
Deferred tax assets	**92,593**	72,468
Unallocated assets	**1,110,139**	727,303
Consolidated total assets	**12,888,423**	12,312,226

	2016	2015
	RMB'000	*RMB'000*
Liabilities		
Reportable segment liabilities	**5,452,312**	4,149,643
Elimination of inter-segment payables	**(160,800)**	(65,726)
	5,291,512	4,083,917
Income tax payable	**50,587**	28,874
Deferred tax liabilities	**122,562**	171,887
Unallocated liabilities	**2,121,697**	1,562,076
Consolidated total liabilities	**7,586,358**	5,846,754

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets, construction in progress, lease prepayments, prepayments, and goodwill ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets and goodwill.

	Revenues from external customers		**Specified non-current assets**	
	2016	2015	**2016**	2015
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
PRC (place of domicile)	**3,672,203**	4,337,322	**2,816,156**	2,933,840
United States	**641,639**	838,240	**–**	–
European countries	**1,219,934**	1,034,729	**427,678**	303,735
Asian countries (other than PRC)	**987,134**	930,630	**–**	–
Other American countries	**1,314,893**	965,073	**–**	–
Other countries	**132,601**	135,339	**–**	–
	4,296,201	3,904,011	**427,678**	303,735
	7,968,404	8,241,333	**3,243,834**	3,237,575

For the year ended 31 December 2016, there was one single external customer that accounted for 10% or more of the Group's total revenue (2015: one).

9 TRADE AND BILLS RECEIVABLES

	2016 *RMB'000*	2015 *RMB'000*
Trade debtors and bills receivables	**2,984,715**	2,709,417
Less: allowance for doubtful debts	**(215,400)**	(143,165)
	2,769,315	2,566,252

Ageing analysis

An ageing analysis of trade and bills receivables based on due date (net of impairment losses for bad and doubtful debts) is as follows:

	2016 *RMB'000*	2015 *RMB'000*
Current	**1,697,877**	1,442,618
Less than 1 month past due	**47,148**	138,039
1 to 3 months past due	**280,974**	407,001
More than 3 months but less than 12 months past due	**338,841**	291,679
More than 12 months past due	**404,475**	286,915
Amounts past due	**1,071,438**	1,123,634
	2,769,315	2,566,252

Trade and bills receivables are expected to be recovered within one year. In general, debts are due for payment upon billing. Subject to negotiation, credit terms up to twelve months are available for certain customers with well-established trading and payment records on a case-by-case basis.

The carrying amounts of trade and bills receivables approximate their fair values.

10 TRADE AND BILLS PAYABLES

	2016	2015
	RMB'000	*RMB'000*
Trade creditors	**1,645,745**	1,539,170
Bills payables	**320,600**	274,316
	1,966,345	1,813,486

An ageing analysis of trade and bills payables of the Group is as follows:

	2016	2015
	RMB'000	*RMB'000*
Within 3 months	**1,560,219**	1,605,635
3 months to 12 months	**275,664**	137,303
Over 12 months	**130,462**	70,548
	1,966,345	1,813,486

All the trade and bills payables are expected to be settled within one year.

11 DIVIDENDS

The final dividend of approximately RMB162,895,000 (HKD0.100 per share) in respect of the year ended 31 December 2015 was paid in 2016. No dividend has been paid or proposed by the Company for the year ended 31 December 2016.

BUSINESS REVIEW

The Group is principally engaged in the design, development, manufacturing, engineering and sales of, and the provision of technical maintenance services for, a wide spectrum of transportation, storage and processing equipment that is widely used for the energy, chemical and liquid food industries.

Product portfolio

The three business segments of the Group comprise the following products under different brand names:

Energy equipment

- Compressed natural gas ("**CNG**") seamless pressure cylinders
- CNG trailers
- Liquefied natural gas ("**LNG**") trailers and tanks
- Natural gas refueling station systems
- Liquefied petroleum gas ("**LPG**") trailers and tanks
- Natural gas compressors
- Project engineering services, e.g. LNG related projects

Energy equipment is mainly sold under the brand names of "**Enric**", "**Sanctum**" and "**Hongtu**".

Chemical equipment

- Tank containers for chemical liquids, liquefied gas and cryogenic liquids. Tank containers are mainly sold under the brand name "**CIMC Tank**".

Liquid food equipment

- Stainless steel processing and storage tanks
- Project engineering services, e.g. turnkey projects for the processing and distribution of beer and fruit juice

These products and services are branded under the name "**Ziemann Holvrieka**" and "**Briggs**".

OPERATIONAL PERFORMANCE

Revenue

International oil price remained weak in the first half of the year and gradually recovered in the second half, the price advantage of natural gas as an alternative fuel to oil slowly improved with the rising oil price thus increasing the demand for natural gas equipment at the same time. However, this was not enough to offset the weak performance in the first half and the segment still recorded a slight decline in revenue. Despite a stable sales volume, the falling average selling price of both standard and special tank containers caused the chemical equipment segment to post a decrease in revenue. With the acquisition of Briggs Group Limited and appreciation of Euro against RMB, which is the Group's reporting currency; the liquid food equipment segment's revenue saw an increase during the year. As a result, the revenue for 2016 slipped by RMB272,930,000 to RMB7,968,403,000 (2015: RMB8,241,333,000). The performance of each segment is discussed below:

During 2016, the energy equipment segment's revenue fell by 4.6% to RMB3,241,382,000 (2015: RMB3,396,808,000) because of a decline in the demand for natural gas equipment in general which was caused by a stall in oil-to-gas conversion projects in China as well as lesser attractiveness of using natural gas as an alternative fuel given the diminished price advantage of natural gas over oil during the year. In particular the sales volume of CNG trailers, CNG seamless pressure cylinders and CNG refueling stations saw various degrees of decrease comparing with last year. At the same time, due to increased competitive pressures, the average selling price ("**ASP**") declined which also contributed to the fall in segment revenue. The segment remains the top grossing segment and accounted for 40.7% (2015: 41.2%) of the Group's total revenue.

The chemical equipment segment's revenue decreased by 8.8% to RMB2,471,644,000 (2015: RMB2,709,679,000) mainly due to a fall in ASP brought on by low steel price in the first half of the year and competitive pressure. The segment made up 31.0% of the Group's total revenue (2015: 32.9%).

The liquid food equipment segment's revenue posted a slight growth of 5.6% to RMB2,255,377,000 during the year (2015: RMB2,134,846,000) mainly because of the acquisition of Briggs Group Limited and appreciation of Euro (the operating currency of the Group's European subsidiaries) against RMB which is the Group's reporting currency. The segment accounted for 28.3% of the Group's total revenue (2015: 25.9%).

Gross profit margin and profitability

The energy equipment segment's gross profit margin ("**GP margin**") slipped to 15.2% (2015: 20.3%). The decline is mainly the result of lower ASP due to lower cost of raw materials and competitive pressure. As for the chemical equipment segment, its GP margin rose to 18.7% (2015: 15.9%) during the year mainly due to lower cost of steel, which is the key raw materials used, and a change in product mix with higher margin special tank containers increased their revenue contribution. The GP margin for liquid food equipment segment improved slightly to 19.9% during the year (2015: 19.4%).

While both the chemical and the liquid food equipment segments' GP margins improved, the decline in energy equipment's GP margin caused the Group's overall GP margin to fall slightly to 17.6% (2015: 18.6%).

Profit from operations expressed as a percentage of revenue decreased by 0.3 percentage point to 8.4% (2015: 8.7%) which is mainly attributable to weakened GP margin and administrative expenses increased during the year.

During the year the Group recorded an impairment provision of RMB1,362,915,000 resulting from termination of the acquisition of SinoPacific Offshore & Engineering Co., Ltd ("SOE"). This is based on the information available to the Company to date, the recoverability ratio of the loans of RMB480,351,000 and the guarantees for bank loans of RMB1,000,000,000 (as previously disclosed) is estimated to be approximately 20% while the consideration paid of RMB178,634,000 to be 0%.

Tax expenses for the Group fell by 8.6% to RMB132,427,000 in 2016 (2015: RMB144,817,000) mainly because there was an reversal of temporary differences in relation to profits on construction contracts that were fully completed during the year which resulted in a reversal of deferred tax expenses and offset the increase in current income tax from profits on the same construction contracts.

As a result, loss attributable to equity shareholders of the Company for the year amounted to RMB928,772,000, representing a fall of 278.9% over the previous year (2015: profit RMB519,194,000).

Prospects

Global economic activity remained subdued in 2016, with global GDP growth at approximately 3.1% for 2016, where growth in emerging market and developing economies was diverse but in many cases challenging, while a modest and uneven recovery continued in advanced economies. Global GDP growth is projected at 3.4% for 2017. For China, the country's GDP growth for 2016 recorded a 26-year low of 6.7%. The Chinese government set the 2017 GDP growth target at approximately 6.5%; whilst IMF estimated the growth in China to be 6.2% in 2017.

The market expects the Chinese government to announce supportive policies to help stabilising the economic growth in China. The government also targets to promote renovation and upgrade in the industrial goods manufacturing industry, and has been actively seeking new drivers for development and growth by means of "Made in China 2025" action plan, Belt and Road Initiative, state-owned enterprises reform, as well as new technology promotion. The Company will continue to explore and develop new opportunities with China's future development paths.

To seize market opportunities and support its long-term development, the Group will focus on enhancement of its core competitiveness and business integration of the newly acquired subsidiaries, on the back of dedicated efforts on organic growth and persistent innovation. For the existing business, the Group targets to achieve increased productivity and cost reduction by enhancing its core strengths. Meanwhile, the Group strives to develop new business and growth drivers by establishing project companies, innovative technology and new business models. The Group will strengthen the development of our new businesses, such as the distributed energy, oil and gas module and intermodel transport of LNG tank containers. The Group's overall goal is progression to one-stop solutions, to offer comprehensive and tailor-made products and services to customers. More attention will be devoted to exploring overseas markets in order to achieve sustainable revenue growth.

On the foundation of Sino-European cooperation, the Group has established a business structure of "local knowledge and global operation". To further develop strategic and operational management capability of its management team in a global sense, the Group will continue to promote leadership training programmes and incentive schemes to develop and motivate talented leaders, who are essential for the Group's long-term success. In addition, through the leadership training programmes, the Group targets to enhance the capability of its management team to pursue continuous business development under undesirable external environment and to grasp market opportunities timely. In the past few years, the Group's leadership training programmes provided to the China team have been successful, such programmes have covered the European team since 2016. In order to achieve better management and strengthen internal control, the Group has implemented measures to enhance its organisational structure and work procedures of each department at the headquarters as well as its subsidiaries.

Energy equipment

Since 2014, following the plunge in international oil price by more than half and the Chinese government's natural gas pricing reforms implemented in recent years, the price advantage of natural gas as an alternative fuel over oil had weakened gradually, and the gap between natural gas price and oil price had narrowed significantly, and to a certain extent, undermined the motivation for oil-to-gas conversion projects in China as well as the attractiveness of natural gas as a vehicle fuel. Therefore, the market demand for natural gas equipment declined in 2016. Moreover, the natural gas equipment industry in China has grown rapidly in recent years, market competition becoming more intense and ASP of some products decreased significantly.

While the National Development and Reform Commission of China did not announce any natural gas price cut in 2016, the gradual recovery of international oil price in the second half of 2016 together with favourable policy by the Chinese government, the remarkable economic benefits of natural gas due to the widening price differential between oil and gas as OPEC agreed to reduce output at the end of 2016; the energy equipment segment saw its order intake to pick up in the second half of the year.

The National Energy Administration of China (the "**NEA**") published the "Energy Sector Development 13th Five Year Plan" in 2016 which set the target of natural gas accounting for 10% of the primary energy consumption in 2020 (2015: 5.9%). Moreover, the "China Natural Gas Development Report (2016)" published jointly by Oil and Gas Bureau of the NEA, Development Research Center of the State Council and Strategic Research Center of Oil and Gas Resources of the Ministry of Land and Resources outlined a string of policy suggestions to promote the use of natural gas. Given the absolute environmental benefits of natural gas over other fossil fuels and together with the supportive policies by the Chinese government, the Group remains confident on the long-term prospects of the natural gas industry in China. The sales of LNG heavy trucks in China has increased significantly since the end of 2016, driving the Company's remarkable recovery in LNG equipment orders.

Douglas-Westwood projects global capital expenditure on floating LNG facilities to reach a total of USD41.6 billion for 2017 to 2022, compared with USD11.4 billion over 2011 to 2015; therefore apart from carrying out marketing strategies in the China market, the energy equipment segment will look for more growth opportunities in overseas markets. Moreover, the Group believes that LNG marine storage and transport industry and marine oil and gas module industry remain positive in the long-term, the segment will continue to explore business opportunities in these areas as well as develop small-scale LNG liquefaction systems and equipment and EPC (engineering, procurement and construction) services.

Chemical equipment

In recent years, the Group's chemical equipment segment has recorded modest growth on the back of previous years' global economic recovery. In 2016, the slow global economic growth continued to impact on the chemical industry, and the Group's tank containers business has experienced cyclical fluctuations of the chemical market. The selling price of tank containers was decreasing while sale volume increased in 2016. In January 2017, the Ministry of Transport of China together with 17 other government ministries announced the "Notice on Promotion of Intermodal Transportation" which is set to boost the penetration of tank containers in China. In view of the tightening safety regulations, the safe, eco-friendly and efficient tank container logistics will further take over from the lower-end modes of transport. Therefore, while we expect that the industry cyclical fluctuation would last in 2017, the growth of tank containers business will remain positive. Due to the steel price's rebound to a more reasonable level recently, the Group expects the selling price pressure of tank containers will be moderately less than the one of 2016.

With many years of expertise and experience in the chemical equipment industry, the segment remains committed to maintaining its leading position in tank container manufacturing business by controlling production costs, improving quality and enhancing operational efficiency. To pursue a healthy and sustainable growth in revenue, the segment will step up its effort to develop the market of special and high-end tank containers, expanding the intermodel transport of tank containers for railway transport and LNG tank containers in China. In China, we will plan our production capacity for maintaining of leading market position.

For long term business growth, we will expand more after-sale services including depot service, repair and maintenance, annual inspection and tank containers managed by Internet of Things. We also will explore more opportunities on new products and integrated solution for medical and hazardous goods waste logistics industries. We will continue to make use of the resources of Burg Service B.V. which has increased our presence in the Europe market, and has gained access to advanced technologies for repair and modification of tank containers in Europe.

Liquid food equipment

Backed by the strong brand names of "Ziemann Holvrieka" and "Briggs", the Group's liquid food equipment segment is committed to offer engineering services and system solutions for the liquid food industry. Through the acquisition of Ziemann Holvrieka Asia Co., Ltd. ("**ZHA**"), the segment has expanded its production capacity in China and will continue to introduce advanced manufacturing technologies and process automation from Europe to China. With a high level of technological and technical competence of production equipment for beer, the segment will strive vertically towards integrated EPC turnkey solutions, and horizontally towards diversification to juice storage and transportation and dairy product processing, achieve persistent innovation, and explore more business opportunities and revenue sources in Central America and the emerging markets.

The acquisition of Briggs Group Limited in 2016, with offices in the UK and the USA, strengthened the segment's process capabilities with extensive process design knowledge in breweries, pharmaceutical and distilleries. In addition, the liquid food equipment segment has developed process innovations and has participated in trade exhibitions to present the innovations to the market. The segment targets to develop innovative products for sustainable brewing processes and high efficient resource management which translate to greener breweries and lower operating costs to our customers.

FINANCIAL RESOURCES REVIEW

Liquidity and financial resources

At 31 December 2016, the cash and cash equivalents of the Group amounted to RMB2,916,900,000 (2015: RMB2,035,950,000). A portion of the Group's bank deposits totalling RMB263,640,000 (2015: RMB661,524,000), which had more than three months of maturity at acquisition, were restricted for guarantee of banking facilities. The Group has maintained sufficient cash on hand for repayment of bank loans and loans from related parties as they fall due and continued to take a prudent approach in future development and capital expenditure. Accordingly, the Group has been cautious in managing its financial resources and will constantly review and maintain an optimal gearing level.

At 31 December 2016, the Group's bank loans and overdrafts amounted to RMB1,598,994,000 (2015: RMB1,058,070,000), other than a three-year syndicated bank loan and a three-year term loan for business development and working capital, the remaining is repayable within one year. Apart from the syndicated bank loan denominated in USD and the term loan denominated in HKD that bear interest at floating rates, the overall bank loans bear interest at rates from 2.59% to 4.35% per annum. At 31 December 2016, the Group did not have secured bank loan (2015: Nil). As of 31 December 2016, bank loans amounting to RMB1,598,994,000 (2015: RMB1,058,070,000) were guaranteed by the Company's subsidiaries. As at 31 December 2016, loans from related parties amounted to 875,000,000 (2015: RMB690,000,000), which are unsecured, interest bearing from 4.35% to 4.65% (2015: 4.35% to 4.90%) per annum and repayable within one year.

The net gearing ratio, which is calculated by dividing net debt over equity, was zero times (2015: zero times) as the Group retained a net cash balance of RMB706,546,000 (2015: RMB949,404,000). The decrease in net cash balance is mainly attributable to financial assistance as well as purchase consideration for acquisitions, but offset by a considerable amount of down payments received for the significant projects. The Group's interest coverage was 6.7 times for the year (2015: 26.2 times) which represents a decline that is mainly due to a substantial increment in bank borrowings. Certainly, the Group's profit from operation and strong operating cash flow demonstrate that the Group is fully capable of meeting its interest expense commitments.

During 2016, net cash generated from operating activities amounted to RMB1,079,743,000 (2015: RMB664,747,000). The Group drew bank loans and loans from related parties totalling RMB2,054,916,000 (2015: RMB1,987,311,000) and repaid RMB1,415,341,000 (2015: RMB478,117,000). A payment of final dividend in respect of the financial year 2015 were approximately RMB162,895,000. In addition, cash proceeds amounted to RMB2,662,000 arose from the issuance of ordinary shares on exercise of share options.

Assets and liabilities

At 31 December 2016, total assets of the Group amounted to RMB12,888,423,000 (2015: RMB12,312,226,000) while total liabilities were RMB7,586,358,000 (2015: RMB5,846,754,000). The net asset value reduced by 18.0% to RMB5,302,065,000 (2015: RMB6,465,472,000) which was mainly attributable to impairment provision made for SOE of RMB1,362,915,000, the dividend payment of RMB162,895,000, and exchange difference on translation of financial statements denominated in foreign currencies of RMB98,734,000 for the year. As a result, the net asset value per share decreased to RMB2.737 at 31 December 2016 from RMB3.340 at 31 December 2015.

Contingent liabilities

At 31 December 2016, the Group had outstanding balance of guarantees issued by relevant banks totalling RMB779,018,000, of which balance of performance and quality guarantee was RMB420,801,000 in aggregate and balance of advance payment guarantee was RMB358,177,000. Apart from these, the Group did not have other material contingent liabilities.

Future plans for source of funding and capital commitments

Currently, the Group's operating and capital expenditures are mainly financed by its internal resources such as operating cash flow and shareholders' equity, and to an extent by bank loans. At the same time, the Group will continuously take particular caution on the inventory level, credit policy as well as receivable management in order to enhance its future operating cash flow. The Group has sufficient resources of funding and unutilised banking facilities to meet future capital expenditure and working capital requirement.

At 31 December 2016, the Group had contracted but not provided for capital commitments of RMB28,779,000 (2015: RMB485,471,000). As of 31 December 2016, the Group did not have authorised but not contracted for capital commitments (2015: Nil).

Foreign exchange exposure

The Group is exposed to foreign currency risk primarily through trade transactions that are denominated in a currency other than its functional currency. The currencies giving rise to this risk to the Group are primarily US dollars and Euro. The Group continuously monitors its foreign exchange exposure and controls such exposure by conducting its business activities and raising funds primarily in the denominations of its principal operating assets and revenue. Moreover, if necessary, the Group enters into foreign exchange forward contracts with reputable financial institutions to hedge foreign exchange risk.

FUTURE PLANS AND STRATEGIES

Energy Equipment

The "Energy Sector Development 13th Five Year Plan" and the "China Natural Gas Development Report (2016)" set the stage for the continuous growth of the natural gas industry in China. The Group remains well positioned and believes that superior industry qualifications, good reputation, sound track record, thorough competitor analysis, differentiated products and services, strong sales and marketing team and advanced R&D capability, all of which the Group possesses, will become the decisive competitive advantages over rivals.

The energy equipment segment remains committed to providing high quality and lightweight products to customers. With the Group's well-established brands in the energy equipment market, the segment is devoted to reinforce the market share of its core products in China. The segment endeavours to further reduce production costs and enhance production efficiency through implementation of manufacturing technology improvement programmes, continuous product development and product upgrades, as well as procurement management and control.

On top of maintaining its existing business, the segment actively seeks to develop new businesses. With an aim to expand from midstream and downstream natural gas storage and transportation towards upstream energy processing, the segment would like to enter the market of special equipment for shale gas processing. Moreover, the segment plans to expand from natural gas market to new energy market such as hydrogen fuel and biomass energy.

The segment is also cultivating overseas markets to spread more of its products to international markets, through enhancement of product design to international standards and establishment of awareness in overseas markets. The segment will continuously develop market opportunities in South-east Asia and other overseas countries, especially for CNG products and refueling station systems, LPG spherical tanks and other LPG equipment. In addition, the segment will consider acquisition and cooperation opportunities, for accelerating the achievement of its expansion in overseas markets.

Apart from energy equipment manufacturing, the segment is devoted to creating additional value to customers and promoting one-stop integrated solutions proactively. With the acquisition of Liaoning CIMC Hashenleng Gas Liquefaction Plant Co., Ltd. ("**Hashenleng**") in 2015, the Group further improve its capabilities in design and project engineering, especially in natural gas liquefaction plants and the relevant processing and handling capability. The segment also targets opportunities from natural gas power generation, distributed generation, residual heat power generation, and cryogenic separation and purification projects. The segment will step up its effort to explore more EPC business for unconventional gas sources, such as small and medium scale liquefaction systems, in both China and international markets. Moreover, to explore the overseas floating LNG market and overseas oil and gas module market, the segment has set up a subsidiary in Singapore in November of the year.

By providing referral arrangement for finance lease services, the energy equipment segment will be able to solicit and retain customers especially under this competitive business environment and tight monetary conditions in China. The Group will devote to establishing more new and innovative modes of business to facilitate the segment's long-term development of equipment and engineering business.

In addition, the segment will continue to lead industry associations in the China market, for example, hosting or attending trade fairs and conferences, with an aim to lead industry development and drive initiatives to enhance the industry standards. It will also continue to participate in the establishment of national and/or industry standards for products.

Chemical Equipment

The announcement of the "Notice on Promotion of Intermodal Transportation" is set to boost the penetration of tank containers in China. Therefore, while we expect that the industry cyclical fluctuation would last into 2017, the growth of tank containers business will remain positive. The chemical equipment segment remains committed to maintain its leading position in the standard tank container market and will continue to seek cost advantage over competitors through its efforts on optimising product design, enhancing production processes and standardising product components.

With advanced R&D capability and abundant industrial experience, the segment strives to offer chemical logistic solutions, targeting one-stop service for users of industrial gas and liquid chemical gas. Moreover, the segment will proactively develop special tank container business, with a focus on gas tank containers and carbon steel tank containers in the short term. The segment will develop its business for LNG tank containers and tank containers for railway transport in the medium term. Under China's market liberalisation strategy and Belt and Road Initiative, the segment will pay attention to the development of intermodal transportation for China and Southeast Asia market.

To keep ahead of competition, the segment also strives to build customer trust and confidence in its products by increasing communication and contacts with customers. The segment has held and will continue to hold conferences for the tank container industry which provide great opportunities for industry players to discuss issues and development trends of the industry, as well as exchange of ideas for product development.

The Group will continue to facilitate the transmission of know-how, technological expertise and market networks between its subsidiaries in China and Europe. Under a Sino-European product development programme, the segment has successfully developed and exported LNG tank containers with international standards, as a new mode of logistics solution to its overseas customers. We will continue to make use of the resources of Burg Service B.V. which has increased our presence in the Europe market, and has gained access to advanced technologies for repair and modification of tank containers in Europe.

Liquid Food Equipment

Following the integration of certain assets acquired from Ziemann Group in 2012, the liquid food equipment segment has become a provider of comprehensive turnkey solutions to beer and other liquid food producers. The segment constantly reviews its development strategy and seeks more opportunities in which it can excel and enhance its business position. For vertical diversification, the segment continues to enhance its capability to offer turnkey solutions for brewing and strives to develop such capability for the entire brewery. For horizontal diversification, the segment strives to proactively develop businesses for other liquid food apart from beer, such as juice storage and transportation and dairy product processing.

The Group has a foothold in China and Europe, and through the acquisition of ZHA, the liquid food equipment segment has expanded its production capacity in China and its marketing network in Asia. This facilitates the segment's development plans in Southeast Asia and other countries in the world. Furthermore, the Group will continue to transfer advanced manufacturing technologies and know-how from Europe to its Chinese operations. The liquid food equipment segment has been working on the integration of the Ziemann technology in ZHA, through organising training programmes and exchange programmes for the project teams, engineers and technologists in China and Germany. Meanwhile, the segment will explore more business opportunities and revenue sources in Central America and emerging markets.

The acquisition of Briggs Group Limited in 2016, with offices in the UK and the USA, strengthened the segment's process capabilities with extensive process design knowledge in breweries, pharmaceutical and distilleries.

In addition, the segment will continue to enhance the branding of "Ziemann Holvrieka". Under the objective of a unified corporate image, the segment will continue to implement marketing strategies to improve the market positioning as well as increase brand awareness and customer intimacy.

The Group recognises the importance of innovation and considers innovation as a growth driver. The liquid food equipment segment has developed process innovations and has participated in trade exhibitions to present the innovations to the market. The segment targets to develop innovative products for mash filtration, milling system, energy saving projects, smart conveyor and fast fermentation.

Last but not least, the segment will adopt measures to continuously improve its existing products to strive for competitive advantage over rivals. The segment has been evaluating insourcing and outsourcing opportunities by assessing the costs and benefits carefully.

THE 2016 FINAL DIVIDEND

No dividend for the year ended 31 December 2016 (2015: HKD0.100) is recommended by the Board.

CORPORATE GOVERNANCE

Throughout the year ended 31 December 2016, the Company complied with all the code provisions of the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company's corporate governance report is set out in the soon published Annual Report 2016. Details of each of the audit committee, the remuneration committee and the nomination committee of the Company are also given in the same report.

The audit committee has reviewed and discussed with management the annual results and the audited consolidated financial statements for the year ended 31 December 2016.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company.

DIRECTORS

As at the date of this announcement, the Board consists of Mr. Gao Xiang *(Chairman)* and Mr. Liu Chunfeng *(General Manager)* as executive Directors; Mr. Jin Jianlong, Mr. Yu Yuqun, Mr. Wang Yu and Mr. Jin Yongsheng as non-executive Directors; and Mr. Wong Chun Ho, Mr. Tsui Kei Pang and Mr. Zhang Xueqian as independent non-executive Directors.

By order of the Board
CIMC Enric Holdings Limited
Gao Xiang
Chairman

Hong Kong, 21 March 2017

The Annual Report 2016 will be dispatched to the shareholders and published on the websites of the Company and the Stock Exchange as soon as practicable.