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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CIMC Enric Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of CIMC Enric Holdings Limited.

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)

DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF THE ENTIRE EQUITY INTEREST IN
HOLVRIEKA (CHINA) CO., LTD.*

Financial Adviser to CIMC Enric Holdings Limited



Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders



A letter from the Board is set out on pages 4 to 13 of this circular. A letter from the Independent Board Committee is set out on page 14 of this circular. A letter from Somerley containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 34 of this circular.

A notice convening the EGM to be held at United Conference Centre, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 25 August 2014 at 3:00 p.m. is set out on pages 49 to 50 of this circular.

A form of proxy for use by the Shareholders at the EGM (or any adjourned meeting thereof) is enclosed with this circular. Whether or not you are able to attend the EGM (or any adjourned meeting thereof), please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM (or any adjourned meeting thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM (or any adjournment thereof) should you so wish.

* For identification purpose only

Hong Kong, 30 July 2014

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DEFINITIONS

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

“Acquisition”	the acquisition of the entire equity interest of NCLS from CIMC Tank Equipment by Sound Winner pursuant to the terms and conditions of the Agreement
“Agreement”	the equity interest transfer agreement dated 10 July 2014 and entered into between CIMC Tank Equipment and Sound Winner for the sale and purchase of the entire equity interest in NCLS
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day other than statutory holidays and rest days in the PRC
“Charm Wise”	Charm Wise Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of CIMC
“CIMC”	中國國際海運集裝箱(集團)股份有限公司 (China International Marine Containers (Group) Co., Ltd.*), a company established in the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange and the Main Board of the Stock Exchange
“CIMC HK”	China International Marine Containers (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of CIMC
“CIMC Tank Equipment”	CIMC Tank Equipment Investment Holdings Company Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of CIMC
“Company”	CIMC Enric Holdings Limited, an exempted company incorporated in the Cayman Islands on 28 September 2004 with limited liability under the Companies Law (Revised) of the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Agreement

DEFINITIONS

“connected person(s)”	has the meaning ascribed to it under Chapter 14A of the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration Shares”	39,740,566 new Shares to be allotted and issued by the Company as consideration for the Acquisition
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened at which an ordinary resolution will be proposed to approve the Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee comprising the independent non-executive Directors, which has been appointed by the Board to advise the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholder(s) (other than those who are required under the Listing Rules to abstain from voting) who do not have to abstain from voting at the EGM pursuant to the Listing Rules
“Latest Practicable Date”	25 July 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LNG”	liquefied natural gas

DEFINITIONS

“NCLS”	南通中集大型儲罐有限公司 (Holvrieka (China) Co., Ltd.*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of CIMC Tank Equipment
“Parties”	CIMC Tank Equipment and Sound Winner
“PRC” or “China”	the People’s Republic of China and for the purposes of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	The Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Sommerley” or “Independent Financial Adviser”	Sommerley Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Agreement and the transactions contemplated thereunder
“Sound Winner”	Sound Winner Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent

* For identification purposes only

For the purpose of this circular, the translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 = HK\$1.250.

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)

Executive Directors:

Zhao Qingsheng (*Chairman*)

Gao Xiang (*General Manager*)

Jin Jianlong

Yu Yuqun

Registered office:

Cricket Square

Hutchins Drive P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Director:

Jin Yongsheng

Principal place of business in Hong Kong:

Unit 908, 9th Floor

Fairmont House

No. 8 Cotton Tree Drive

Central

Hong Kong

Independent non-executive Directors:

Wong Chun Ho

Tsui Kei Pang

Zhang Xueqian

Head office in the PRC:

CIMC R&D Center

No. 2 Gangwan Avenue

Shekou Industrial Zone

Shenzhen, Guangdong

The PRC

30 July 2014

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION

1. INTRODUCTION

On 10 July 2014, the Board announced that CIMC Tank Equipment and Sound Winner, a wholly-owned subsidiary of the Company, entered into the Agreement, pursuant to which, among others, CIMC Tank Equipment agreed to sell and Sound Winner agreed to purchase the entire equity interest in NCLS.

The main purpose of this circular is to provide you with (a) further information of the Acquisition; (b) a letter of recommendation from the Independent Board Committee; (c) a letter of advice from the Independent Financial Adviser; (d) a notice of the EGM to seek approval by the Independent Shareholders on the terms of the Agreement and the

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transactions contemplated thereunder; and (e) other information in accordance with the requirements of the Listing Rules.

2. THE AGREEMENT

Date:

10 July 2014

Parties:

1. CIMC Tank Equipment (as vendor); and
2. Sound Winner (as purchaser)

Subject matter:

CIMC Tank Equipment agreed to sell and Sound Winner agreed to purchase the entire equity interest in NCLS.

Consideration and payment terms:

The consideration is RMB337,000,000 and shall be satisfied by Sound Winner procuring the allotment and issue of 39,740,566 Consideration Shares by the Company at an issue price of HK\$10.60 per Consideration Share to CIMC Tank Equipment at Completion. The number of Consideration Shares is equivalent to the consideration divided by the issue price of HK\$10.60 which is the average closing price per Share for the 5 trading days including and immediately before the date of the Agreement, namely, from 4 July 2014 to 10 July 2014, and represents a 0.76% premium over the closing price of HK\$10.52 per Share on the date of the Agreement.

Assuming there is no further change to the share capital of the Company prior to Completion, the Consideration Shares represent approximately 2.10% of the existing issued share capital of the Company and approximately 2.05% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares.

As at the Latest Practicable Date, CIMC indirectly holds approximately 69.77% of the issued share capital of the Company and is a controlling shareholder of the Company as defined under the Listing Rules. Assuming there is no further change to the share capital of the Company prior to Completion and issue of Consideration Shares, CIMC's shareholding (including through CIMC Tank Equipment) in the Company will increase from approximately 69.77% to approximately 70.39% upon Completion.

The allotment, issue and delivery of the Consideration Shares will be subject to the approval of Independent Shareholders at the EGM. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

LETTER FROM THE BOARD

The consideration is subject to adjustments before Sound Winner notifies CIMC Tank Equipment in writing upon fulfillment of all the conditions set out in the Agreement (or Sound Winner waives one or more conditions set out in the Agreement, except for those mandatory requirements of laws and regulations and mandatory governmental approvals) if NCLS incurred an actual loss of RMB3,000,000 or more due to non-disclosure of information or inaccurate disclosure of information by CIMC Tank Equipment in the due diligence investigation of NCLS or under the Agreement. The consideration will be reduced by the actual amount of loss incurred by NCLS and the number of Consideration Shares will then be reduced accordingly.

The consideration was arrived at after arm's length negotiations between the Parties, after taking into account of the audited net asset value of NCLS as at 31 December 2013, an independent valuation of NCLS (please refer to pages 27 to 29 section headed "4. Independent valuations and evaluation of the consideration" in the Letter from the Independent Financial Adviser in this circular for details), the rationale for the Acquisition and the benefits to the Group after the Acquisition, the historical financial information of NCLS and prospects of the industry in which NCLS operates.

Conditions Precedent:

Completion of the Acquisition is conditional upon, among others:

1. the relevant resolutions of the shareholders and directors of NCLS respectively approving the Acquisition having been provided by CIMC Tank Equipment;
2. CIMC Tank Equipment having confirmed in writing that the transfer of the entire equity interest in NCLS is in accordance with the laws and without any restriction;
3. the relevant board resolutions of Sound Winner approving the Acquisition having been provided;
4. all permissions, approvals, authorisations and/or waiver (if applicable) necessary for the transfer of the entire equity interest in NCLS and related matters having been issued by the relevant parties, the PRC government or regulatory authorities, including approval from (i) State-owned Assets Supervision and Administration Commission of the State Council (if required), (ii) Nantong Development and Reform Commission and Jiangsu Development and Reform Commission (if required) and (iii) Department of Commerce of Jiangsu Province;
5. the transactions contemplated under the Agreement being in compliance with the requirements prescribed by relevant regulatory authorities, including the requirement of obtaining the approval of Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder;
6. the allotment, issue, listing of and dealing in Consideration Shares had been approved by the relevant regulatory authority;

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7. there being no actual or potential material adverse change in the financial conditions, business or assets of NCLS since the date of the Agreement;
8. all warranties under the Agreement having remained true and accurate in all the material aspects before Completion; and
9. Sound Winner having completed the due diligence investigation and being satisfied with the results of such investigation.

The Parties shall use their best endeavour to fulfill the conditions precedent within 90 Business Days of the date of the Agreement or any further period as agreed by Sound Winner in writing.

Up to the Latest Practicable Date, conditions numbered 1 and 3 above had been fulfilled.

Completion:

Completion shall take place after Sound Winner notifies CIMC Tank Equipment in writing upon fulfillment of all the conditions set out in the Agreement (or Sound Winner waives one or more conditions set out in the Agreement, except for those mandatory requirements of laws and regulations and mandatory governmental approvals), the equity transferring registration having been completed and NCLS having obtained a newly issued business license. Sound Winner can waive conditions numbered 2, 7, 8 and 9 above.

If the conditions precedent cannot be satisfied within 180 days from the execution date of the Agreement and such failure is caused by CIMC Tank Equipment, the Agreement shall not be performed (unless Sound Winner agrees in writing to change the relevant provision).

For illustrative purpose only, the following table sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately after Completion and issue of the Consideration Shares (assuming no further change to the share capital of the Company prior to Completion and issue of the Consideration Shares):

	As at the Latest Practicable Date		Immediately after Completion and issue of the Consideration Shares	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
CIMC group	1,322,335,645	69.77%	1,322,335,645	68.34%
Consideration Shares	-	-	39,740,566	2.05%
Subtotal	1,322,335,645	69.77%	1,362,076,211	70.39%
Mr. Zhao Qingsheng (Director)	214,000	0.01%	214,000	0.01%
Independent Shareholders	572,785,877	30.22%	572,785,877	29.60%
	<u>1,895,335,522</u>	<u>100.00%</u>	<u>1,935,076,088</u>	<u>100.00%</u>

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3. INFORMATION ON NCLS

NCLS is a company established in the PRC on 20 December 2007 with limited liability. The registered share capital of NCLS is USD47,700,000. NCLS is principally engaged in the research, development, design, production and sale of tanks and relevant parts; undertake contractor projects in relation to tanks; provision of product parts, repair and maintenance services for tank projects; and provision of training and consultancy services in relation to tank projects.

Based on the audited accounts of NCLS, which were prepared in accordance with the generally accepted accounting principles in the PRC, the net asset value of NCLS as at 31 December 2013 was approximately RMB314,346,000. According to an independent valuation, market value of the 100% equity interest of NCLS as at 31 December 2013 was RMB337,000,000.

In accordance with the generally accepted accounting principles in the PRC, the audited profit (or loss) before and after taxation of NCLS for the years ended 31 December 2012 and 31 December 2013 are set out in the following table:

	Year ended 31 December 2013	Year ended 31 December 2012
	<i>RMB</i>	<i>RMB</i>
Profit (or loss) before taxation	12,341,000	(776,000)
Profit (or loss) after taxation	7,073,000	(2,163,000)

A property valuation report of NCLS prepared by BMI Appraisals Limited is set out in Appendix I to this circular.

NCLS has land use right of two land parcels situated at Nantong City, Jiangsu Province, the PRC. The details of these two land parcels were set out in the property valuation report in Appendix I to this circular. Two state-owned land use right certificates, namely Tong Kai Guo Yong (2008) No. 0301018 and Tong Kai Guo Yong (2009) No. 0301030 (collectively, the “**Certificates**”), were granted in respect of these two land parcels in 2008 and 2009. According to a legal due diligence report prepared by a PRC legal adviser to the Company on the Acquisition (the “**Due Diligence Report**”), the Certificates were not renewed since 2010. This is principally due to the investment of NCLS on the land parcels had not reached the required monetary investment and construction threshold as stated in the state-owned land use grant contracts, and accordingly the local government did not grant renewal to NCLS.

According to the Due Diligence Report, there are risks that (i) the subject land parcels may be recovered by the PRC government without compensation in some circumstances, or (ii) NCLS may be required to pay penalties in respect of the possible breach of the relevant land use grant contracts.

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The subject land parcels can be recovered by the government upon the application of surrendering of the subject land parcels by NCLS. In such case, the Company will seek a new plant and relocate the operation to such new plant. The Company does not consider the potential risks would materially affect the operations of the Group in view of the indemnification from CIMC Tank Equipment and the guarantee by CIMC as described below.

To address any potential risk related to the above, it was provided in the Agreement that CIMC Tank Equipment shall fully compensate Sound Winner of all losses suffered by NCLS resulting from NCLS not having proper title to the land parcels. In the Agreement, the validity period of such compensation and indemnification by CIMC Tank Equipment is anytime from the date of Completion. In addition, CIMC (as parent company of CIMC Tank Equipment) will issue a letter to Sound Winner, guaranteeing the performance and obligations of CIMC Tank Equipment under the Agreement, and indemnifying Sound Winner for any loss it suffers as a result of any breach of the Agreement by CIMC Tank Equipment. In the event that CIMC Tank Equipment is in breach of its obligations under the Agreement or fails to indemnify any loss that Sound Winner may have incurred, including any losses that may arise from the land title issue, Sound Winner is entitled to recover such losses from CIMC.

According to the Group's investment plan, the Group is going to further invest on the land parcels after Completion, in particular, to expand the production facilities for liquid food equipment; and to build a new plant for development of energy equipment. The Group would then reach the required monetary investment and construction threshold of the land parcels as stated in the relevant land use grant contracts. NCLS will then be eligible to obtain new land use right certificates in respect of the land parcels.

4. REASONS FOR AND BENEFITS OF THE ACQUISITION

Following the acquisition of the chemical and liquid food equipment businesses from CIMC group (the "2009 Acquisition"), the Group has extended to become a manufacturer of specialised equipment and a provider for related project engineering services in energy, chemical and liquid food industries. The Group has experienced sustainable growth in turnover and net profit attributable to equity shareholders, with a respective CAGR of approximately 35.7% and 52.0% throughout 2010 to 2013. NCLS was not transferred from CIMC group into the Group as part of the 2009 Acquisition because NCLS was still an initial set-up and had not commenced business by then. However, pursuant to the deed of non-compete undertakings given by CIMC to the Company in 2009, the Company has been granted the purchase option and the pre-emptive right to acquire, amongst other things, any interests in NCLS from CIMC.

Over the past few years, NCLS has been producing and selling tanks for various industries, especially for the liquid food industry. NCLS also provides turnkey solution in brewing to its customers. The production base of NCLS is in the PRC, its products and services are mainly sold and delivered to the PRC and other Asian countries. For the year ended 31 December 2013, NCLS recorded a turnover of approximately RMB383.0 million and a net profit attributable to shareholders of approximately RMB7.1 million. The Board

LETTER FROM THE BOARD

believes that the production capability, manufacturing technologies and project reference of NCLS would be able to complement the Group's development in China's liquid food equipment industry.

The Group focuses on integrating its business and operational structures with the assets acquired in 2012 from Ziemann Group and making use of the acquired resources in terms of brand name, market network, manufacturing technologies, process automation and project reference for complementing its development in turnkey solutions in liquid food equipment.

The major manufacturing plants for the segment of liquid food equipment of the Group are located in Germany, Netherlands, Belgium and Denmark. The relatively high costs of production and operation in Europe limit the Group's development in China market. Since 2012, the Group has granted non-exclusive licences to NCLS to use the know-how and trademarks of the Group in design, manufacturing and sale of tank and related parts in the PRC. NCLS has been providing services and selling products to the Group and other third parties over the past few years.

The Board believes that the Acquisition can enhance production capability of the Group, achieve synergy and eliminate potential competition. Moreover, by leveraging on NCLS's established platform in the PRC, the Group can further develop its liquid food equipment business in Asia, in particular China. The Acquisition is in line with the strategy of the Group in proactively seeking new business and acquisition opportunities on the solid foundation of its continuing organic growth.

The Chinese government announced the "Food Industry 12th Five-Year Plan" to promote, among others, further development of its beverage and brewing industries. Domestic beverage production is projected to reach 160 million tons by 2015, representing an annual growth of around 10%. A number of major international brewery groups and liquid food producers as well as the Chinese liquid food producers have made investments in China, especially on building production facilities and plants. According to the National Bureau of Statistics of China, the percentage of urban population to total population in China has reached 53.7% by 2013. It is forecasted that the percentage will progressively climb to approximately 69.4% by 2030, which will drive long-term economic development in the country. In view of increasing household income and purchasing power, the Board believes that the liquid food industry would experience further development in China.

NCLS owns a pier which is located along Yangtze River and also possesses a parcel of land of approximately 187,000 sq. meters pending for development. As China seeks to broaden its use of natural gas, the country's LNG vessel market will take off with a favourable subsidies policy announced recently. The potential demand for on-board LNG fuel tanks, LNG refueling equipment for LNG vessels and related equipment present a business opportunity for the Group. The Board believes that the potential benefits generated from the pier and the aforesaid land will further complement the existing operations and allow the Group to possibly capture additional business opportunities by strengthening the Group's foothold in the PRC.

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5. IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company subject to the announcement requirement under Chapter 14 of the Listing Rules.

CIMC Tank Equipment is an indirect wholly-owned subsidiary of CIMC, which is a substantial and controlling shareholder of the Company, and therefore CIMC Tank Equipment, being an associate of CIMC, is a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company subject to the requirements of reporting, announcement and approval by the Independent Shareholders at the EGM under Chapter 14A of the Listing Rules.

6. INFORMATION ABOUT THE GROUP AND CIMC TANK EQUIPMENT

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 are widely used among the energy, chemical and liquid food industries. Sound Winner is principally engaged in investment holding.

CIMC Tank Equipment is principally engaged in investment holding.

7. EXTRAORDINARY GENERAL MEETING

The EGM will be held at United Conference Centre, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 25 August 2014 at 3:00 p.m. at which an ordinary resolution will be proposed for, inter alia, the approval by the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder including the allotment and issue of the Consideration Shares.

Pursuant to Rule 14A.70(12) of the Listing Rules, any connected person with a material interest in a transaction, and any shareholder with a material interest in the transaction and its associates will not vote.

In view of the interests of Charm Wise and CIMC HK (both of which are wholly-owned subsidiaries of CIMC) in the Acquisition, Charm Wise and CIMC HK, which were holding approximately 69.77% of the Shares in aggregate as at the Latest Practicable Date and being connected persons of the Company, will abstain from voting in respect of such resolution.

LETTER FROM THE BOARD

In view of the directorship and/or senior management position held by Mr. Zhao Qingsheng, a Director and thus a connected person of the Company, in CIMC and certain subsidiaries of CIMC, Mr. Zhao Qingsheng is deemed to be materially interested in the Acquisition and he who beneficially owned 214,000 Shares which carry voting rights, representing approximately 0.01% of the Shares as at the Latest Practicable Date, and his associates, will abstain from voting in respect of such resolution.

Whether or not you are able to attend the EGM (or any adjournment thereof), please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting at the EGM (or any adjournment thereof) should you so wish.

8. RECOMMENDATION

The Independent Board Committee, having considered the terms of the Agreement and the transactions contemplated thereunder as well as the advice and recommendations of the Independent Financial Adviser set out in the section titled "Letter from the Independent Financial Adviser" in this circular, considers that, the Acquisition is on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned, and the entering into of the Agreement is in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder.

In view of the directorship(s) and/or senior management position(s) held by Zhao Qingsheng, Mr. Gao Xiang, Mr. Jin Jianlong and Mr. Yu Yuqun, all of whom are executive Directors, in CIMC and/or certain subsidiaries of CIMC, they are deemed to be materially interested in the transactions contemplated under the Agreement and have abstained from voting on the relevant Board resolutions. On the basis of the information set out in this circular, the Directors (including the independent non-executive Directors whose views are set out in the "Letter from the Independent Board Committee" in this circular) consider that the terms of the Agreement are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

The Directors therefore recommend the Independent Shareholders to vote in favour of the resolution as set out in the notice of EGM on pages 49 to 50 of this circular.

LETTER FROM THE BOARD

9. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders set out on page 14 of this circular and the Letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 15 to 34 of this circular, and the information set out in the appendices to this circular.

Completion is conditional upon, among other things, the satisfaction of the conditions of the Agreement, and the Acquisition may or may not materialise. Shareholders and investors are reminded to exercise caution when dealing in the Shares.

By order of the Board
CIMC Enric Holdings Limited
Zhao Qingsheng
Chairman

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)

30 July 2014

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF THE ENTIRE EQUITY INTEREST IN
HOLVRIEKA (CHINA) CO., LTD.*

We refer to the circular dated 30 July 2014 issued by the Company (the “Circular”), of which this letter forms part. Unless otherwise stated, terms defined in the Circular have the same meaning when used in this letter.

We have been appointed as the Independent Board Committee to consider and to advise the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder.

Somerley has been appointed as the independent financial adviser to advise us and the Independent Shareholders in this respect. We wish to draw your attention to the letter from the Board (which is set out on pages 4 to 13 of the Circular) and the letter from the Independent Financial Adviser (which is set out on pages 15 to 34 of the Circular).

Having taken into account the terms of the Agreement and the advice from the Independent Financial Adviser, we consider that the Acquisition is on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned, and the entering into of the Agreement is in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the Agreement and the transactions contemplated thereunder.

Yours faithfully,
Independent Board Committee

WONG Chun Ho

TSUI Kei Pang
Independent non-executive Directors

ZHANG Xueqian

* *For identification purposes only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the letter of advice from Somerley to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



SOMERLEY CAPITAL LIMITED

20th Floor
China Building
29 Queen's Road Central
Hong Kong

30 July 2014

*To: the Independent Board Committee and
the Independent Shareholders*

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION

INTRODUCTION

We refer to our appointment to advise the Independent Board Committee and the Independent Shareholders in connection with the Company's proposed acquisition of the entire equity interest in NCLS from CIMC Tank Equipment pursuant to the Agreement. Details of the Acquisition are contained in the circular to the Shareholders dated 30 July 2014 (the "**Circular**"), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

As at the Latest Practicable Date, CIMC Tank Equipment was indirectly wholly-owned by CIMC, which is a substantial and controlling shareholder of the Company. CIMC Tank Equipment is therefore an associate of CIMC and a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company and is subject to approval by Independent Shareholders by way of poll at the EGM under the Listing Rules.

The Independent Board Committee comprising Mr. Wong Chun Ho, Mr. Tsui Kei Pang and Mr. Zhang Xueqian, has been formed to advise the Independent Shareholders in respect of the terms of the Agreement and the transactions contemplated thereunder. We, Somerley Capital Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

During the past two years, Somerley Limited (presently known as "Somerley International Limited" and a fellow subsidiary of Somerley Capital Limited) has acted as an independent financial adviser to the independent board committee and independent shareholders of the Company in relation to continuing connected transactions of the Group (details of which were set out in the circular of the Company dated 18 December 2013). The past engagement was limited to providing independent advisory services to independent board committee and independent shareholders of the Company pursuant to the Listing Rules. Under the past engagement, Somerley Limited received normal professional fees from the Company. Notwithstanding the past engagement, as at the

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Latest Practicable Date, there were no relationships or interests between (a) Somerley Capital Limited and (b) the Group, NCLS, CIMC Tank Equipment and their respective subsidiaries and associates that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Acquisition as detailed in the Circular.

In formulating our advice, we have relied on the information and facts supplied, and the opinions expressed, by the Directors and the management of the Group and have assumed that they are true, accurate and complete as at the date of the Circular and will remain so up to the time of the EGM. We have also sought and received confirmation from the Directors that all material relevant information has been supplied to us and that no material facts has been omitted from the information supplied and opinions expressed to us. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld. We have relied on such information and consider that the information we have received is sufficient for us to reach our advice and recommendation as set out in this letter and to justify our reliance on such information. However, we have not conducted any independent investigation into the business and affairs of any of the Group, NCLS, CIMC Tank Equipment and their respective subsidiaries and associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In considering whether the terms of the Agreement are fair and reasonable in so far as the Independent Shareholders are concerned, we have taken into account the principal factors and reasons set out below:

1. Background to, reasons for and benefits of the Acquisition

(i) Background of the Group

The Company was listed on the Stock Exchange in 2005, and was then engaged in the provision of integrated business solutions in the energy equipment industry and the design, manufacture and sales of specialised gas equipment. The Group has substantially broadened its business scope following an acquisition in 2009 from the CIMC group, its current parent company, and is now principally engaged in the design, development, manufacturing, engineering and sales of, and the provision of technical maintenance services for, a range of transportation, storage and processing equipment, which can broadly be categorised into energy, chemical and liquid food equipment.

The liquid food equipment business of the Group was further strengthened by the acquisition of certain selected assets from the insolvency administrators of Ziemann Group in August 2012 (the “**Ziemann Acquisition**”), at a consideration of approximately RMB205.7 million. In 2013, the revenue from liquid food equipment business has shown a growth of approximately 56.6% compared to last year, reaching approximately

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RMB1,516.3 million, with its contribution to the Group's turnover increased from approximately 12.0% in 2012 to approximately 15.2% in 2013.

(ii) Background to the Acquisition

At the time of the 2009 Acquisition, certain businesses that are similar to the businesses acquired by the Group were retained by CIMC group due to reasons including such businesses still being in start-up stage or were not in direct competition with the enlarged Group. This includes NCLS, which primarily engages in the production and sales of tanks for liquid food business, but was not being acquired by the Group during the 2009 Acquisition because NCLS had not commenced business at that time. Instead, a purchase option and a pre-emptive right to acquire NCLS from CIMC was granted to the Company pursuant to a deed of non-compete undertaking given by CIMC.

Despite the above, the Group has been transacting with NCLS in the past few years. As disclosed in the Company's 2013 annual report, liquid food products of the Group's are sold worldwide, while its production base are established in Europe. In view of the relatively higher production costs in Europe and the higher freight costs involved for purchase orders from Asian customers, the Group currently sub-contracts a portion of its sales of liquid food products to NCLS, in particular orders from customers located in Asia. Such transactions with NCLS constitutes continuing connected transactions of the Company, and are currently being governed under the Master Procurement of Spare Parts Agreement, as approved by the Company's then independent shareholders in February 2012.

With a view that NCLS will be able to complement the Group's further development in the liquid food equipment industry in Asia and particularly China, on 10 July 2014, the Company exercised the above-mentioned purchase option and entered into the Agreement with CIMC Tank Equipment.

(iii) Reasons for and benefits of the Acquisition

As stated in its 2013 annual report, the Group has been proactively seeking new business and acquisition opportunities to further enhance its business portfolio and production capacity. The liquid food industry has been growing fast in developing countries like China in recent years. According to the "Food Industry 12th Five-Year Plan" announced by the Chinese government in 2011, the food industry has experienced tremendous growth from 2005 to 2010. It is expected that the increase in urbanisation rate, income levels and population growth will continue to drive the demand for food and maintain the rapid growth trend in this food industry. In the beverage industry, the Chinese government will put strong emphasis on juice, coffee drinks, protein drinks and tea drinks. As for the brewing industry, specific aid is expected to be provided for mergers and acquisitions, building of production base, optimisation of the product structure and product

differentiating innovation. Beverage production in China is projected to reach 160 million tons by 2015, representing an annual growth of approximately 10%. Taking into account of the rapid economic growth in the PRC and the support from the Chinese government on liquid food industry, we agree with the Director that the outlook of the industry in which NCLS currently operates remains optimistic.

The Directors consider the acquisition of NCLS will enable the Group to develop its customer base of the liquid food equipment market in Asia and particularly China. The Directors are also of the view that the acquisition of NCLS will create a synergy with the Group's liquid food equipment business, in the sense that the Group's existing human and operational resources can be more effectively utilised, and the logistics and transportation of the liquid food equipment can be directly managed based on the customer's location and technical requirement. As the Group has already been sub-contracting a portion of its sales of liquid food products to NCLS, in particular orders from customers located in Asia, the Acquisition is expected to streamline the business structure of the Group's liquid food equipment business and at the same time further develop its market in Asia. The Group will also be benefited from the lower cost of production in the PRC.

NCLS has a parcel of land of approximately 187,000 square meters pending for development, and owns a pier which is located along Yangtze River. The Directors believe that such proximity would enable the Group to further development its business in energy equipment, in particular LNG vessels and related equipment.

In terms of future prospect, the Directors consider that NCLS is a company with growth potential, given the increasing demand of the liquid food equipment in the PRC. Following completion of the Acquisition, the Group's revenue and profitability of the liquid food equipment business is expected to enhance.

Taking the above into consideration, we concur with the Directors' view that the Acquisition is in line with the Group's stated strategy, enable its liquid food equipment business to be further broadened, and increase its production capability to meet the increasing demand of liquid food equipment in the future.

2. Principal terms of the Agreement

(i) Subject matters

Pursuant to the Agreement, Sound Winner (a wholly-owned subsidiary of the Company) agreed to purchase the entire issued share capital of NCLS from CIMC Tank Equipment. Upon Completion, NCLS will become an indirect and wholly-owned subsidiary of the Company.

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(ii) Consideration

Pursuant to the Agreement, the consideration for the Acquisition is RMB337.0 million, which shall be satisfied by the allotment and issue by the Company of 39,740,566 Consideration Shares, at an issue price of HK\$10.6 per Consideration Share upon Completion.

The consideration was principally agreed based on arm's length negotiations between the Company and CIMC Tank Equipment, after taking into account, among others, the audited net asset value of NCLS of approximately RMB314.3 million as at 31 December 2013, and the independent valuation of NCLS performed by BMI Appraisals Limited ("**BMI Appraisals**") of approximately RMB337.0 million as at 31 December 2013.

The number of Consideration Share of 39,740,566 is equivalent to the consideration of RMB337.0 million (or approximately HK\$421.25 million) divided by the issue price of HK\$10.6 per Consideration Share, which is the average closing price per Share for the 5 trading days including and immediately before the date of the Agreement. The 39,740,566 Consideration Shares represent approximately 2.10% of the existing issued share capital of the Company as at the Latest Practicable Date, and approximately 2.05% of the enlarged issued share capital of the Company.

As advised by the management of the Group, issuing new Shares to satisfy the Acquisition consideration, despite the Group's net cash position of nearly RMB1.5 billion as at 31 December 2013, is principally due to the request from CIMC Tank Equipment, pursuant to the arm's length negotiation between the Parties. Given the holdings by Independent Shareholders will only be slightly reduced by approximately 0.6%, and the fact that the Group has also been actively seeking new business and acquisition opportunities, which may require to be satisfied by internal resources, we concur with the Directors that it is appropriate to issue Consideration Shares to satisfy the Acquisition consideration.

It was further stated in the Agreement that, if NCLS incurred an actual loss of RMB3.0 million or more due to non-disclosure of information or inaccurate disclosure of information by CIMC Tank Equipment in the due diligence investigation of NCLS or under the Agreement, the actual loss to be incurred in NCLS and accordingly the number of Consideration Shares will be deducted from the consideration which will be settled by the Group upon Completion.

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(iii) Conditions precedent

Completion of the Acquisition is conditional upon, among others:

- (1) the relevant resolutions of the shareholders and directors of NCLS respectively approving the Acquisition having been provided by CIMC Tank Equipment;
- (2) CIMC Tank Equipment having confirmed in writing that the transfer of the entire equity interest in NCLS is in accordance with the laws and without any restriction;
- (3) the relevant board resolutions of Sound Winner approving the Acquisition having been provided;
- (4) all permissions, approvals, authorisations and/or waiver (if applicable) necessary for the transfer of the entire equity interest in NCLS and related matters having been issued by the relevant parties, the PRC government or regulatory authorities, including approval from (i) State-owned Assets Supervision and Administration Commission of the State Council (if required), (ii) Nantong Development and Reform Commission and Jiangsu Development and Reform Commission (if required) and (iii) Department of Commerce of Jiangsu Province;
- (5) the transactions contemplated under the Agreement being in compliance with the requirements prescribed by relevant regulatory authorities, including the requirement of obtaining the approval of Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder;
- (6) the allotment and issue of Consideration Shares by the Company had been approved by the relevant regulatory authority;
- (7) there being no actual or potential material adverse change in the financial conditions, business or assets of NCLS since the date of the Agreement;
- (8) all warranties under the Agreement having remained true and accurate in all the material aspects before Completion; and
- (9) Sound Winner having completed the due diligence investigation and being satisfied with the results of such investigation.

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As at the Latest Practicable Date, conditions numbered (1) and (3) have been fulfilled. The Parties shall use their best endeavour to fulfill the conditions precedent within 90 Business Days from the date of the Agreement, or any further period as agreed by Sound Winner in writing.

If the above conditions precedent cannot be satisfied within 180 days from the execution date of the Agreement and such failure is caused by CIMC Tank Equipment, the Agreement shall not be performed (unless Sound Winner agrees in writing to change the relevant provision).

Completion shall take place after Sound Winner notifies CIMC Tank Equipment in writing upon fulfilment of all the conditions set out in the Agreement (or Sound Winner waives one or more of the conditions numbered (2), (7), (8) and (9) above), the equity transferring registration having been completed and NCLS having obtained a newly issued business license. Within 30 Business Days after Completion, Sound Winner will procure the Company to allot and issue the Consideration Shares to CIMC Tank Equipment.

(iv) Other obligations of CIMC Tank Equipment

Pursuant to the Agreement, there are indemnity clauses provided by CIMC Tank Equipment, which has undertaken to fully compensate Sound Winner for all expenses, losses, claims or penalties to be suffered by NCLS at any time from the date of Completion, resulting from any events caused by CIMC Tank Equipment and NCLS before Completion, including:

- (a) all losses suffered by NCLS, resulting from (i) the two state-owned land use right certificates (Tong Kai Guo Yong (2008) No. 0301018 and Tong Kai Guo Yong (2009) No. 0301030) of the two land parcels of NCLS becoming invalid; (ii) the administrative actions taken by the local government on the two land parcels; (iii) the development work on the land parcels not meeting the investment and construction threshold as required by the local government or (iv) not being granted effective land use right certificates; and
- (b) all expenses, late charges, tax payments and penalties to be incurred on the land parcels, pier, manufacturing plants, construction facilities and buildings of NCLS resulting from any non-compliance of PRC law and regulation.

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Status of land use right certificates, risks associated and mitigating factors

According to the Due Diligence Report prepared by a PRC legal adviser engaged by the Company on the Acquisition, the two state-owned land use right certificates of NCLS's land parcels, which were originally granted between 2008 and 2009, were not renewed since 2010. This is principally due to the investment of NCLS on the land parcels had not reached the required monetary investment and construction threshold as stated in the state-owned land use grant contracts, and accordingly the local government did not grant renewal to NCLS.

As advised by the management of the Group, having considered the deed of non-compete undertaking given by CIMC in favour of the Company in 2009, CIMC have been exercising cautions on any further investment in NCLS. Following the Ziemann Acquisition in August 2012, CIMC also noted the Group's production capacity in liquid food equipment has been expanded. The Group was given to understand that CIMC considered there was no immediate need to expand NCLS's production capacity as originally planned.

According to the Due Diligence Report, there are risks that (i) the subject land parcels may be recovered by the PRC government without compensation in some circumstances, or (ii) NCLS may be required to pay penalties in respect of the possible breach of the relevant land use grant contracts. The PRC legal adviser, however, are of the initial view that the risk of the land parcels being recovered by the government without compensation is low, based on the fact that there are existing buildings and production plants erected on the land parcels, and the construction of which have been completed. It is also stated in the Due Diligence Report that the land premium and related tax in respect of the two land parcels have been settled in full.

To address any potential risk related to the above, it was provided in the Agreement and as stated in the above indemnity clause, that CIMC Tank Equipment shall fully compensate Sound Winner of all losses suffered by NCLS resulting from NCLS not having proper title to the land parcels. In addition, CIMC (as parent company of CIMC Tank Equipment) will issue a letter to Sound Winner, guaranteeing the performance and obligations of CIMC Tank Equipment under the Agreement, and indemnifying Sound Winner for any loss it suffers as a result of any breach of the Agreement by CIMC Tank Equipment. According to the latest annual report published by CIMC on the Stock Exchange's website, net assets (excluding minority interests) of CIMC amounted to approximately RMB20.7 billion as at 31 December 2013, which is significantly higher than the consideration of the Acquisition. In the event that CIMC Tank Equipment is in breach of its obligations under the Agreement or fails to indemnify any loss that Sound Winner

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may have incurred, including any losses that may arise from the land title issue, Sound Winner is entitled to recover such losses from CIMC.

As stated in the letter from the Board, according to the Group's investment plan, the Group is going to further invest on the land parcels after Completion, in particular, to expand the production facilities for liquid food equipment, and to build a new plant for development of energy equipment. The Group would then reach the required monetary investment and construction threshold of the land parcels as stated in the relevant land use grant contracts. It is expected that NCLS will then be eligible to obtain new land use right certificates in respect of the land parcels.

(v) Other covenants

To limit the risk to Sound Winner of any possible adverse changes to NCLS before Completion, the Agreement contains covenants that give certain negative control to Sound Winner in relation to the operation of NCLS prior to the Completion, including (a) paying or making any dividend or distribution from NCLS, (b) disposing of interest in NCLS or pledging shares of NCLS, and (c) entering into any new contracts with amount more than RMB5.0 million or any actions to the detriment of the financial position of NCLS.

3. Information on NCLS

(i) Background and business of NCLS

NCLS is incorporated in the PRC since 2007 and currently a wholly-owned subsidiary of CIMC Tank Equipment. NCLS commenced its business operation since 2009 and is principally engaged in the research, development, design, production and sale of tanks and relevant parts; undertake contractor projects in relation to tanks; provision of product parts, repair and maintenance services for tank projects; and provision of training and consultancy services in relation to tank projects. It has a fully paid-up issued capital of US\$47.7 million as at the Latest Practicable Date.

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(ii) *Financial information on NCLS*

Based on NCLS's audited financial statements for the three financial years ended 31 December 2013, prepared in accordance with the generally accepted accounting principles in the PRC, the financial results and financial position of NCLS are as follows:

(a) *Financial results*

	Financial year ended		
	31 December		
	2013	2012	2011
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(audited)
Revenue	383,003	275,416	198,991
Cost of sales	<u>(325,259)</u>	<u>(237,622)</u>	<u>(182,417)</u>
	57,744	37,794	16,574
<i>Gross profit %</i>	15.1%	13.7%	8.3%
Selling expenses	(1,964)	(966)	(1,242)
Administrative expenses	(25,057)	(17,745)	(14,814)
Finance cost	(15,994)	(16,525)	(18,718)
Others	<u>(2,710)</u>	<u>(3,625)</u>	<u>–</u>
Net operating profit/(loss)	12,019	(1,067)	(18,200)
Net non-operating income	<u>322</u>	<u>291</u>	<u>69,440</u>
Net profit/(loss) before taxation	12,341	(776)	51,240
Net profit/(loss) after taxation	<u><u>7,073</u></u>	<u><u>(2,163)</u></u>	<u><u>53,872</u></u>

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As advised by the management of the Company, revenue from production and sales of tanks for liquid food business contributed over 90.0% of total revenue, with the balance principally consisting of rental income from leasing a pier and various plants and machineries to a fellow subsidiary of NCLS, and revenue from sales of scrap metals resulted from the tank production process. NCLS's revenue increased from approximately RMB199.0 million in 2011 to approximately RMB383.0 million in 2013, which was mainly due to the increase in customer orders (which include sub-contracting orders from the Company) for the production of tanks amid the growing demand on the liquid food products in China and other Asian countries. Gross profit margin continuously improved from approximately 8.3% in 2011 to approximately 15.1% in 2013, primarily due to (i) the increase in sales for products with higher gross profit margin since 2012, such as fruit juice and edible oil, and (ii) the grant of exclusive know-how to NCLS from Ziemann International GmbH (an indirectly wholly-owned subsidiary of the Company) in May 2013 so that customer orders with more complex requirement can be secured, and accordingly increase the gross profit margin of NCLS's overall product portfolio.

We are advised by the management of the Group that NCLS had been loss making (excluding any PRC government subsidy) since its business commencement in 2009 to 2012. As shown in the financial results above, the net profit of approximately RMB53.9 million in 2011 is primarily a result of a one-off subsidy of approximately RMB69.7 million granted from the PRC government, as a result of the purchase of the land use rights of two state-owned land parcels. In 2013, NCLS turned around and started to record a net profit of approximately RMB7.1 million, primarily driven by the growth of liquid food industry, and its products enjoying an improving gross profit margin during the year.

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(b) *Financial position*

	As at 31 December		
	2013	2012	2011
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(audited)
Fixed assets	263,723	204,627	215,345
Land use rights	119,260	121,927	124,595
Construction in progress	9,871	4,962	722
Other non-current assets	<u>7,006</u>	<u>10,083</u>	<u>6,665</u>
 Total non-current assets	 399,860	 341,599	 347,327
 Inventories	 176,841	 123,929	 50,793
Accounts receivables	173,332	139,432	135,888
Other receivables	19,351	4,936	4,024
Bank balances and cash	13,835	16,413	22,934
Other current assets	<u>9,101</u>	<u>1,300</u>	<u>14,206</u>
 Total current assets	 392,460	 286,010	 227,845
 Total assets	 792,320	 627,609	 575,172
 Accounts payables	 (41,777)	 (10,834)	 (7,554)
Accounts received in advance	(13,230)	(1,751)	(1,439)
Salary payable	(12,925)	(10,857)	(6,887)
Other current liabilities	<u>(410,042)</u>	<u>(325,938)</u>	<u>(278,899)</u>
 Total current liabilities	 (477,974)	 (349,380)	 (294,779)
 Net assets	 <u>314,346</u>	 <u>278,229</u>	 <u>280,393</u>

As at 31 December 2013, non-current assets of NCLS mainly comprised of (i) fixed assets of approximately RMB263.7 million, principally buildings and structures of approximately RMB171.0 million and machineries and equipment of approximately RMB90.8 million, which are mainly designated for the manufacturing of liquid food equipment, and (ii) land use rights of the two land parcels in Nantong Economic & Technological Development Area, Nantong City, Jiangsu Provinces of approximately RMB119.3 million, where existing manufacturing plants are situated, and a parcel of land of approximately 187,000 square meters pending for development.

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As at 31 December 2013, current assets of NCLS mainly comprised of (i) inventories of approximately RMB176.8 million, including raw materials, work in progress, consumables and finished goods, and (ii) accounts receivable from customers of approximately RMB173.3 million.

As at 31 December 2013, liabilities of NCLS represented mainly (i) other current liabilities of approximately RMB410.0 million, principally comprising unsecured interest bearing borrowings made by CIMC which are repayable within one year of approximately RMB339.1 million, and is expected to remain in NCLS after Completion, and (ii) accounts payable in relation to third party suppliers of approximately RMB41.8 million.

4. Independent valuations and evaluation of the consideration

(i) *Valuation of NCLS as at 31 December 2013*

An independent professional valuer, BMI Appraisals, has performed valuation of NCLS and come to a conclusion that the market value of the entire equity interests of NCLS as at 31 December 2013 was RMB337.0 million (the “NCLS Valuation”).

We are advised by BMI Appraisals that they have considered three generally accepted valuation approaches, namely the market approach, the income approach and the asset based approach. In determining the NCLS Valuation, BMI Appraisals considered that the asset based approach is the most appropriate one. In particular, the market approach was not adopted since BMI Appraisals is of the view that there were insufficient similar companies engaging in the industry of NCLS and insufficient similar comparable transactions. The income approach is also not considered appropriate, as the historical profitability of NCLS was subject to significant fluctuation, and accordingly any cash flow projection would involve significant uncertainty.

The asset based approach relates to the valuation of individual assets and liabilities of NCLS as at 31 December 2013, which include (i) non-current assets, comprising mainly its fixed assets (mainly comprises of buildings, structures, machineries and equipment) and land use rights of the two land parcels of NCLS; (ii) current assets, comprising mainly inventories and accounts receivables and (iii) liabilities as at 31 December 2013, comprising mainly loans from CIMC and accounts payable. The methodologies adopted by BMI Appraisals in valuing major assets of NCLS as at 31 December 2013 are described as follows:

(a) *Machineries and equipment*

In valuing machineries and equipment, BMI Appraisals has adopted depreciated replacement cost approach and market approach,

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depending on the availability of market information on a particular asset. Under the depreciated replacement cost approach, BMI Appraisals considers the replacement costs of the subject assets with allowances of accrued depreciation based on their expected useful life and maintenance condition. As to the market approach, BMI Appraisals takes into account the sales prices recently paid for similar assets in the second-hand market.

(b) Inventories

In valuing inventories, BMI Appraisals has adopted the cost approach, which considers the replacement costs of the subject assets with allowances of any obsolescence.

(c) Land use rights, buildings and structures (the "Properties")

In valuing the Properties, BMI Appraisals has adopted the depreciated replacement cost approach. In particular, in valuing the land parcels, BMI Appraisals has made reference to comparable sales transaction of other lands located near to the subject land, with adjustments made in respect of their size and remaining terms of land use rights.

As regards other assets and liabilities of NCLS, we are advised by BMI Appraisals that there were no significant differences between their market values and book values as at 31 December 2013.

We note that the valuation of NCLS of RMB337.0 million as at 31 December 2013 is approximately RMB22.7 million (or approximately 7.2%) higher than its audited net assets of approximately RMB314.3 million as at 31 December 2013. Such surplus represents the appreciation in market value of the Properties of approximately RMB34.3 million, offset by the reduction in value of machinery and equipment, inventories and construction in progress in aggregate of approximately RMB11.6 million compared to book value.

We understand from BMI Appraisals that the above methodologies in valuing major assets of NCLS are common methodologies used in establishing the valuation of those major assets under asset based valuation approach. Based on our discussion with BMI Appraisals, we have not identified any major factors which cause us to doubt the fairness and reasonableness of the principal bases and assumptions used in arriving at their valuation.

(ii) Valuation of the Properties as at 31 May 2014 (the "Property Valuation")

The valuation of the Properties as at 31 May 2014 has also been separately assessed by BMI Appraisals at RMB325.7 million. The text of such independent valuation report is set out in Appendix I to the Circular.

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We are advised by BMI Appraisals that the same valuation methodology, assumptions and bases were adopted in valuation of the Properties as at 31 May 2014 and that as at 31 December 2013 (as included in the NCLS Valuation).

BMI Appraisals has carried out inspections, made relevant enquiries and searches for the purpose of the NCLS Valuation and the Property Valuation. We have reviewed and discussed with BMI Appraisals the bases and assumptions adopted for the NCLS Valuation and the Property Valuation. We consider that the assumptions adopted by BMI Appraisals are fair and reasonable and the bases used are normal ones for valuing NCLS and the Properties. We have also performed work as required under note (1)(d) to Rule 13.80 of the Listing Rules in relation to BMI Appraisals and its work as regards the NCLS Valuation and the Property Valuation.

(iii) Evaluation of the consideration

The Acquisition consideration of RMB337.0 million equals to the NCLS Valuation of RMB337.0 million, which is approximately 7.2% higher than the audited net assets of NCLS of approximately RMB314.3 million as at 31 December 2013. We also note that the Property Valuation only slightly increased by approximately 0.3% when compared to the valuation of the Properties as at 31 December 2013. According to BMI Appraisals, the increase is principally due to the addition of construction costs to the buildings and structures during the first five months in 2014.

Taking into account of the above and our discussion with BMI Appraisals in respect of the valuations, we consider it reasonable for the Group to acquire NCLS at the NCLS Valuation of RMB337.0 million.

5. Share price performance and comparison with issue price

(i) Comparison of the issue price for the Consideration Shares

The issue price of the Consideration Shares of HK\$10.6 per Share is arrived based on the average closing price per Share for the 5 trading days including and immediately before the date of the Agreement (the “**Last Trading Day**”). The issue price of the Consideration Shares also represents:

- a premium of approximately 8.38% over the closing price of Shares of HK\$9.78 as quoted by the Stock Exchange as at the Latest Practicable Date;
- a discount of approximately 0.56% to the average closing price of the Shares of approximately HK\$10.66 as quoted by the Stock Exchange for the 30 full trading days up to and including the Last Trading Day;

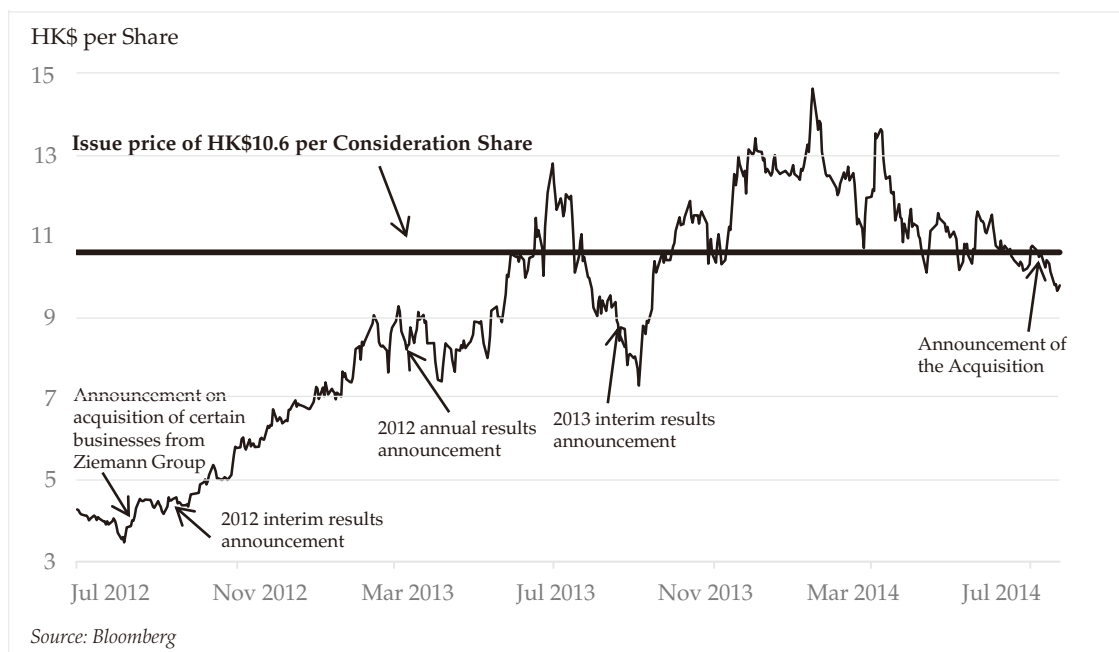
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- a discount of approximately 5.10% to the average closing price of the Shares of approximately HK\$11.17 as quoted by the Stock Exchange for the 90 full trading days up to and including the Last Trading Day;
- a discount of approximately 9.48% to the average closing price of the Shares of approximately HK\$11.71 as quoted by the Stock Exchange for the 180 full trading days up to and including the Last Trading Day; and
- a premium of approximately 216.42% over the audited net asset value of HK\$3.35 per Share as at 31 December 2013.

As shown above, the issue price of the Consideration Shares represents discounts of approximately 0.56%, 5.10% and 9.48% to the 30, 90 and 180 days average Share Price respectively. We consider such discounts offset by the substantial premium of the issue price over the audited net asset value per Share as at 31 December 2013.

(ii) Analysis of Share price performance

The share price chart below illustrates the daily closing price per Share quoted on the Stock Exchange from 1 July 2012 (approximately two years from the date of the Agreement) up to the Latest Practicable Date (both dates inclusive) (the “**Review Period**”):



LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As illustrated in the above share price chart, the Shares have generally been trading on an upward trend during the Review Period. The price per Shares rose generally from July 2012 to July 2013, from HK\$4.28 per Share on 2 July 2012 and reached a high of HK\$12.78 per Share on 2 July 2013. During the period, the Company announced certain encouraging news, including the Ziemann Acquisition as published in August 2012, and also its interim and annual financial results, which recorded significant increases of profits attributable to Shareholders amounting to approximately 47.0% and 33.0% respectively compared to previous periods.

During the third quarter of 2013, the Shares experienced a drop and reached a low of HK\$7.32 per Share on 6 September 2013. During the same period, the Company announced a growth in profit for the six months period ended 30 June 2013, albeit at a lower rate at approximately 25.4% compared to previous period. The price of the Shares had recovered since then, eventually reaching a historical high of HK\$14.62 per Share on 17 January 2014, but had afterwards dropped again and been hovering at around HK\$11.00 per Share. As at the Last Trading Day, the Shares closed at HK\$10.52 per Share.

After the announcement of the Acquisition, the price of the Shares had been fluctuating within the range of HK\$9.65 to HK\$10.52 per Share. As at the Latest Practicable Date, the Shares closed at HK\$9.78 per Share.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(iii) Trading volume of the Shares

The table below sets out the total number of Shares traded per month, the percentage of the monthly trading volume to the issued share capital of the Company and the percentage of the monthly trading volume to Shares held by the public respectively during the Review Period:

	Total monthly trading volume of the Shares (Note)	Approximate % of total monthly trading volume to the total issued Shares	Approximate % of total monthly trading volume to the public float
2012			
July	13,726,000	1.4%	5.12%
August	53,193,800	5.3%	19.85%
September	22,926,000	2.3%	8.54%
October	194,708,821	19.5%	52.15%
November	122,871,309	8.9%	31.79%
December	67,437,810	4.9%	17.19%
2013			
January	90,955,971	6.6%	23.10%
February	72,556,061	5.2%	18.38%
March	166,346,456	12.0%	35.38%
April	72,377,881	5.2%	15.38%
May	86,465,024	4.6%	18.19%
June	85,269,041	4.5%	17.91%
July	93,783,824	5.0%	16.66%
August	95,138,955	5.0%	16.91%
September	94,944,128	5.0%	16.87%
October	62,713,331	3.3%	11.14%
November	173,359,510	9.2%	30.57%
December	40,554,844	2.1%	7.14%
2014			
January	53,555,537	2.8%	9.39%
February	58,812,060	3.1%	10.29%
March	92,453,567	4.9%	16.18%
April	54,528,884	2.9%	9.54%
May	54,736,395	2.9%	9.57%
June	33,216,271	1.8%	5.80%
From 1 July to the Latest Practicable Date	46,430,385	2.5%	8.11%

Note: Sourced from Bloomberg and the Company

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As shown in the above table, the trading volumes were within the range of approximately 1.4% and 19.5% of the total issued Shares, and between approximately 5.12% and 52.15% of the issued Shares constituting the public float of the Company. On this basis, we consider the trading of the Shares has been relatively liquid during the Review Period, which facilitates the establishment of a fair market price of the Shares.

6. Shareholding structure

The following table sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately after Completion and issue of the Consideration Shares (assuming no further Shares are issued between the Latest Practicable Date and the date of Completion):

	As at the Latest Practicable Date		Immediately after Completion and issue of the Consideration Shares	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
CIMC group and connected persons with a material interest in the Acquisition	1,322,549,645	69.8%	1,362,290,211	70.4%
Independent Shareholders	572,785,877	30.2%	572,785,877	29.6%
	1,895,335,522	100.0%	1,935,076,088	100.0%

Assuming there is no further issue of Shares between the Latest Practicable Date and the date of issue of the Consideration Shares, Independent Shareholders' holdings would be diluted by approximately 0.6% upon Completion, from approximately 30.2% to approximately 29.6%. Following the Completion, the Group would be able to secure interests in NCLS and thereby its production facilities in China. Given the benefits of the Acquisition, the slight dilution of approximately 0.6% is considered acceptable.

7. Financial effects on the Group

(i) Earnings and net asset value

Following the Acquisition, NCLS will become a wholly-owned subsidiary of the Group, and the financial results and financial position of NCLS would be consolidated into the financial statements of the Group. Given NCLS has started to record a profit in 2013, future performance of NCLS is expected to contribute positively to the consolidated turnover and profit of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As the consideration for the Acquisition is to be satisfied by the issue of new Shares, the net asset base of the Group is expected to be enlarged upon Completion. Further, given the issue price of HK\$10.6 per Consideration Share is significantly higher than the Group's net asset value per Share of approximately HK\$3.35 as at 31 December 2013, it is expected that there will be an enhancement of the Group's net asset value per Share upon Completion.

(ii) Gearing and working capital

As at 31 December 2013, the Group has net cash balance of approximately RMB1,491.3 million. Given (i) the borrowings on the book of NCLS of approximately RMB339.1 million as at 31 December 2013, and (ii) the fact that the issue of the Consideration Shares will enlarge the net asset base of the Group, the Group is expected to maintain a net cash position and a healthy gearing following Completion.

OPINION AND RECOMMENDATION

Having taken into account the above principal factors and reasons, we consider that the Acquisition is on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned. We consider the entering into of the Agreement is in the ordinary and usual course of business of the Company and in the interests of the Company and its shareholders as a whole. We therefore advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Acquisition.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED

M. N. Sabine
Chairman

John Wong
Director

Mr. M. N. Sabine is a licensed person registered with the SFC and as a responsible officer of Somerley to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and has over twenty years of experience in corporate finance industry.

Mr. John Wong is a licensed person registered with the SFC and as a responsible officer of Somerley to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and has over six years of experience in corporate finance industry.

The following is the text of a letter, summary of value and valuation certificate, prepared for the purpose of incorporation in this circular received from BMI Appraisals Limited, an independent valuer, in connection with its valuation as at 31 May 2014 of the property located in the People's Republic of China.

BMI APPRAISALS

BMI Appraisals Limited 中和邦盟評估有限公司

33rd Floor, Shui On Centre, Nos. 6-8 Harbour Road, Wanchai, Hong Kong
香港灣仔港灣道6-8號瑞安中心33樓
Tel電話：(852) 2802 2191 Fax傳真：(852) 2802 0863
Email電郵：info@bmintelligence.com Website網址：www.bmi-appraisals.com

30 July 2014

The Directors
CIMC Enric Holdings Limited (the "Company")
Unit 908, 9th Floor
Fairmont House
No. 8 Cotton Tree Drive
Central, Hong Kong

Dear Sirs,

INSTRUCTIONS

We refer to the instructions from CIMC Enric Holdings Limited (the "Company") for us to value the property held by Holvrieka (China) Co., Ltd. ("NCLS") located in the People's Republic of China (the "PRC"). We confirm that we have conducted inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property as at 31 May 2014 (the "valuation date").

BASIS OF VALUATION

Our valuation of the property has been based on the Market Value, which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

VALUATION METHODOLOGY

In the course of our valuation, we have adopted the Depreciated Replacement Cost Approach. Depreciated replacement cost is defined as "the aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality and the new replacement cost of the buildings and other site works, from which appropriate deductions may then be made to allow for the age, condition, economic or functional obsolescence and environmental factors, etc.; all of these might result in the existing

property being worth less to the undertaking in occupation than would a new replacement". This basis has been used due to the lack of an established market upon which to base comparable transactions, which generally furnishes the most reliable indication of value for assets without a known used market. This opinion of value is subject to adequate profitability of the business compared to the value of the total assets employed. In arriving at the value of the land, we have made reference to comparable sales evidence as available in the market.

TITLE INVESTIGATION

We have been provided with copies of title documents in connection with the land parcels and have been advised by the Company that no further relevant documents have been produced. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendment documents, which may not appear on the copies handed to us. In the course of our valuation, we have relied upon the advice and information given by the Company's PRC legal adviser – Beijing Yingke Law Firm Shanghai Office regarding the title of the property located in the PRC. All documents have been used for reference only.

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the property is sold in the market in its existing state without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which might serve to affect the value of the property.

In addition, no account has been taken of any option or right of pre-emption concerning or effecting sale of the property and no forced sale situation in any manner is assumed in our valuation.

VALUATION CONSIDERATIONS

The inspection of the property was conducted by Mr. Samson Ho (BSc (Hons) in Real Estate), MHKIS in May 2014. We have inspected the exterior and wherever possible, the interior of the property. In the course of our inspection, we did not note any serious defects. However, no structural survey has been made nor have any tests been carried out on any of the services provided in the property. We are, therefore, unable to report that the property is free from rot, infestation or any other structural defects.

In the course of our valuation, we have relied to a considerable extent on the information given by the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, particulars of occupancy, site/floor areas, identification of the property and other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the site/floor areas in respect of the property but have assumed that the site/floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Company and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Company and we have relied on your confirmation that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information for us to reach an informed view.

No allowances have been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation, which may be incurred in effecting a sale or purchase.

Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

Our valuation has been prepared in accordance with The HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors.

Our valuation has been prepared under the generally accepted valuation procedures and is in compliance with the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

REMARKS

Unless otherwise stated, all money amounts stated herein are in Renminbi (RMB) and no allowances have been made for any exchange transfers.

Our Summary of Value and the Valuation Certificate are attached herewith.

Yours faithfully,
For and on behalf of
BMI APPRAISALS LIMITED

Dr. Tony C. H. Cheng

*BSc., MUD, MBA(Finance), MSc.(Eng), PhD(Econ),
SIFM, FCIM, CPA UK, MHKIS, MCI Arb
MASCE, MIET, MIEEE, MASME, MIIIE
Managing Director*

Joannau W. F. Chan

*BSc., MSc., MRICS, MHKIS, RPS(GP)
Senior Director*

Notes:

Dr. Tony C.H. Cheng is a member of The Hong Kong Institute of Surveyors (General Practice) who has over 21 years' experience in valuations of properties in the People's Republic of China.

Ms. Joannau W.F. Chan is a member of The Hong Kong Institute of Surveyors (General Practice) who has over 15 years' experience in valuations of properties in the People's Republic of China.

SUMMARY OF VALUE

Property held by NCLS in the PRC

Property	Market Value in existing state as at 31 May 2014 RMB
Two land parcels, various buildings and structures located at No. 109 Hexing Road, Nantong Economic & Technological Development Area, Nantong City, Jiangsu Province, The PRC	
位於 中國江蘇省南通市 南通經濟技術開發區 和興路109號的 兩塊土地、若干建築物及構築物	325,660,000
Total:	325,660,000

VALUATION CERTIFICATE

Property held by NCLS in the PRC

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 May 2014 RMB
<p>Two land parcels, various buildings and structures located at No. 109 Hexing Road, Nantong Economic & Technological Development Area, Nantong City, Jiangsu Province, The PRC</p> <p>位於 中國江蘇省南通市 南通經濟技術開發區 和興路109號的 兩塊土地、若干建築物及構築物</p>	<p>The property comprises two parcels of land with a total site area of approximately 404,963.18 sq.m. with various buildings and structures erected thereon.</p> <p>As advised by the Company, the total gross floor area ("GFA") of the buildings is approximately 55,611.88 sq.m.</p> <p>The land use rights of the two parcels of land of the property have been granted for terms expiring on 4 May 2058 and 29 October 2058 respectively for industrial uses.</p>	<p>The pier of the property together with various plants and machineries are leased to a connected party. The remaining portion of the property is occupied by the Company for production purposes.</p>	<p>325,660,000</p> <p>(please refer to the assumptions as stated in Note 4 below)</p>

Notes:

1. Pursuant to two State-owned Land Use Rights Certificates (國有土地使用證), Tong Kai Guo Yong (2008) Di No. 0301018 and Tong Kai Guo Yong (2009) Di No. 0301030, issued by Nantong Municipal Land Resources Bureau (南通市國土資源局) dated 9 May 2008 and 15 May 2009 respectively, the land use rights of two land parcels with a total site area of approximately 404,963.18 sq.m. have been granted to NCLS for terms expiring on 4 May 2058 and 29 October 2058 for industrial uses. The certificates are valid until 5 May 2010 and 16 December 2010 respectively.
2. For the buildings of the property with a total GFA of approximately 55,611.88 sq.m., we have not been provided with any title certificates. We have relied on the information provided by the Company regarding the completion years, floor areas and types of construction of the buildings.
3. The opinion of the PRC legal adviser to the Company contains, inter alia, the following:
 - a. The Land Use Rights Certificates mentioned in Note 1 have passed the dates of validity and have not yet been renewed. According to the relevant government authority, there is no adverse effect on the legal ownership of the land use rights of the property;
 - b. The land premium of the property has been settled in full;

- c. NCLS has the rights to legally transfer and mortgage the land uses rights of the property provided that the NCLS has completed more than 25% of the total investment, the requirements for formation of industrial or other construction land and relevant government approval procedures, as agreed under the State-owned Land Use Rights Grant Contracts of the property;
 - d. NCLS has not yet obtained the Building Ownership Certificates of the property and the application of the relevant certificates is in progress;
 - e. The property may be subject to contractual or administrative penalty arising from default to fulfill development requirements and absence of completing relevant procedures and obtaining relevant permits before commencing the construction works of the property.
4. In the course of our valuation, we have assumed that NCLS is in possession of a proper legal title to the land use rights and building ownership rights of the property, and is entitled to transfer the property (including the land parcels and buildings & structures erected on) freely in the market.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

(i) Long position in the Shares

Director	Capacity	Number of Shares held as at the Latest Practicable Date	% of issued share capital as at the Latest Practicable Date (Note)
Zhao Qingsheng	Beneficial owner	214,000	0.01%

Note: The percentage is calculated based on the total number of ordinary shares of the Company in issue as at the Latest Practicable Date, which was 1,895,335,522.

(ii) Long position in underlying shares of equity derivatives of the Company

Options were granted by the Company on 11 November 2009, 28 October 2011 and 5 June 2014 under a share option scheme approved by the Shareholders on 12 July 2006:

Name of Director	Exercise price (HK\$)	Number of share options outstanding as at the Latest Practicable Date	% of total Shares as at the Latest Practicable Date	Exercisable Period
Zhao Qingsheng	4.00	1,000,000	0.05%	11/11/2010–10/11/2019
	2.48	450,000	0.02%	28/10/2013–27/10/2021
	11.24	500,000	0.03%	05/06/2014–04/06/2024
Gao Xiang	4.00	1,000,000	0.05%	11/11/2010–10/11/2019
	2.48	500,000	0.03%	28/10/2013–27/10/2021
	11.24	400,000	0.02%	05/06/2014–04/06/2024
Jin Jianlong	4.00	800,000	0.04%	11/11/2010–10/11/2019
	2.48	300,000	0.02%	28/10/2013–27/10/2021
	11.24	300,000	0.02%	05/06/2014–04/06/2024
Yu Yuqun	4.00	698,000	0.04%	11/11/2010–10/11/2019
	2.48	300,000	0.02%	28/10/2013–27/10/2021
	11.24	300,000	0.02%	05/06/2014–04/06/2024
Jin Yongsheng	4.00	500,000	0.03%	11/11/2010–10/11/2019
	2.48	300,000	0.02%	28/10/2013–27/10/2021
	11.24	300,000	0.02%	05/06/2014–04/06/2024
Wong Chun Ho	4.00	500,000	0.03%	11/11/2010–10/11/2019
	2.48	300,000	0.02%	28/10/2013–27/10/2021
	11.24	300,000	0.02%	05/06/2014–04/06/2024
Tsui Kei Pang	2.48	300,000	0.02%	28/10/2013–27/10/2021
	11.24	300,000	0.02%	05/06/2014–04/06/2024
Zhang Xueqian	2.48	300,000	0.02%	28/10/2013–27/10/2021
	11.24	300,000	0.02%	05/06/2014–04/06/2024

(iii) Long position in the shares of associated corporations

Associated corporation	Name of Director	Capacity	Number of Shares/ underlying Shares held as at the Latest Practicable Date	Shareholding % as at the Latest Practicable Date
CIMC Vehicle (Group) Co., Ltd.	Zhao Qingsheng	Beneficiary of a trust (Note 1)	3,350,000	1.52% (Note 2)
	Gao Xiang	Beneficiary of a trust (Note 1)	1,350,000	0.61% (Note 2)
	Jin Jianlong	Beneficiary of a trust (Note 1)	2,350,000	1.06% (Note 2)
	Yu Yuqun	Beneficiary of a trust (Note 1)	2,350,000	1.06% (Note 2)
CIMC	Zhao Qingsheng	Beneficial owner (Note 3)	1,500,000	0.06% (Note 4)
	Gao Xiang	Beneficial owner (Note 3)	500,000	0.02% (Note 4)
	Jin Jianlong	Beneficial owner (Note 3)	1,000,000	0.04% (Note 4)
	Yu Yuqun	Beneficial owner (Note 3)	1,000,000	0.04% (Note 4)

Notes:

- Pursuant to a stock credit plan (the "Stock Credit Plan") adopted by CIMC Vehicle (Group) Co., Ltd. ("CIMC Vehicle Group"), China Resources SZITIC Trust Co., Ltd. has been appointed as trustee to acquire and to hold on trust, for the benefit of certain employees of CIMC Vehicle Group, a 20% equity interest in CIMC Vehicle Group. Under the Stock Credit Plan, there are a total of 220,700,000 units, of which 212,540,000 units were allocated as at the Latest Practicable Date. Zhao Qingsheng, Gao Xiang, Jin Jianlong and Yu Yuqun, all being executive Directors, are participants in the Stock Credit Plan, with 3,350,000 units, 1,350,000 units, 2,350,000 units and 2,350,000 units allocated respectively. CIMC Vehicle Group is controlled by CIMC as to 80%.
- The percentage is calculated based on the total number of allocated stock credit units under the Stock Credit Plan as at the Latest Practicable Date, which was 220,700,000.
- Zhao Qingsheng, Gao Xiang, Jin Jianlong and Yu Yuqun were granted stock options by CIMC, an associated corporation of the Company listed on the Shenzhen Stock Exchange

and the Main Board of the Stock Exchange, with 1,500,000 units, 500,000 units, 1,000,000 units and 1,000,000 units of options respectively on 28 September 2010, pursuant to a stock option incentive scheme adopted by CIMC. The stock options granted to any grantee are exercisable at an exercise price of RMB11.35 per share, and 25% of which are exercisable between 28 September 2012 and 26 September 2014; another 75% of which are exercisable between 29 September 2014 and 25 September 2020.

4. The percentage is calculated based on the total number of share capital of CIMC in issue as at the Latest Practicable Date, which was 2,667,465,851.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executives of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations were recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the SFO and the Model Code.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executives of the Company had any rights to subscribe for equity or debt securities of the Company.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as was known to the Directors or chief executive of the Company, as at the Latest Practicable Date, the following persons (other than a Director or chief executive of the Company) or corporations had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group or in any options in respect of such capital:

Substantial shareholder	Capacity	Number of shares held as at the Latest Practicable Date	% of issued share capital as at the Latest Practicable Date (Note 1)
CIMC	Interest of controlled corporation	1,322,335,645 (Note 2)	69.77%
CIMC HK	Interest of controlled corporation	190,703,000 (Note 3)	10.06%
	Beneficial owner	1,131,632,645	59.71%
Charm Wise	Beneficial owner	190,703,000 (Note 3)	10.06%

Notes:

1. The percentages are calculated based on the total number of ordinary shares of the Company in issue as at the Latest Practicable Date, which was 1,895,335,522.
2. These ordinary shares comprise 190,703,000 ordinary shares held by Charm Wise and 1,131,632,645 ordinary shares held by CIMC HK. Charm Wise and CIMC HK are wholly-owned subsidiaries of CIMC.
3. The two references to 190,703,000 ordinary shares refer to the same block of shares held by Charm Wise, which is directly held by CIMC HK as to 100%.
4. The table below sets out the posts held by the Directors in the following substantial Shareholders as at the Latest Practicable Date:

CIMC

Name of Director	Posts held in CIMC
Zhao Qingsheng	Vice-president
Jin Jianlong	General manager of financial management department
Yu Yuqun	Secretary to the board of directors

CIMC HK

Name of Director	Posts held in CIMC HK
Zhao Qingsheng	Director
Jin Jianlong	Director

Charm Wise

Name of Director	Posts held in Charm Wise
Zhao Qingsheng	Director

Save as disclosed above, as at the Latest Practicable Date, the Directors or the chief executive of the Company were not aware of any other person or corporation (other than a Director or the chief executive of the Company) who had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or in any options in respect of such capital.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, no Director has entered, or is proposing to enter, into any service contract with any member of the Group which does not expire or is not terminable within one year without payment of compensation (other than statutory compensation).

5. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and, so far as the Directors are aware, no litigation, arbitration or claim of material importance is pending or threatened against the Company or any of its subsidiaries.

6. DIRECTORS' INTERESTS IN ASSETS AND/OR CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2013, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement which is significant in relation to the business of the Group.

7. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the following Directors were interested in the following businesses apart from the Group's business, which competes or may compete, either directly or indirectly, with the business of the Group:

Director	Name of competing entity	Description of business	Nature of interest of the Director in the competing entity
Zhao Qingsheng	NCLS	as set out in "3. Information on NCLS" under the section titled "Letter from the Board" in this circular	director and chairman of the board
Gao Xiang	NCLS	(same as above)	director
Jin Jianlong	NCLS	(same as above)	director

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates (as defined in the Listing Rules) had any interest in a business which competed or was likely to compete with the business of the Group.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2013, being the date to which the latest published audited financial statements of the Company were made up.

9. QUALIFICATIONS AND CONSENT OF EXPERT

The following is the qualification of experts who have given opinion or advice which is contained in this circular:

Name	Qualification
Somerley Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
BMI Appraisals Limited	Property valuer

- (a) As at the Latest Practicable Date, each of Somerley and BMI Appraisals Limited does not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.
- (b) As at the Latest Practicable Date, each of Somerley and BMI Appraisals Limited does not have any direct or indirect interest in any assets which had been, since 31 December 2013, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.
- (c) Each of Somerley and BMI Appraisals Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and reference to its name in the form and context in which they appear.

10. GENERAL

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company in Hong Kong is at Unit 908, 9th Floor, Fairmont House, No. 8 Cotton Tree Drive, Central, Hong Kong.
- (b) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

- (c) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

11. DOCUMENTS AVAILABLE FOR INSPECTION

The Agreement will be available for inspection at the principal place of business of the Company in Hong Kong at Unit 908, 9th Floor, Fairmont House, No. 8 Cotton Tree Drive, Central, Hong Kong during normal business hours from the date of this circular up to and including the date of EGM, which is 25 August 2014.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of CIMC Enric Holdings Limited (the "Company") will be held at United Conference Centre, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 25 August 2014 at 3:00 p.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

"THAT:

- (a) the equity interest transfer agreement dated 10 July 2014 entered into between CIMC Tank Equipment Investment Holdings Company Limited (the "Vendor") and Sound Winner Holdings Limited in respect of the acquisition of the entire equity interest of 南通中集大型儲罐有限公司 (Holvrieka (China) Co., Ltd.*) (the "Agreement", a copy of which has been produced before the Meeting marked "A" and initialed by the chairman of the Meeting for the purpose of identification) and all the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the allotment and issue to the Vendor of 39,740,566 Consideration Shares (as defined in the circular of the Company dated 30 July 2014 (the "Circular")) credited as fully paid-up at the issue price of HK\$10.60 per Consideration Share, as consideration for the Acquisition (as defined in the Circular) pursuant to the Agreement be and is hereby approved; and
- (c) the directors of the Company be and are hereby authorised for and on behalf of the Company to sign, seal, execute, perfect, perform and deliver all such agreements, instruments, documents and deeds, and do all such acts, matters and things and take all such steps as they may in their discretion consider necessary, desirable or expedient to implement and/or to give effect to the Agreement and all the terms and the transactions contemplated thereunder (including without limitation, the allotment and issue of the Consideration Shares) as such director may in his discretion consider to be desirable and in the interests of the Company."

By Order of the Board
CIMC Enric Holdings Limited
Zhao Qingsheng
Chairman

Hong Kong, 30 July 2014

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principle place of business in Hong Kong:

Unit 908, 9th Floor
Fairmont House
No. 8 Cotton Tree Drive
Central, Hong Kong

Head office in the PRC:

CIMC R&D Center
No. 2 Gangwan Avenue
Shekou Industrial Zone
Shenzhen, Guangdong
PRC

Notes:

1. Any member of the Company entitled to attend and vote at the meeting (or any adjourned meeting thereof) is entitled to appoint one or more proxies to attend and vote for him. A proxy need not be a member of the Company.
2. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be delivered to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or any adjourned meeting thereof).
3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting (or any adjourned meeting) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint holders of any share in the Company, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he was solely entitled, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.
5. If typhoon signal no. 8 or above remains hoisted or a black rainstorm warning signal is in force at 11:30 a.m. on the date of the meeting, the meeting will be postponed or adjourned. Members of the Company are requested to visit the website of the Company for details of alternative meeting arrangements. The meeting will be held as scheduled when an amber or red rainstorm warning signal is in force. Members should make their own decision as to whether they would attend the EGM under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.
6. As at the date of this notice, the board of directors of the Company consists of Mr. Zhao Qingsheng (*Chairman*), Mr. Gao Xiang (*General Manager*), Mr. Jin Jianlong and Mr. Yu Yuqun as executive directors; Mr. Jin Yongsheng as a non-executive director; and Mr. Wong Chun Ho, Mr. Tsui Kei Pang and Mr. Zhang Xueqian as independent non-executive directors.