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**China Jinmao Holdings Group Limited**  
**中國金茂控股集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 00817)**

**ANNOUNCEMENT**  
**MAJOR TRANSACTION AND CONNECTED TRANSACTION**  
**ACQUISITION OF EQUITY INTERESTS IN YIN HUI AND**  
**INTERNATIONAL SHIPPING**

**YIN HUI ACQUISITION AND INTERNATIONAL SHIPPING ACQUISITION**

Reference is made to the announcement of the Company dated 13 December 2017 in relation to the proposed disposal by SIPG of its 50% equity interest in each of Yin Hui and International Shipping through the listing-for-sale process organized by the Assets and Equity Exchange.

The Board hereby announces that Changsha Rongmao, a wholly-owned subsidiary of the Company, won the bid for the 50% equity interest in each of Yin Hui and International Shipping at a consideration of RMB2,857,681,300 in aggregate through the listing-for-sale process organized by the Assets and Equity Exchange. On 12 January 2018, Changsha Rongmao and SIPG entered into the Yin Hui Agreement and the International Shipping Agreement in relation to the Yin Hui Acquisition and the International Shipping Acquisition, respectively. Upon completion of the Yin Hui Acquisition and the International Shipping Acquisition, the Group will hold 100% equity interest in each of Yin Hui and International Shipping.

**LISTING RULES IMPLICATIONS**

As at the date of this announcement, each of Yin Hui and International Shipping is held as to 50% by the Company and 50% by SIPG, and each of them is a non-wholly owned subsidiary of the Company. SIPG is a substantial shareholder of Yin Hui and International Shipping and is therefore a connected person of the Company at the subsidiary level. Accordingly, the Yin Hui Acquisition and the International Shipping Acquisition constitute connected transactions between the Group and a connected person at the subsidiary level under Chapter 14A of the Listing Rules. Given that (i) the Board has approved the Yin Hui Acquisition and the International Shipping Acquisition, and (ii) the independent non-executive Directors have confirmed that the terms of the Yin Hui Acquisition and the International Shipping Acquisition are fair and reasonable, and the Yin Hui Acquisition and the International Shipping Acquisition are on normal commercial terms or better and in the interests of the Company and its shareholders as a whole, the Yin Hui Acquisition and the International Shipping Acquisition are only subject to the reporting and announcement requirements, but are exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Yin Hui Acquisition and the International Shipping Acquisition on an aggregated basis are more than 25% but less than 100%, the Yin Hui Acquisition and the International Shipping Acquisition constitute a major transaction of the Company and are subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no shareholder has a material interest in the Yin Hui Acquisition and the International Shipping Acquisition, and therefore none of the shareholders is required to abstain from voting if the Company were to convene a general meeting to approve the Yin Hui Acquisition and the International Shipping Acquisition. The Company has obtained a written approval in respect of the Yin Hui Acquisition and the International Shipping Acquisition from Sinochem Hong Kong, the immediate controlling shareholder of the Company, which owns 5,759,881,259 shares of the Company, representing approximately 53.95% of the total number of issued shares of the Company as at the date of this announcement. Pursuant to Rule 14.44 of the Listing Rules, the written approval from Sinochem Hong Kong can be accepted in lieu of holding a general meeting for the purpose of approving the Yin Hui Acquisition and the International Shipping Acquisition.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further information relating to the Yin Hui Acquisition and the International Shipping Acquisition and other information required by the Listing Rules shall be dispatched to the shareholders within 15 business days after publication of this announcement. As more time is required for the Company to prepare the relevant information (including but not limited to the indebtedness statement of the Group and the accountants' report of Yin Hui and International Shipping) for inclusion in the circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules. The Company will publish an announcement in relation to the dispatch of the circular as and when appropriate.

## **BACKGROUND**

Reference is made to the announcement of the Company dated 13 December 2017 in relation to the proposed disposal by SIPG of its 50% equity interest in each of Yin Hui and International Shipping through the listing-for-sale process organized by the Assets and Equity Exchange.

The Board hereby announces that Changsha Rongmao, a wholly-owned subsidiary of the Company, won the bid for the 50% equity interest in each of Yin Hui and International Shipping at a consideration of RMB2,857,681,300 in aggregate through the listing-for-sale process organized by the Assets and Equity Exchange. On 12 January 2018, Changsha Rongmao and SIPG entered into the Yin Hui Agreement and the International Shipping Agreement in relation to the Yin Hui Acquisition and the International Shipping Acquisition, respectively. Upon completion of the Yin Hui Acquisition and the International Shipping Acquisition, the Group will hold 100% equity interest in each of Yin Hui and International Shipping.

## **YIN HUI ACQUISITION**

### **Parties**

Vendor: SIPG

Purchaser: Changsha Rongmao

## **Interests to be Acquired**

Pursuant to the Yin Hui Agreement, SIPG agreed to sell and Changsha Rongmao agreed to purchase 50% equity interest in Yin Hui. Upon completion of the Yin Hui Acquisition, the Group will hold 100% equity interest in Yin Hui.

## **Consideration, Payment and Completion**

The consideration for the Yin Hui Acquisition is RMB949,902,900, being the minimum bidding price as set forth in the Listing-for-sale Document, which was arrived at as a result of the successful bidding by Changsha Rongmao through the listing-for-sale process. Such minimum bidding price was determined based on the net assets value of Yin Hui as at 31 August 2017, being RMB2,415,044,440.73, as valued by an independent valuer, less the profit to be distributed by Yin Hui to its shareholders amounting to RMB515,238,700.

The consideration for the Yin Hui Acquisition shall be funded by the internal resources of the Group, and payable in cash by Changsha Rongmao in the following manner:

- (i) Security deposit: Changsha Rongmao has paid the security deposit of RMB94,990,290 to the bank account designated by the Assets and Equity Exchange. Upon execution of the Yin Hui Agreement, the security deposit will automatically be converted into part of the consideration;
- (ii) Initial consideration: Changsha Rongmao shall pay 30% of the consideration (after deduction of the paid security deposit) to the bank account designated by the Assets and Equity Exchange within five business days following the execution of the Yin Hui Agreement. Upon payment by Changsha Rongmao of the initial consideration, SIPG and Changsha Rongmao shall apply to the Assets and Equity Exchange for a transaction certificate. The Assets and Equity Exchange shall transfer the initial consideration received from Changsha Rongmao to the bank account designated by SIPG within three business days from the date of the transaction certificate; and
- (iii) Remaining consideration: Changsha Rongmao shall pay the remaining consideration, together with the interests accrued thereon calculated at the bank loan rate for the period from the payment date of the initial consideration to the date on which the remaining consideration is fully paid, to the bank account designated by SIPG by 1 May 2018.

Within five business days after the consideration of the Yin Hui Acquisition is fully paid by Changsha Rongmao, SIPG and Changsha Rongmao shall cooperate with Yin Hui to complete the relevant procedures for the change of registration with the department in charge of industrial and commercial administration in respect of the Yin Hui Acquisition.

## **INTERNATIONAL SHIPPING ACQUISITION**

### **Parties**

Vendor: SIPG

Purchaser: Changsha Rongmao

## **Interests to be Acquired**

Pursuant to the International Shipping Agreement, SIPG agreed to sell and Changsha Rongmao agreed to purchase 50% equity interest in International Shipping. Upon completion of the International Shipping Acquisition, the Group will hold 100% equity interest in International Shipping.

## **Consideration, Payment and Completion**

The consideration for the International Shipping Acquisition is RMB1,907,778,400, being the minimum bidding price as set forth in the Listing-for-sale Document, which was arrived at as a result of the successful bidding by Changsha Rongmao through the listing-for-sale process. Such minimum bidding price was determined based on the net assets value of International Shipping as at 31 August 2017, being RMB3,981,599,134.44, as valued by an independent valuer, less the profit to be distributed by International Shipping to its shareholders amounting to RMB166,042,500.

The consideration for the International Shipping Acquisition shall be funded by the internal resources of the Group, and payable in cash by Changsha Rongmao in the following manner:

- (i) Security deposit: Changsha Rongmao has paid the security deposit of RMB190,777,840 to the bank account designated by the Assets and Equity Exchange. Upon execution of the International Shipping Agreement, the security deposit will automatically be converted into part of the consideration;
- (ii) Initial consideration: Changsha Rongmao shall pay 30% of the consideration (after deduction of the paid security deposit) to the bank account designated by the Assets and Equity Exchange within five business days following the execution of the International Shipping Agreement. Upon payment by Changsha Rongmao of the initial consideration, SIPG and Changsha Rongmao shall apply to the Assets and Equity Exchange for a transaction certificate. The Assets and Equity Exchange shall transfer the initial consideration received from Changsha Rongmao to the bank account designated by SIPG within three business days from the date of the transaction certificate; and
- (iii) Remaining consideration: Changsha Rongmao shall pay the remaining consideration, together with the interests accrued thereon calculated at the bank loan rate for the period from the payment date of the initial consideration to the date on which the remaining consideration is fully paid, to the bank account designated by SIPG by 1 May 2018.

Within five business days after the consideration of the International Shipping Acquisition is fully paid by Changsha Rongmao, SIPG and Changsha Rongmao shall cooperate with International Shipping to complete the relevant procedures for the change of registration with the department in charge of industrial and commercial administration in respect of the International Shipping Acquisition.

## INFORMATION ABOUT YIN HUI AND INTERNATIONAL SHIPPING

### Yin Hui

Yin Hui was established in March 2000 with a registered capital of RMB1,355 million. As at the date of this announcement, Yin Hui is held as to 50% by the Company and 50% by SIPG, and is a non-wholly owned subsidiary of the Company. The investment made by SIPG into Yin Hui amounted to RMB677.5 million. Upon completion of the Yin Hui Acquisition, Yin Hui will be held as to 50% by the Company and 50% by Changsha Rongmao, and will become a wholly-owned subsidiary of the Company.

Based on the financial statements of Yin Hui prepared in accordance with the China Accounting Standards for Business Enterprises, its audited total assets and audited net assets as at 31 December 2016 and 31 August 2017 are as follows:

	<b>As at 31 December 2016</b> <i>(approximately RMB million)</i>	<b>As at 31 August 2017</b> <i>(approximately RMB million)</i>
Audited total assets	4,613.32	3,930.62
Audited net assets	3,463.68	2,168.16

As at 31 August 2017, the total assets and net assets of Yin Hui as valued by an independent valuer were approximately RMB4,177.50 million and approximately RMB2,415.04 million, respectively.

For the two years ended 31 December 2016 and the eight months ended 31 August 2017, the audited profits (losses) of Yin Hui are as follows:

	<b>For the year ended 31 December 2015</b> <i>(approximately RMB million)</i>	<b>For the year ended 31 December 2016</b> <i>(approximately RMB million)</i>	<b>For the eight months ended 31 August 2017</b> <i>(approximately RMB million)</i>
Audited profit (loss) before tax	349.30	327.59	(127.35)
Audited profit (loss) after tax	261.91	245.94	(95.52)

## International Shipping

International Shipping was established in January 2007 with a registered capital of RMB3,150 million. As at the date of this announcement, International Shipping is held as to 50% by the Company and 50% by SIPG, and is a non-wholly owned subsidiary of the Company. The investment made by SIPG into International Shipping amounted to RMB1,575 million. Upon completion of the International Shipping Acquisition, International Shipping will be held as to 50% by the Company and 50% by Changsha Rongmao, and will become a wholly-owned subsidiary of the Company.

Based on the financial statements of International Shipping prepared in accordance with the China Accounting Standards for Business Enterprises, its audited total assets and audited net assets as at 31 December 2016 and 31 August 2017 are as follows:

	<b>As at 31 December 2016</b> <i>(approximately RMB million)</i>	<b>As at 31 August 2017</b> <i>(approximately RMB million)</i>
Audited total assets	13,756.22	8,071.86
Audited net assets	6,372.20	3,645.65

As at 31 August 2017, the total assets and net assets of International Shipping as valued by an independent valuer were approximately RMB8,407.81 million and approximately RMB3,981.60 million, respectively.

For the two years ended 31 December 2016 and the eight months ended 31 August 2017, the audited profits of International Shipping are as follows:

	<b>For the year ended 31 December 2015</b> <i>(approximately RMB million)</i>	<b>For the year ended 31 December 2016</b> <i>(approximately RMB million)</i>	<b>For the eight months ended 31 August 2017</b> <i>(approximately RMB million)</i>
Audited profit before tax	745.69	3,600.68	98.04
Audited profit after tax	563.24	2,700.47	73.44

## **Shanghai International Shipping Service Center Project**

Yin Hui and International Shipping are mainly engaged in the development of the Shanghai International Shipping Service Center Project. The Project is located at Wayside Wharf, Hongkou District, Shanghai, the PRC, with a site area of 95,594 square meters and a gross floor area of 530,933 square meters. Yin Hui is responsible for the development of the western portion of the Project with a site area of 41,345 square meters and a gross floor area of 203,681 square meters, and International Shipping is responsible for the development of the eastern and central portions of the Project with a site area of 54,249 square meters and a gross floor area of 327,252 square meters. The Project will be developed into a commercial and office complex. It is expected that the construction of the Project will be completed in August 2018. As at the date of this announcement, contracts for sale of a gross floor area of approximately 274,068 square meters have been signed, representing approximately 97% of the saleable gross floor area of the Project.

### **REASONS FOR AND BENEFITS OF THE YIN HUI ACQUISITION AND THE INTERNATIONAL SHIPPING ACQUISITION**

SIPG intended to dispose of its equity interests in Yin Hui and International Shipping. Each of Yin Hui and International Shipping is currently a non-wholly owned subsidiary of the Company. The Company is in charge of the daily operation and management of the two companies, as well as the development of the Project. Upon completion of the Yin Hui Acquisition and the International Shipping Acquisition, both Yin Hui and International Shipping will become wholly-owned subsidiaries of the Company, which can ensure the Company to complete the Project and the relevant matters smoothly. In addition, upon disposal of its equity interests in Yin Hui and International Shipping, SIPG shall be obliged to repay and procure Shanghai Xingwaitan Development and Construction Limited to repay the loans due to Yin Hui and International Shipping as soon as possible. As at the date of this announcement, the total outstanding loans amounted to approximately RMB4,230 million. The repayment of the loans will bring cash flows to the Group, which will in turn improve the overall financial position and working capital of the Group and meet the development and financial needs of the Group in other development projects.

The Directors, including the independent non-executive Directors, consider that the terms of the Yin Hui Acquisition and the International Shipping Acquisition are fair and reasonable, and the Yin Hui Acquisition and the International Shipping Acquisition are on normal commercial terms or better and in the interests of the Company and its shareholders as a whole. As no Director is regarded as having a material interest in the Yin Hui Acquisition and the International Shipping Acquisition, none of the Directors has abstained from voting on the Board resolution to approve the Yin Hui Acquisition and the International Shipping Acquisition.

### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, each of Yin Hui and International Shipping is held as to 50% by the Company and 50% by SIPG, and each of them is a non-wholly owned subsidiary of the Company. SIPG is a substantial shareholder of Yin Hui and International Shipping and is therefore a connected person of the Company at the subsidiary level. Accordingly, the Yin Hui Acquisition and the International Shipping Acquisition constitute connected transactions between the Group and a connected person at the subsidiary level under Chapter 14A of the Listing Rules. Given that (i) the Board has approved the Yin Hui Acquisition and the International Shipping Acquisition, and (ii) the independent non-executive Directors have confirmed that the terms of the Yin Hui Acquisition and the International Shipping Acquisition are fair and reasonable, and the Yin Hui Acquisition and the International Shipping Acquisition are on normal commercial terms or better and in the interests of the Company and its shareholders as a whole, the Yin Hui Acquisition and the International Shipping Acquisition are only subject to the reporting and announcement requirements, but are exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Yin Hui Acquisition and the International Shipping Acquisition on an aggregated basis are more than 25% but less than 100%, the Yin Hui Acquisition and the International Shipping Acquisition constitute a major transaction of the Company and are subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no shareholder has a material interest in the Yin Hui Acquisition and the International Shipping Acquisition, and therefore none of the shareholders is required to abstain from voting if the Company were to convene a general meeting to approve the Yin Hui Acquisition and the International Shipping Acquisition. The Company has obtained a written approval in respect of the Yin Hui Acquisition and the International Shipping Acquisition from Sinochem Hong Kong, the immediate controlling shareholder of the Company, which owns 5,759,881,259 shares of the Company, representing approximately 53.95% of the total number of issued shares of the Company as at the date of this announcement. Pursuant to Rule 14.44 of the Listing Rules, the written approval from Sinochem Hong Kong can be accepted in lieu of holding a general meeting for the purpose of approving the Yin Hui Acquisition and the International Shipping Acquisition.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further information relating to the Yin Hui Acquisition and the International Shipping Acquisition and other information required by the Listing Rules shall be dispatched to the shareholders within 15 business days after publication of this announcement. As more time is required for the Company to prepare the relevant information (including but not limited to the indebtedness statement of the Group and the accountants' report of Yin Hui and International Shipping) for inclusion in the circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules. The Company will publish an announcement in relation to the dispatch of the circular as and when appropriate.

## **INFORMATION ABOUT THE PARTIES**

The Company is a developer and operator of large-scale and quality real estate projects in the PRC. The Company is the platform enterprise of Sinochem Group Co., Ltd. in the development of real estate business. The Company is currently principally engaged in the development, sale, leasing and management of commercial and residential properties and hotel operations.

Changsha Rongmao is principally engaged in enterprise management and real estate information consultancy services in the PRC.

SIPG is principally engaged in container handling business, bulk cargo handling business, port service business and port logistics business.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Assets and Equity Exchange”            Shanghai United Assets and Equity Exchange

“Board”                                    the board of Directors of the Company



“Changsha Rongmao”	Changsha Rongmao Enterprise Management Co., Ltd. (長沙榮茂企業管理有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“Company”	China Jinmao Holdings Group Limited (中國金茂控股集團有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“International Shipping”	Shanghai International Shipping Service Center Co., Ltd. (上海國際航運服務中心開發有限公司), a company established under the laws of the PRC with limited liability, which is held as to 50% by the Company and 50% by SIPG as at the date of this announcement
“International Shipping Acquisition”	the acquisition by Changsha Rongmao of 50% equity interest in International Shipping from SIPG
“International Shipping Agreement”	the equity transfer agreement entered into between Changsha Rongmao and SIPG on 12 January 2018 in relation to the International Shipping Acquisition
“Listing-for-sale Document”	the announcement published by SIPG on the Assets and Equity Exchange on 13 December 2017 in relation to SIPG’s proposed disposal of its 50% equity interest in each of Yin Hui and International Shipping
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai International Shipping Service Center Project” or “Project”	the commercial and office complex developed on a parcel of land in Wayside Wharf, Hongkou District, Shanghai, the PRC
“shareholder(s)”	the registered holder(s) of ordinary share(s) of the Company

“Sinochem Hong Kong”	Sinochem Hong Kong (Group) Company Limited, a company incorporated in Hong Kong with limited liability and the immediate controlling shareholder of the Company, which holds approximately 53.95% of the total issued shares of the Company
“SIPG”	Shanghai International Port (Group) Co., Ltd. (上海國際港務(集團)股份有限公司), a joint stock company established under the laws of the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Yin Hui”	Shanghai Yin Hui Real Estate Development Co., Ltd. (上海銀匯房地產發展有限公司), a company established under the laws of the PRC with limited liability, which is held as to 50% by the Company and 50% by SIPG as at the date of this announcement
“Yin Hui Acquisition”	the acquisition by Changsha Rongmao of 50% equity interest in Yin Hui from SIPG
“Yin Hui Agreement”	the equity transfer agreement entered into between Changsha Rongmao and SIPG on 12 January 2018 in relation to the Yin Hui Acquisition

By order of the Board  
**China Jinmao Holdings Group Limited**  
**NING Gaoning**  
*Chairman*

Hong Kong, 12 January 2018

*As at the date of this announcement, the Directors of the Company are Mr. NING Gaoning (Chairman), Mr. YANG Lin and Mr. AN Hongjun as Non-executive Directors; Mr. LI Congrui, Mr. JIANG Nan and Mr. SONG Liuyi as Executive Directors; and Mr. LAU Hon Chuen, Ambrose, Mr. SU Xijia and Mr. GAO Shibin as Independent Non-executive Directors.*