

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CPMC HOLDINGS LIMITED

中糧包裝控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 906)

VOLUNTARY ANNOUNCEMENT ACQUISITION OF 100% EQUITY INTEREST IN CHENGDU GAOSEN PACKAGING CONTAINER CO., LTD.*

This announcement is made by the Company on voluntary basis.

EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that on 27 March 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with the Vendors, pursuant to which the Purchaser agreed to purchase 100% equity interest in the Target Company from the Vendors in consideration of RMB74,965,700 (equivalent to approximately HK\$84,711,241). Upon completion of the Equity Transfer Agreement, the Target Company will become a 100% owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As all applicable percentage ratios in respect of the transaction contemplated under the Equity Transfer Agreement are less than 5%, the transaction contemplated under the Equity Transfer Agreement does not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

This announcement is made by the Company on voluntary basis.

EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that on 27 March 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with the Vendors. The principal terms of the Equity Transfer Agreement are as follow:

Date : 27 March 2017

Parties : the Purchaser; and
the Vendors.

To the best of Directors' knowledge, information and belief having made all reasonable enquires, each of the Vendors is an independent third party of the Company and its connected persons as at the date of this announcement.

Assets to be acquired

Pursuant to the Equity Transfer Agreement, the Purchaser agreed to acquire 100% equity interest in the Target Company from the Vendors.

Consideration

The total consideration payable by the Purchaser to the Vendors pursuant to the Equity Transfer Agreement is RMB74,965,700 (equivalent to approximately HK\$84,711,241), which will be settled by cash and financed by the Group's internal resources.

The consideration was arrived at after arm's length negotiations between the Purchaser and the Vendors taking into account, amongst others, reference to the valuation result of the Target Company prepared by the an independent valuer.

Completion

The completion of the Equity Transfer Agreement shall take place at the date to be agreed by the Purchaser after completion of change of business registration in relation to the transfer of the equity interest.

Upon completion of the Equity Transfer Agreement, the Target Company will be owned as to 100% by the Purchaser and become an indirectly non wholly-owned subsidiary of the Company. Accordingly, its financial results will be consolidated into the accounts of the Company.

INFORMATION ON THE TARGET COMPANY

The Target Company is a limited liability company incorporated in the PRC with a registered capital of RMB50,000,000. The Target Company is located in Longquanyi District, Chengdu, Sichuan Province with an area of 66 mu and a planned construction area of approximately 27,000 square meters. The construction of its main factory and office building have been basically completed. A two-piece cans production line has been introduced and is carrying out the project construction and equipment's installation work. It is expected to be completed and put into operation recently with an annual capacity of about 700 - 800 million cans.

INFORMATION OF THE GROUP, THE PURCHASER AND THE VENDOR

The Group is principally engaged in the manufacturing of packaging products for consumer goods such as food, beverages and household chemical products in the PRC.

The Purchaser is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is an investment holding company.

The Vendors are two citizens of the PRC.

REASONS FOR AND BENEFITS OF EQUITY TRANSFER AGREEMENT

Currently, in the southwest region of the PRC, the Group only has one two-piece cans production line which can only produce 300ml cans. With the market development, the production capacity is slightly inadequate. Through the acquisition of target companies can significantly enhance the Group's production capacity in that region, and it leads to serve regional customers better. In addition, the acquisition will enable the Group to have the potential to provide new products such as 500ml cans and SLEEK cans to meet the diverse needs of downstream customers. At the same time, the acquisition can help the Group to effectively save the time in expanding its production capacity, and stabilise our development through the industry integration.

The Directors consider that the terms of Equity Transfer Agreement have been negotiated on an arm's length basis and on normal commercial terms, and the transaction contemplated thereunder is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As all applicable percentage ratios in respect of the transaction contemplated under the Equity Transfer Agreement are less than 5%, the transaction contemplated under the Equity Transfer Agreement does not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of directors of the Company, including the independent non-executive directors of the Company
“Company”	CPMC Holdings Limited (中糧包裝控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Directors”	the directors of the Company
“Equity Transfer Agreement”	the Equity Transfer Agreement entered into among the Purchaser and the Vendors on 27 March 2017 in relation to the acquisition of 100% equity interest in the Target Company by the Purchaser from the Vendors

“Group”	the Company and its subsidiaries
“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
“PRC”	the People’s Republic of China, which, for the purpose of this announcement only, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	CPMC Investment Co., Ltd. (中糧包裝投資有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Chengdu Gaosen Packaging Container Co., Ltd.* (成都高森包裝容器有限公司), a company incorporated in the PRC with limited liability
“Vendors”	Two citizens of the PRC, both being independent third parties

By order of the Board
CPMC Holdings Limited
ZHANG Xin
Chairman and Executive Director

Hong Kong, 27 March 2017

As at the date of this announcement, the chairman of the Board and executive Director is Mr. Zhang Xin, the executive Director is Mr. Zhang Ye, the non-executive Directors are Messrs. Li Jian, Chen Qianzheng, Zhou Yuan and Shen Tao, and the independent non-executive Directors are Messrs. Cheng Yuk Wo, Fu Tingmei and Pun Tit Shan.

* *For identification purposes only*