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CIMC-TianDa Holdings Company Limited

中集天達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 445)

CONTINUING CONNECTED TRANSACTIONS

FINANCIAL SERVICES FRAMEWORK AGREEMENT (2021)

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References are made to the announcement of the Company dated 29 June 2018 in relation to the Financial Services Framework Agreement (2018) and the announcement of the Company dated 13 March 2019 in relation to, amongst others, the revision of annual caps for Deposit Services in respect of the Financial Services Framework Agreement (2018) for the two years ending 31 December 2020.

The Board announces that on 17 December 2020 (after trading hours of the Stock Exchange), the Company entered into the Financial Services Framework Agreement (2021) with CIMC Finance, pursuant to which CIMC Finance shall provide the Group Financial Services for a term of three years from 1 January 2021 to 31 December 2023.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CIMC indirectly holds approximately 47.96% of the issued share capital of the Company and is the controlling shareholder of the Company. CIMC Finance is a wholly-owned subsidiary of CIMC. Accordingly, CIMC and CIMC Finance are connected persons of the Company. Hence, the transactions contemplated under the Financial Services Framework Agreement (2021) constitutes a continuing connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

Under Rule 14A.90 of the Listing Rules, the Loan Services to be provided by CIMC Finance to the Group contemplated under the Financial Services Framework Agreement (2021) is fully exempt from reporting, announcement, annual review, circular and independent Shareholders' approval requirements as such transactions constitute financial assistance provided by a connected person for the benefit of the Group on normal commercial terms or better where no security over the assets of the Group is granted in respect of the financial assistance.

As the highest applicable percentage ratio in respect of the largest Annual Cap for the Deposit Services is more than 0.1% but less than 5%, the Deposit Services are subject to the reporting, announcement and annual review requirements and are exempt from the independent Shareholders' approval requirements under the Listing Rules.

As the applicable percentage ratio in respect of the largest Annual Cap for the Other Financial Services is less than 0.1%, the Other Financial Services are exempt from reporting, announcement, annual review requirements and the independent Shareholders' approval requirements under the Listing Rules.

References are made to the announcement of the Company dated 29 June 2018 in relation to the Financial Services Framework Agreement (2018) and the announcement of the Company dated 13 March 2019 in relation to, amongst others, the revision of annual caps for Deposit Services in respect of the Financial Services Framework Agreement (2018) for the two years ending 31 December 2020.

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THE FINANCIAL SERVICES FRAMEWORK AGREEMENT (2021)

The principal terms of the Financial Services Framework Agreement (2021) are summarised as follows:

Date: 17 December 2020

Parties: (i) the Company; and
(ii) CIMC Finance

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, CIMC Finance is a direct wholly-owned subsidiary of CIMC, which is the controlling shareholder of the Company. As such, CIMC Finance is a connected person of the Company under Chapter 14A of the Listing Rules.

The CIMC Group is principally engaged in (i) the manufacture of containers, road transportation vehicles, energy, chemical and liquid food equipment, offshore engineering equipment, airport facilities and fire engines, firefighting and rescue equipment as well as the provision of relevant services; and (ii) logistics service, industrial city development, finance and other businesses. CIMC Finance is a banking financial institution established in the PRC and principally engaged in the provision of financial services to CIMC and its subsidiaries.

Term: From 1 January 2021 to 31 December 2023

Financial Services

CIMC Finance offers the following Financial Services to the Group:

(a) Deposit Services;

(b) Loan Services; and

(c) Other Financial Services, including but not limited to bill discounting services; foreign exchange settlement and foreign exchange purchasing services; issuing acceptance bill and letter of guarantee; issuing buyer's credit, consumer credit and finance leasing; assisting in the receipt and payment for transactions; dealing with financial and financing consultancy, credit authentication and related consultancy and agency business; dealing with entrusted loans and commissioned investment; dealing with internal transfer settlement and corresponding settlement and liquidation planning; underwriting corporate bonds; and any other financial services approved by the China Banking and Insurance Regulatory Commission and other financial regulatory agencies.

Basis of interests, fees and financial charges

The consideration for the specific transactions are determined by the parties after arm's length negotiation with reference to market comparables and pricing mechanisms of the Financial Services set out below:

(a) Deposit Services

The interest rates payable by CIMC Finance to the Group shall be the rate as may be agreed from time to time between the parties for each specific transaction provided that the agreed rate shall not be lower than the benchmark deposit interest rates prescribed by the PBC from time to time and deposit rates provided by other independent third-party commercial banks in the PRC for deposits of the same term and type.

(b) Loan Services

The interest rates payable by the Group to CIMC Finance shall be the rate as may be agreed from time to time between the parties for each specific transaction provided that the agreed rate shall be determined with reference to the benchmark loan interest rates prescribed by the PBC from time to time and shall not higher than the interest rates offered by other independent third-party commercial banks in the PRC for loans of the same term and type.

(c) Other Financial Services

The service fees and rates for such Other Financial Services to be charged by CIMC Finance shall be the fee and rate as may be agreed from time to time between the parties for each specific transaction provided that the agreed fee and rate shall be no less favourable to the Group than the standard service fees or standard rates prescribed by the PBC from time to time (if any) or fees and rates charged by other independent third-party commercial banks in the PRC for the same term and type of services.

ANNUAL CAPS FOR DEPOSIT SERVICES AND OTHER FINANCIAL SERVICES

Based on the terms of the Financial Services Framework Agreement (2021), the Board expects that the Annual Caps for the Deposit Services, being the maximum daily cash balance of deposits, and the Annual Caps for the Other Financial Services, being the maximum fees and charges, are as follows:

	Annual Caps		
	For the year ending 31 December		
	2021	2022	2023
	RMB	RMB	RMB
Deposit Services:	150,000,000	150,000,000	150,000,000
Maximum daily cash balance of deposits			
Other Financial Services:	3,000,000	3,000,000	3,000,000
Maximum fees and charges			

The Annual Caps have been determined on the basis of several factors including (i) the historical transaction amounts under the Financial Services Framework Agreement (2018); (ii) the strategies of the finance management of the Group; and (iii) the development and financial needs of the Group during the Term.

Historical transaction amounts under the Financial Services Framework Agreement (2018)

The Annual Caps for the two years ended 31 December 2018 and 2019 and the year ending 31 December 2020 under the Financial Services Framework Agreement (2018) and the historical amounts transacted by the Group under the Financial Services Framework Agreement (2018) for the two years ended 31 December 2018 and 2019 and the ten months ended 31 October 2020 are as follows.

	Annual Caps			Historical amounts		
	For the year ended/ending 31 December			For the year ended 31 December		For the ten months ended
	2018	2019	2020	2018	2019	31 October 2020
	RMB	RMB	RMB	RMB	RMB	RMB
Deposit Services:	80,000,000	150,000,000	150,000,000	123,213,229	143,928,000	148,176,000
Maximum daily cash balance of deposits				(Note)	<i>Approximate</i>	
Other Financial Services:	3,000,000	3,000,000	3,000,000	15,000	32,000	215,000
Maximum fees and charges						

Note: Details of the annual cap for the Deposit Services for the year ended 31 December 2018 exceeded are set out in the announcement of the Company dated 13 March 2019.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCIAL SERVICES FRAMEWORK AGREEMENT (2021)

The entering into the Financial Services Framework Agreement (2021) allows the Group to make full use of the Financial Services provided by CIMC Finance. Since the terms of services offered by CIMC Finance will be no less favourable to the Group than those offered by independent third party banks and/or financial institutions in the PRC and the Financial Services Framework Agreement (2021) is non-exclusive and does not limit the Group's choice in engaging any other financial services providers, it represents potential cost savings to the Group. The Group also

expects to benefit from the efficient services from CIMC Finance as it has a good understanding of the Group's operations.

The Board (including the independent non-executive Directors but excluding Dr. Li Yin Hui, Mr. Zheng Zu Hua, Mr. Tao Kuan and Mr. Zeng Han, who are Directors nominated by CIMC and have therefore abstained from voting on the relevant resolution of the Board approving the transactions contemplated under the Financial Services Framework Agreement (2021)) considers that the entering into the Financial Services Framework Agreement (2021) by the Company is in the ordinary and usual course of business of the Group and the terms of the Financial Services Framework Agreement (2021) are on normal commercial terms or better and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, CIMC indirectly holds approximately 47.96% of the issued share capital of the Company and is the controlling shareholder of the Company. CIMC Finance is a wholly-owned subsidiary of CIMC. Accordingly, CIMC and CIMC Finance are connected persons of the Company. Hence, the transactions contemplated under the Financial Services Framework Agreement (2021) constitutes a continuing connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

Under Rule 14A.90 of the Listing Rules, the Loan Services to be provided by CIMC Finance to the Group contemplated under the Financial Services Framework Agreement (2021) is fully exempt from reporting, announcement, annual review, circular and independent Shareholders' approval requirements as such transactions constitute financial assistance provided by a connected person for the benefit of the Group on normal commercial terms or better where no security over the assets of the Group is granted in respect of the financial assistance.

As the highest applicable percentage ratio in respect of the largest Annual Cap for the Deposit Services is more than 0.1% but less than 5%, the Deposit Services are subject to the reporting, announcement and annual review requirements and are exempt from the independent Shareholders' approval requirements under the Listing Rules.

As the applicable percentage ratio in respect of the largest Annual Cap for the Other Financial Services is less than 0.1%, the Other Financial Services are exempt from reporting, announcement, annual review requirements and the independent Shareholders' approval requirements under the Listing Rules.

DEFINITIONS

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

“Annual Cap”	the maximum daily cash balance of deposits in the Group Savings Accounts for the Deposit Services, or the maximum fees and charges per annum for Other Financial Services (as the case may be)
“connected person(s)”,	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors

“CIMC”	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 (Stock code: 000039) and the Main Board of the Stock Exchange (Stock code: 2039), and the controlling shareholder of the Company, indirectly holding approximately 47.96% of the issued share capital of in the Company as at the date of this announcement
“CIMC Finance”	CIMC Finance Company Limited* (中集集團財務有限公司), a company established under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of CIMC
“Company”	CIMC-TianDa Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 445)
“Deposit Services”	the deposit services to be provided by CIMC Finance to the Group under the Financial Services Framework Agreement (2021)
“Directors”	the directors of the Company
“Financial Services”	the financial services (including the Deposit Services, the Loan Services and the Other Financial Services) to be provided by CIMC Finance to the Group under the Financial Services Framework Agreement (2021)
“Financial Services Framework Agreement (2018)”	the financial services framework agreement dated 29 June 2018 entered into between the Company and the CIMC Finance in respect of the provision of the financial services by CIMC Finance to the Group for the period from date of the agreement to 31 December 2020
“Financial Services Framework Agreement (2021)”	the financial services framework agreement dated 17 December 2020 entered into between the Company and the CIMC Finance in respect of the provision of the Financial Services by CIMC Finance to the Group for the period from 1 January 2021 to 31 December 2023
“Group”	the Company and its subsidiaries
“Group Savings Accounts”	relevant saving accounts of the Group maintained with CIMC Finance
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Services”	the loan services to be provided by CIMC Finance to the Group under the Financial Services Framework Agreement (2021)
“Other Financial Services”	other financial services to be provided by CIMC Finance to the Group under the Financial Services Framework Agreement (2021)
“PBC”	the People’s Bank of China, the central bank of the PRC

“PRC”	the People’s Republic of China which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term”	the term of the Financial Services Framework Agreement (2021), being the period commencing on 1 January 2021 and ending on 31 December 2023
“%”	per cent

** the English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

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

Hong Kong, 17 December 2020

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

<i>Dr. Li Yin Hui</i>	<i>Chairman and Non-executive Director</i>
<i>Mr. Jiang Xiong</i>	<i>Honorary Chairman and Executive Director</i>
<i>Mr. Zheng Zu Hua</i>	<i>Executive Director</i>
<i>Mr. Tao Kuan</i>	<i>Non-executive Director</i>
<i>Mr. Zeng Han</i>	<i>Non-executive Director</i>
<i>Dr. Loke Yu</i>	<i>Independent non-executive Director</i>
<i>Mr. Heng Ja Wei</i>	<i>Independent non-executive Director</i>
<i>Mr. Ho Man</i>	<i>Independent non-executive Director</i>