

[For Immediate Release]



(Stock code: 3899.HK)

CIMC Enric Announces 2021 Interim Results

Three Major Businesses Achieved Qualitative Growth Revenue and Net Profit Significantly Increased

Financial Highlights

	Six months ended June 30		
	2021	2020	Change
	RMB'000	RMB'000	
Revenue	7,940,016	5,319,352	49.3%
Gross profit	1,180,601	756,927	56.0%
Profit from operations	513,960	287,778	78.6%
Profit for the period	386,305	205,230	88.2%
Profit attributable to shareholders	383,411	215,993	77.5%
Earnings per share – Basic	RMB 0.195	RMB 0.109	78.9%

(24 August 2021 – Hong Kong) - CIMC Enric Holdings Limited (“CIMC Enric” or “the Company”) together with its subsidiaries (the "Group") (stock Code: 3899.HK) is pleased to announce today its unaudited interim results for the six months ended 30 June 2021 (the "Review Period").

Chairman and Non-executive Director of CIMC Enric Mr. Gao Xiang commented, “In the first half of 2021, the pandemic gradually eased and the global economy steadily recovered. As countries around the world pay more attention to global climate change, a series of carbon emission plans such as Emission Peak and Carbon Neutrality have been gradually implemented, and clean energy sources such as natural gas and hydrogen have become increasingly important. During the period under review, the Group actively seized opportunities to grow its three major businesses, adjusted its global market strategy in a timely manner, and promoted industrial development through high-end intelligent manufacturing and delicacy management. In the first half of the year, the Group recorded significant growth in revenue and net profit year-on-year, achieving satisfactory results.”

Business Performance

In the first half of 2021, the Group's revenue increased by 49.3% to RMB 7,940,016,000 (1H2020: RMB 5,319,352,000); Profit attributable to shareholders increased significantly by 77.5% to RMB 383,411,000 (1H2020: RMB 215,993,000), and basic earnings per share was RMB0.195 (1H2020: RMB 0.109), representing a year-on-year increase of 78.9%.

For the **clean energy** segment, revenue increased by 48.7% to RMB 4,452,048,000 (1H2020: RMB2,993,243,000), accounting for 56.1% of the Group's total revenue (1H2020: 56.3%). This significant increase in revenue was mainly due to increases in natural gas consumption in the backdrop of gradually eased pandemic, which led to a growth in sales for storage and transportation-related equipment such as LNG storage tanks, LNG tank containers and LNG trailers. At the same time, sales of related equipment such as LPG spherical tanks and liquefied gas trailers increased, benefiting from recovery in the global oil products market and China's "Rural Revitalization" policy. In August 2021, the Group strengthened its position in the offshore clean energy industry chain by acquiring Fengshun assets through auction. This has consolidated the Group's competitive advantage and industry-leading position in the offshore clean energy equipment manufacturing and engineering field. During the period under review, the Group's hydrogen business developed rapidly. The Group established Type 4 on-vehicle hydrogen cylinder and hydrogen supply system joint ventures with Hexagon Purus HK Holdco AS. It also formed a joint venture with Angang Energy Technology Co., Ltd. to produce LNG and jointly-produce hydrogen from coke-oven gas and secured an order for on-board hydrogen supply systems worth approximately RMB 100 million.

For the **Chemical and Environmental** segment, revenue increased by 42.1% to RMB 1,523,254,000 (1H2020: RMB 1,072,219,000), accounting for 19.2% of the Group's overall revenue (1H2020: 20.2%). This increase was mainly due to strong demand of chemical tank containers following higher price of chemicals and derivatives and improvements in the export market during the period. In terms of the newly-entered environmental protection business, the self-developed high-efficiency denitrification reactor has passed the mid-term test and applied to the actual scene. The inorganic engineered stone products of the solid waste treatment business have been launched to the market, and other hazardous waste treatment projects are also progressing steadily.

For the **liquid food** segment, revenue increased by 42.6% to RMB 1,457,118,000 during the year (1H2020: RMB 1,021,611,000), accounting for 18.4% of the Group's total revenue

(1H2020: 19.2%). This increase in revenue during the period was mainly due to the resumption of on-site construction projects for liquid food as the pandemic was brought under control. Leveraging its world-leading turnkey project solutions, the Group signed important new orders during the period under review.

Prospects and Future plans

For the **clean energy segment**, energy utilization reform and clean and environmental protection policies have been announced in various regions in line with the construction requirements for the modern energy system. According to Wood Mackenzie Consulting, demand for natural gas in China will grow rapidly until 2030. As the country increases its energy conservation and emission reduction efforts, production, storage, transportation equipment and the terminal application market for LNG are all expected to grow. In the field of offshore clean energy, the IMO's "sulfur limit order" requirements for the shipping industry, and a series of policies such as giving priority to LNG-powered ships to pass through locks in various regions, have stimulated global demand for small and medium-size liquefied gas carriers. According to the "Energy-saving and New Energy Vehicle Technology Roadmap 2.0" issued by the Society of Automotive Engineers of China, the number of hydrogen fuel cell vehicles in China will grow to 100,000 units by 2025 with at least 1,000 hydrogen refueling stations being built. As a leading on-board hydrogen supply system supplier and the only domestic core hydrogen equipment manufacturer that can independently manufacture all equipment for hydrogen refueling stations, we actively create various hydrogen application demonstration projects to facilitate the construction of a complete hydrogen industry chain.

In order to better meet domestic and overseas opportunities for carbon emissions reduction, the Group adheres to an "equipment manufacturing + project engineering service + integrated solution" as the main direction for its core business. Actively tracking national policies, this covers the entire industry value chain for natural gas and hydrogen to help facilitate the national goals of "dual carbon." With an emphasis on building a full product portfolio to cover the entire LNG and LPG business chains, this segment strategically covers the core hydrogen business sector, while continuously adjusting and optimising its high-pressure equipment business including industrial gases (such as oxygen, nitrogen, argon and carbon dioxide), electron gas and CNG. We will also seize new opportunities to develop equipment and applications for hydrogen storage, distribution and refuelling, processing and

application equipment for unconventional natural gas, and offshore clean energy industry chain applications.

In terms of the **Chemical and Environmental segment**, the Group is currently the global leader having the world's largest production capacity, the most complete and varied range, and the longest service chain of tank containers. With the petrochemical industry rapidly developing, the market for dangerous goods logistics has significantly increased in size. As the industry becomes gradually more standardized, the penetration rate of chemical tank containers is expected to increase. The Group will increasingly invest in R&D into technology to meet its strategic target of upgrading to more advanced manufacturing, and vigorously expanding the application fields of tank containers while consolidating its leadership position in the tank container market. It will also use IOT technology to make its products more intelligent.

In recent years, China's environmental protection policies have become more stringent and demand for hazardous waste disposal treatment has grown, creating a huge market opportunity. The Group's chemical and environmental segment will therefore take industrial waste and general industrial solid waste treatment as a key development direction. It will establish operational capability for the whole industry chain, focus on the twin business dimensions of "resource utilization + ecological environment service", conduct large-scale and standardized development, and make major leaps forward in growing its environmental protection business.

For the **liquid food segment**, demand for beer in Europe and the United States has gradually recovered in spite of the pandemic. Given the trend of consumption upgrades in the China market, the size of the domestic craft beer market will increase substantially. Looking ahead, the liquid food segment will continue to consolidate its leadership position in the beer and distilling sectors, and strive to become a global leader in stainless steel storage tanks, processing equipment manufacturing, and turnkey projects for various types of liquid food. The segment closely monitors changes in market conditions, reviews and adjusts its development strategies in a timely manner, and is committed to reducing costs and developing new products such as hard seltzers equipment to create fresh revenue sources. Based in Europe, this segment will expand its business into various markets that show potential, grow its market share, and enhance its position in the industry through organic growth or mergers & acquisitions.

Looking ahead, **Chairman and Non-Executive Director of CIMC Enric Mr. Gao Xiang** concluded, “2021 is the first year of the ‘14th Five-Year Plan’. As the cleanest fossil energy with the lowest carbon content, natural gas will be an indispensable bridge to achieving the dual carbon goals. With the launch of the national carbon trading market, many coal-fired power enterprises will accelerate the transformation toward low-carbon; and the proportion of renewable energy consumption will greatly increase which in turn will stimulate the production, storage & transportation equipment and terminal application market for LNG. As a leading manufacturer of hydrogen storage, distribution and processing equipment, we actively initiate various hydrogen energy application demonstration projects to facilitate the construction of a complete hydrogen energy industry chain. Meanwhile, the Group will actively grasp the market opportunities brought by the increasing penetration rate of chemical tank containers due to more stringent environmental protection policies, as well as the growth potential of beer and baijiu markets under the trend of consumption upgrades, adhere to follow ‘dual circulation’ development paradigm, and optimize products and business models to gain better results.”

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About CIMC Enric Holdings Limited

Founded in 2004, CIMC Enric Holdings Limited has been listed on the Stock Exchange of Hong Kong since 2005. The Company is affiliated to China International Marine Container (Group) Ltd. (“CIMC”) and is principally engaged in transportation, storage and processing equipment that is widely used for the clean energy, chemical, environmental and liquid food industries. CIMC Enric is one of the industry’s leading integrated service providers and key equipment manufacturers. The Company is a major player in both the production and sales of ISO liquid tanks, as well as high-pressure gas storage and transport vehicles. It is among China’s leading companies in the cryogenic transport vehicles and cryogenic storage tanks market; and among the top three in terms of domestic market share for large storage tanks for LNG receiving stations, and modular products for LNG refuelling stations. CIMC Enric has a comprehensive plan for a complete hydrogen energy industry chain. It has built a global marketing network with over 20 subsidiaries located in China, the Netherlands, Germany, Belgium, the United Kingdom and Canada that operate production bases and advanced R&D centres.

For more information, please visit <http://www.enricgroup.com>

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