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**CIMC'S BUSINESS REVENUE REACHED A NEW RECORD HIGH OF 93.5 BILLION YUAN IN 2018**  
 CIMC Vehicles' application to go public in Hong Kong is approved by CSRC  
 CIMC-TianDa announces a 67.6% increase in business revenue in its first annual report  
 CIMC Logistics contributes to the successful maiden voyage of Asia's largest heavy-duty and self-propelled CSD



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**CIMC TODAY**

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 中集天达控股首发年报 营收增长67.6%  
 中集物流助力亚洲最大重型自航绞吸船“天鲲号”通关首航

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## Preface

The year 2018 has seen the uncertainties in global businesses and trades, the possible profound transformation and reshaping of current international systems and global orders due to escalating trade friction between China and the US, and the important and far-reaching changes in domestic and foreign circumstances.

In the midst of volatility, uncertainty, complexity and ambiguity, CIMC held high the banner of “Transformation & Upgrading, Quality Growth” in its operation and took active steps in upgrading business structures, extending the reach to emerging industries, incubating innovative businesses, disposing under-performing assets, improving debt-asset ratios, increasing return on equity and profits. Thanks to these efforts and endeavors, the Group’s business revenue climbed to a new record high in 2018, and delivered a remarkable performance that satisfied shareholders, customers and employees. In 2018, CIMC’s business revenue increased roughly 22.5% YOY and amounted to 93.5 billion yuan, indicating that the Group was ready to cross the 100 billion yuan mark. In particular, the top three business segments all achieved significant increase in their business revenue. Among them, the Container Segment’s business revenue increased roughly 26% YOY to about 31.5 billion yuan; the Vehicles Segment’s business revenue increased nearly 25% YOY to 24.4 billion yuan, surpassing the 20 billion yuan revenue for the first time; the Energy, Chemical and Liquid Food Equipment Segment’s business revenue increased roughly 20% YOY to about 14.2 billion yuan and reached a record high. Moreover, other business segments were all on the rise. Inspiringly, a number of innovative businesses in the Group were growing steadily, and some of them positively impacted the Group’s business revenue and profit. It is convinced that such businesses will have a bright future.

The year 2019 will see the vigorous unremitting effort in CIMC’s pursuit of transformation and creation of new values for customers in different sectors. Recently, CIMC has joined hands with Aker Group to explore investment opportunities within the framework of the “One Belt, One Road” Initiative; CIMC and China Railway Container Transport Corp. Ltd have entered into a strategic cooperation agreement to jointly create an ecological circle of intelligent logistics; the 100,000th semitrailer has rolled off the production line of CIMC Vehicles’ first “lighthouse plant”, and its application for going public on the main board of the Stock Exchange of Hong Kong Ltd was approved by China Securities Regulatory Commission; CIMC Enric has won the order for building the world’s biggest LNG bunkering vessels; CIMC Raffles and its Norwegian partner Odfjell were awarded the drilling well service contract by Neptune; CIMC Logistics has contributed to the successful maiden voyage of Tiankun, the largest heavy-duty and self-propelled cutter suction dredger in Asia; CIMC-TianDa has released its first annual report and announced a 67.6% increase in business revenue; CIMC Industry & City has promoted the coordinated innovation of high-end equipment in the Yangtze River Delta.

In 2019, CIMC will continue to move forward along the track of “Transformation & Upgrading, Quality Growth”, go deeper into the logistics and energy fields, tremendously promote the intelligent manufacturing and technological upgrading, improve the ability of tailoring all-round solutions, strengthen the cultivation of innovative businesses, provide global customers with higher-quality products and services, and of course, entertain you with fantastic stories about 2019.

Editorial Office of CIMC Today

## CIMC and Aker Group sign a strategic cooperation agreement



On March 4, CIMC and Aker Group, the largest industrial investment company in Norway, signed a strategic cooperation agreement, aiming to jointly explore business opportunities in modular building and offshore fields on a complementary basis.

### CIMC and Aker will fully cooperate in offshore engineering field including offshore oil and gas engineering services and marine farming

Aker Group is Norway's largest private industrial investment company that specializes in the offshore oil and gas exploration and production, oil service, maritime asset, seafood and marine technology, and real estate investment sectors. Among the member companies of Aker Group, many listed companies have ranked first in their respective segments, including Aker BP, the biggest independent oil company in Europe, and Aker Solutions, a subsea engineering equipment manufacturing specialist of global reach.

Comparatively, CIMC has merely ran the offshore engineering business for 10 years around, but its subsidiary CIMC Raffles has cutting-edge technologies for

high-end offshore engineering equipment and especially for general assembly of deepwater and polar drilling platforms, and has made a number of world's firsts achievements. Over the years, it has positively performed transformation and upgrading, extended businesses from oil and gas to marine farming and clean energy, and explored marine business opportunities.

With the trust established during the cooperation over a long period of time and huge business collaboration opportunities in a large number of fields, CIMC Raffles and Aker Group will fully cooperate in offshore oil and gas and marine farming fields, such as Aker BP will prioritize the use of CIMC Raffle's GM4-D series drilling platforms in its upstream R&D activities, Aker Energy will give a top priority to CIMC Raffles in the EPC of its projects, Aker Solutions, Kvaerner and CIMC Raffles will jointly provide whole industrial chain services about production-type platforms for customers, Aker BioMarine and CIMC Raffles will jointly develop marine farming resources, and MHWirth and CIMC Raffles will deepen the cooperation on lab-based drilling platform simulation programme.

### CIMC and Aker Group will work together to promote modular building business in Northern Europe

At the conference, CIMC Modular Building & Investment Co., Ltd. (CIMC MBI) Zhu Weidong introduced the progress in the modular building business and the newly completed demonstration project for Hong Kong Construction Industry Council. The representative from Aker Group introduced the business of the Group's real estate company and its next five-year plans. The two sides agreed to enter into unique strategic partnership and jointly develop and build hotels, apartments and other buildings based on CIMC's modular building technologies.

Due to higher confidence in the cooperative prospect, Aker Group and CIMC MBI signed the strategic cooperation agreement at the conference.

In addition, CIMC and Aker Group agreed to make best use of their abundant industrial resources in global industrial and investment fields and jointly explore investment opportunities in countries within the framework of the "One Belt, One Road" Initiative on a complementary basis.

## CIMC and CRCT sign a strategic cooperation agreement



On March 6, CIMC and China Railway Container Transport Corp. Ltd (CRCT) signed a cooperation agreement. CIMC's Executive Vice President Gao Xiang and CRCT's Deputy General Manager Zhong Cheng were present at the agreement-signing ceremony. The two sides agreed to make best use of their advantages and positively cooperate in palletized railway transportation, railway equipment upgrading and intermodal transportation fields, and jointly create an ecological circle of standard and intelligent logistics with railway as the core.

### CIMC and CRCT have worked together for over 20 years

Since the competent central government authorities began to develop and promote railway container transportation business in the 1990s, CIMC has been working closely with CRCT and has witnessed and contributed to the cultivation of domestic railway container transportation business and the diversification of railway containers. In particular, due to the increasing demands for railway container transportation since China carried out railway cargo transportation reform in 2015, the two sides have expanded their cooperation from the R&D and

production of containers to the operation of railway express service lines. So far, the new cooperative programmes have been going smoothly.

In September 2018, CRCT and CIMC had in-depth discussion about the pallet transportation business, believing that in the context of the implementation of national strategies and further deepened railway reform and development, the two sides have common objectives and visions about promoting standard logistics and improving overall logistics efficiency in China, and expecting to fully and deeply cooperate in palletized and intermodal transportation besides traditional cooperation.

### Palletized railway transportation and intermodal transportation are high on the agenda

According to the agreement, CIMC will make best use of its resources to support the development of CRCT in palletized transportation in an all-round way, and CRCT and CIMC will jointly establish the palletized transportation system with railway as the core, improve trans-shipment efficiency, reduce transportation cost, raise market

efficiency, and contribute significantly to the upgrading of the national logistics system.

Intermodal container transportation is also high on the agenda. In 2017, China Railway Corporation (CR), a state-owned sole proprietorship enterprise that undertakes railway passenger and cargo transportation services in China, released the 2018-2020 Scheme to Increase the Quantity of Railway Cargo Transportation, demanding that an international intermodal transportation system featuring the combination of water-rail, air-rail and road-rail transportations should be established and that from 2018 to 2020, the annual quantity of intermodal container transportation should grow by at least 30%. As a business unit specially appointed by CR to take on the two tasks, CRCT has been developing the intermodal transportation business such as sea-rail transportation and block train transportation along the Yangtze River.

The two parties also agreed to positively create business opportunities in intelligent logistics, to promote the Internetization and the Internet of Things throughout the entire logistics process, and to provide platform for the digitalization of supply chain.

## CIMC and Simon-Kucher & Partners strategically partner to create champion products



On March 15, CIMC and Simon-Kucher & Partners (Simon-Kucher) signed a strategic agreement to carry out in-depth cooperation on the provision of case study, special training and consultation services about the creation of championship-level products.

### CIMC and Simon-Kucher have a solid foundation for cooperation

Founded by Professor Hermann Simon, the Father of "Hidden Champions", Simon-Kucher is a global management consultancy with core competency in strategy, marketing, pricing and sales. In China, Simon-Kucher is committed to helping the country's leading enterprises establish and improve their global presence and grow into the ones at world championship level.

CIMC is a world leading logistics equipment and energy equipment supplier. Since its formal production in 1982, the Group has created a large number of "world champion products" and quickly achieved dominant positions in many sectors across the world.

The two groups have a solid foundation for cooperation. In 2009, CIMC's ISO dry

container was included in Professor Hermann Simon's *Hidden Champions* as one of 68 classic cases in China. In September 2018, Simon-Kucher participated in the revision of CIMC's *Championship-level Products Assessment & Incentive Measures*, raised a couple of constructive opinions, optimized the assessment criteria and increased its authority.

### CIMC and Simon-Kucher will jointly create products at championship level

A responsible person of CIMC noted that the Group intended to improve the competitive edge of current products by creating products at world championship level and to enhance its influence through the R&D of future-oriented "champion products". At the same time, CIMC hoped that the campaign to create products at championship level would be able to promote its scientific innovation, to establish an operation management system with CIMC characteristics, and to carry forward the "championship spirit" that has inspired CIMC people to make unremitting efforts to pursue improvement and excellence over the past 3 decades.

"Due to the significant importance of the campaign for our future growth and the close cooperation between the two sides on the revision of the assessment measures and on the survey and investigation last year, we reached the deal within a surprisingly short period of time to carry out in-depth cooperation on the 'champion products' field", said the responsible officer.

According to the agreement, Simon-Kucher will perform in-depth investigation, research, analysis and summary of the development of "champion products", and then come up with cases accordingly. At the same time, Simon-Kucher will continue to optimize CIMC's assessment conditions and procedures of "champion products", and systemize CIMC's cultivation system of "champion products". Besides, the two groups will jointly explore the solutions to cultivating products and enterprises at championship level and improve the core competitiveness of CIMC.

## CIMC's business revenue reached a new record high of 93.5 billion yuan in 2018



The year 2018 marked the 40th anniversary of China's reform and opening-up, and it also represented serious external environment challenges facing the national economy at the macro-level and domestic enterprises at the micro-level. In the midst of great uncertainty, CIMC responded to challenges and delivered brilliant performance. As one of the earliest Sino-foreign joint ventures established in Shenzhen where China started its heroic reform and opening-up practice, CIMC held high the banner of "Transformation & Upgrading, Quality Growth" in its operation and achieved leapfrog development thanks to robust strategic upgrading strategy and production capacity layout adjustment measures. The latest released revenue report showed that in 2018, CIMC's business revenue climbed to a new record high to about 93.5 billion yuan on the basis of the achievement made in 2017, increasing roughly 22.5% YOY and marking the Group stood right before the mark of 12-figure annual revenue numbers (100 billion yuan), and the net profit attributable to shareholders of the parent company increased roughly 34.7% YOY to 3.38 billion yuan.

It is noteworthy the top three business segments (contributing to over 10% of the Group's total business revenue respectively) that CIMC has been prioritizing over the years all achieved significant increase in their business revenues. Among them, the

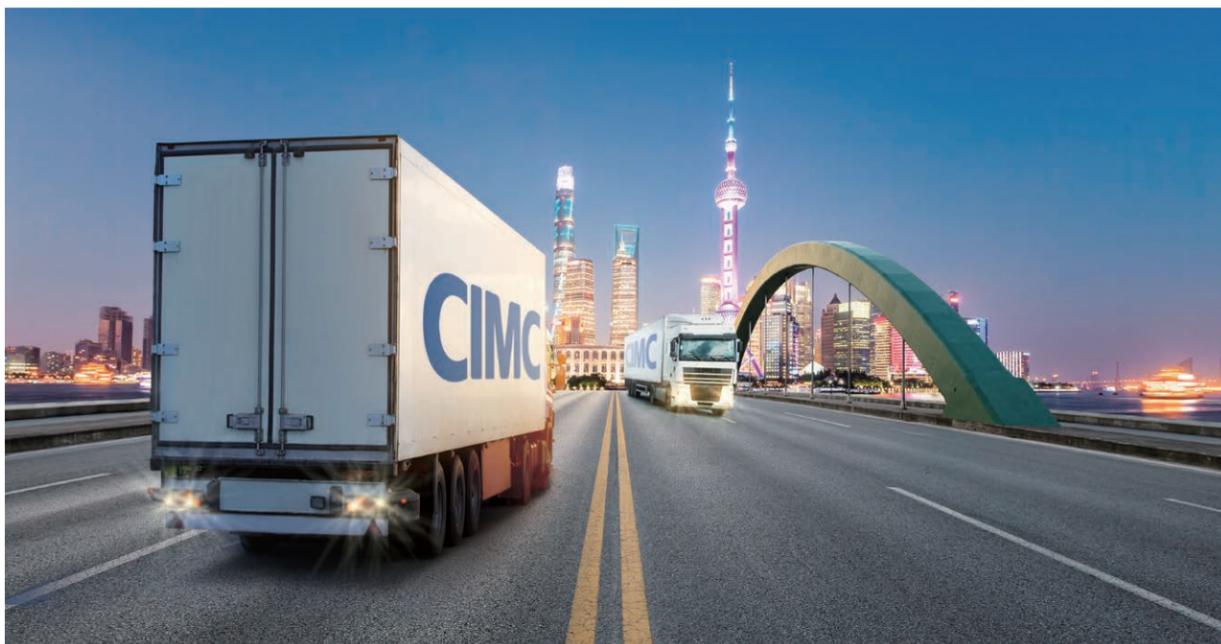
Container Segment reported roughly 26% YOY increase in its business revenue to about 31.5 billion yuan; the Vehicles Segment achieved nearly 25% YOY increase in its business revenue to about 24.4 billion yuan, surpassing the 20 billion yuan revenue for the first time; the Energy, Chemical and Liquid Food Equipment Segment reported a record high in its business revenue to about 14.2 billion yuan, increasing roughly 20% YOY. These achievements further enhanced CIMC's advantages in its core businesses and showed the effectiveness of the Group's industrial layout strategies and future growth potential of the three business segments.

At the same time, other business segments also made impressive progress: the logistics service achieved business revenue about 8.6 billion yuan, the airport facilities achieved business revenue nearly 5 billion yuan, and it is expected that the two segments will bring their annual business revenue above 10 billion yuan respectively in the future; and 5 businesses other than those listed above all achieved over 2 billion yuan business revenue. Regionally, the business revenue from foreign markets accounted for 52% of the Group's total, and the US market and Asian market (countries and regions other than China) both achieved a significant increase of more than 20% YOY, which has further enhanced CIMC's global operation performance.

### Two major businesses achieved more than 20 billion yuan revenue

As a superior business that the Group has operated since its inception, the Container Segment grasped market opportunities in 2018, achieved big increase in the overall sales volume and business revenue amidst global trade uncertainty, and continued to rank first in the world in terms of the output and sales volume of products in all categories. In particular, the market share of refrigerated containers rose significantly. Statistical data shows that in 2018, the Container Segment achieved total business revenue of 31.536 billion yuan, increasing 25.91% YOY; net profit of 1.891 billion yuan, increasing 29.22% YOY. Among them, the sales income of common dry containers was 21.6 billion yuan, increasing 22% YOY; the sales income of refrigerated containers exceeded 5 billion yuan, increasing roughly 53% YOY; and the sales income of special-purpose containers approached 5.2 billion yuan, increasing 8% YOY.

The sales increase has demonstrated the improvement of CIMC's container technologies and its market research competence. The year 2018 witnessed new advances on the digital and intelligent production of containers: the intelligent upgrading programme "Flying Dragon" produced initial positive results; the new



generation of plants based in Fenggang Town, Dongguan would begin its formal production, and its automatic and digital equipment and environment protection technology, which were quite different from those used in traditional plants, would further consolidate the leading position of CIMC's container products. In addition, CIMC unveiled the world's first independent thermo-regulated containers to ensure the success of long-distance transportation in extremely low temperature by China Railway Express. The application of the futuristic product indicated that in addition to standard container products, the Container Segment rapidly improved ability to provide personalized solutions and perform customized R&D activities.

The road transportation vehicles business, which is mainly operated by CIMC Vehicles, is a typical business that takes advantage of its global operations to seek efficiency improvement. Under the guidance of the operating principle and strategy of "Global Operation, Local Wisdom", CIMC Vehicles has successfully minimized operating risks in different countries and regions, grasped opportunities at different regional markets, achieved rapid growth for years, and climbed new record highs from time to time. In particular, the company is expected to become the 4th listed company with independent financing platform of the Group.

CIMC Vehicles' business revenue approached 20 billion yuan in 2017, and it crossed the mark and established the record of 24.4 billion yuan in 2018, increasing 24.99% YOY; the net profit was 1.273 billion yuan, increasing 25.04% YOY. The remarkable business performance has greatly benefited CIMC Vehicles' application to the Stock Exchange of Hong Kong Ltd for independently going public on the main

board. Its output and sales volume of semitrailers has ranked first in the world for consecutive 5 years. In 2018, more "lighthouse plants" were established in Zhumadian and Yangzhou to revolutionize traditional production model, and the impressive modularized, digitalized and flexible vehicle manufacturing model further improved CIMC Vehicles' reputation and resulted in the popularity of products worldwide.

So far, CIMC Vehicles has established 31 production facilities in China, North America, the UK, Belgium, Poland, Australia, Thailand, South Africa and other regions. Its brands "CIMC Vehicles", "Vanguard", "SDC" and "LAG" have grown into world-famous ones in the semitrailer industry. In 2018, the company quickly grew its business in China and the US, launched innovative products such as interchangeable containers that quickly became customers' favorite, expanded its branches in Thailand, Australia, Malaysia and South Africa, drilled deeper into local markets, and seized excellent business opportunities.

### Many business segments are moving forward towards the 10 billion yuan revenue mark

The energy, chemical and liquid food equipment business, which is mainly operated by CIMC Enric, headed forward after its business revenue exceeded 10 billion yuan in 2017. The company achieved business revenue of 14.163 billion yuan in 2018, increasing 19.56% YOY; and net profit of 0.792 billion yuan, increasing 67.21% YOY.

CIMC Enric embraces brighter development outlook thanks to the central government's policies to promote the application of natural gas. According to the national plans, the consumption of natural gas will account for 10% of the total energy consumption by 2020

(the ratio was 5.9% in 2015). Driven by the plan, China has seen the considerable increase in the consumption of natural gas over the years. In this context, industrial insiders believe that businesses related to the production, import, storage, transportation and handling of natural gas have all entered the golden period of development. CIMC Enric, the only key equipment manufacturer and engineering service supplier capable of extending throughout the whole industrial chain of natural gas, has stepped into the spotlight.

In the past few years, CIMC Enric has been paying more and more attention to the natural gas business and increasing the input of resources. In 2018, it actively worked with different parties and took part in various natural gas engineering and equipment businesses, such as the construction of Guanghui Energy Qidong LNG Terminal and ENN Zhoushan LNG Receiving and Bunkering Terminal, the provision of all LNG tank containers for China to successfully complete its first-ever attempt to transport the surplus capacity of Hainan terminal to its northern part, which innovated the new model of LNG transportation. In 2018, the company received more than 6 billion yuan business revenue from its clean energy business with natural gas storage and transportation as a major part, increasing over 21% YOY.

In addition, through continuous innovation of technology and the R&D of new products, CIMC Enric increased the business revenue of chemical equipment by roughly 25% to 3.8 billion yuan and the business revenue of liquid food equipment by roughly 19% to 3.2 billion yuan. The Group's chemical tanker container products have ranked first in the world for consecutive 15 years, and it has continuously developed new-type tank containers with paint coatings, rubber lining and PTFE lining in an attempt to transport more types of chemicals.

In 2018, CIMC's logistics service achieved business revenue of more than 8.6 billion yuan despite global import and export gloom, increasing 5.28% YOY; and net profit of 0.158 billion yuan, increasing 82.57% YOY. The logistics business is expected to grow into a segment with annual business revenue of 10 billion yuan. The Logistics Segment improved its network layout at home and abroad by centering round countries and regions along the "One Belt, One Road" (OBOR), promoted the implementation of projects in Eastern Africa, took advantage of the opportunities to establish new branches or offices in the middle and eastern Europe, successfully established warehouses in Netherland, and achieved new breakthroughs in cross-border logistics business. In addition, its innovative "one-for-all" model completely solved the small batch LNG transportation problem and enabled CIMC to access to the big market in the transportation of imported LNG with tank containers.

In 2018, the Airport Facilities Segment engaged in airport ground support equipment, urban firefighting equipment, automatic logistics and warehousing equipment and intelligent parking systems achieved business revenue of 4.67 billion yuan, increasing 29.88% YOY; net profit of 0.193 billion yuan, increasing 31.67% YOY, making a solid step forward toward the mark of 11-figure annual revenue numbers (10 billion yuan). In 2018, CIMC increased its equity interest held in the Hong Kong listed China Fire Safety Enterprise Group Limited (CFE) and became the majority shareholder of CFE. After the equity restructuring, CFE changed its name to CIMC-TianDa Holdings Company Limited (CIMC-TianDa). Successful acquisition of an independent financing platform enabled the Airport Facilities Segment to further expand its businesses to better serve the urban construction through financing operations. In 2018, CIMC-TianDa's firefighting equipment division acquired Shenyang Jietong and Shanghai Jindun, and this improved the company's industrial layout. In 2019, CIMC-TianDa will further extend and improve its network in the firefighting equipment industry.

Other major businesses of CIMC all achieved over 2 billion yuan business revenue in 2018.

In 2018, impacted by the growth slowdown in the oil and gas industry, the offshore engineering business was in deficit. However, the demands for drilling platforms continued to pick up, and the leases of deepwater platforms were successively granted. At the same time, through the strategic layout of a multiple and large and strategic offshore engineering business to build platforms with proven platforms and technologies, the Offshore Segment continuously expanded its businesses in marine fishing equipment and offshore wind power generation facilities market segments, and achieved business revenue of 2.434 billion yuan.

In 2018, thanks to favorable policies issued by the central government and rising demands on markets, CIMC was committed to

manufacturing heavy-duty trucks fueled by natural gas, delivered the first batch of LNG dumpers to its Shenzhen customer, launched lightweight mixer with obvious advantage in Guangdong, established new sales channels in countries and regions along the OBOR, and achieved sales income of 2.488 billion yuan.

CIMC Industry & City achieved big breakthrough in reserve of land resources and promotion of projects: a large number of significant projects, such as Shenzhen Taizhuan, Qianhai, Shanghai Meilan Lake CIMC Wise City and Shenzhen Guangming low-orbit satellite Internet of Things industrial park, were implemented; breakthroughs were made in first-tier cities. It is now working hard to be an "industrial park operation specialist". In 2018, the company achieved business revenue of 2.893 billion yuan and net profit of 0.564 billion yuan.

As an important support of CIMC's creation of the new business model combining manufacture, service and finance, the Financial Segment has provided timely, efficient and innovative financial solutions for the Group's stock-based and new businesses through its professional "industry and financing" combined service. In 2018, the Segment achieved business revenue of 2.092 billion yuan and net profit of 0.557 billion yuan.

### New businesses continued to move forward at fast pace

As an innovative business of the Group, CIMC Modular Building & Investment Co., Ltd. (CIMC MBI) has established the service model combining manufacture, service and finance. In 2018, it achieved new breakthroughs in a large number of businesses: CIMC MBI successfully delivered the Civic Service Center of Xiong'an New Area which was constructed with "Xiong'an Quality" and "Xiong'an Speed" within 100 days; CIMC MBI completed the building of the world's first modularized permanent building for cloud data center; CIMC MBI was formally approved and granted permission and technical access in accordance with the Hong Kong Modular Integrated Construction Law and successfully delivered the first-ever modular building of Hong Kong to the property owner.

Internationally, CIMC MBI has further exploited markets in Africa, Northern Europe, the US and other countries and regions on the basis of achievements made in the UK and Australia. In 2018, Park View Student Village, new student apartments of Newcastle University and the biggest modularized student apartment in the UK, which was constructed by CIMC MBI, was formally put into operation; CIMC MBI successfully delivered the first steel structure modular house project in the US; on Australian and New Zealand markets, CIMC MBI formally accessed the business of building of high-floor hotels and public security service facilities; on African markets, CIMC MBI implemented and completed the building of a hotel in Djibouti International Free Trade Zone; on Northern European market, CIMC MBI was granted permission to access Iceland

market and secured the order for building its first Marriott Hotel.

The year 2018 also witnessed the rising of CIMC Intermodal Development Co., Ltd as a start-up star. The newly established company achieved more than 1 billion yuan business revenue in the third year. It continued to accelerate the construction of intermodal transportation network, improve the collection and distribution transportation ability. So far, its inland network with railway as the core has covered almost all major economic areas in the country, and it has operated over 20 block container trains in railway transportation and established block train loading and transportation business with 7 railway bureaus and block train unloading and delivery business with 10 railway bureaus.

A large number of innovative businesses are growing, and some even have contributed to the growth of the Group's business revenue and profit.

### CIMC's development outlook is bright in 2019

CIMC is optimistic about its major business performance in 2019: with the balance between demand-supply relationship on container market, the demand for new containers will remain stable; with the expectation for economic recovery in China and Europe, the world may see a rise in the sales volume of road transportation vehicles; as domestic natural gas business will enter the golden period of development, the energy and chemical segment that is capable of manufacturing equipment for enterprises throughout the whole industrial chain will have a bright future; the growth of global airport businesses and the improvement of urban services will bring the airport facilities and firefighting equipment business onto the steady growth track; though the global oil and gas equipment industry is under downturn pressure, yet the rising demands on LNG module, FPSO and FSRU markets have provided powerful stimuli for growth; the implementation of OBOR Initiative will continue to supply the space for development to the Logistics Segment.

In the future, CIMC will continue to take the combination of manufacture, service and finance as its core, further promote the transformation and upgrading of businesses, focus on the expansion and growth of logistics and energy, advance intelligent manufacturing and intelligent logistics, extend its businesses from manufacture to services with customers' demands as the orientation, and provide comprehensive solutions throughout the whole service life of products. It will further improve global operation performance, optimize businesses and assets, accelerate the industrial agglomeration, cultivate advantages in industrial chains; make continuous innovations in technical upgrading, business models and management mechanism, exercise proper control, stick to the high-quality manufacturing, and increase the sense of urgency, so as to achieve sustainable quality growth and create more value for shareholders.

## CIMC Vehicles' application to go public in Hong Kong is approved by CSRC

On March 14, the A-share and H-share listed company CIMC announced that its application to spin off CIMC Vehicles (Group) Co., Ltd for going public outside the Chinese mainland was approved by China Securities Regulatory Commission (CSRC).

The approval is an important step for CIMC Vehicles to independently go public on the main board of the Stock Exchange of Hong Kong Ltd (SEHK). If the application is further approved by the SEHK and the going public operation is

successfully performed, CIMC Vehicles will be the fourth independent going public platform after CIMC (A+H share markets), Enric (H-share market) and CIMC-TianDa (H-share market).

The proposal to spin off CIMC vehicles for going public was approved by the board of directors of CIMC on August 9, 2018, and then it was deliberated and approved by the general meetings of shareholders on the A-share and H-share markets. On December 3, 2018, the application was filed to and accepted by CSRC

for administrative permission for the spinoff and going public operation. On December 21, SEHK confirmed that CIMC could continue to promote the spinoff and going public operation. On December 27, CIMC Vehicles submitted the detailed application document (A1 form) to SEHK to be listed on H-share market.

A responsible person of the Board Secretary's Office of CIMC noted that with the CSRC's administrative permission, the ultimate operation of CIMC Vehicles' going public

operation will depend on the approval of SEHK, the market situation and other relevant matters.

The board of directors of CIMC believed that the spinoff and independent going public of CIMC Vehicles were in general beneficial to CIMC and CIMC Vehicles. If the proposal is successfully implemented, it will enable CIMC Vehicles to further promote its business innovation and provide clear indicators of independent market valuation for investors; CIMC Vehicles' business performance data will remain to be

consolidated into the financial statements of CIMC, so as to improve the overall value of the Group; it will also enable CIMC Vehicles to improve its corporate governance under the supervision of the general public and improve the operation management performance of the Group and CIMC Vehicles.

CIMC Vehicles is now operating its high-quality businesses across the world. In terms of business revenue, it is the second largest business segment under the Group. In 2017,

CIMC Vehicles achieved nearly 20 billion yuan business revenue. Today, it is operating businesses on four major markets, namely China, North America, Europe and emerging markets and has established balanced global operation layout. In addition, CIMC Vehicles has established 25 production facilities and R&D centers worldwide through acquisition and self-financing and created a number of jobs for these countries.

## The 100,000th semitrailer rolls off the production line of CIMC Vehicles' first "lighthouse plant"



On March 15, at Dongguan CIMC Special-purpose Vehicles Co., Ltd, a member company of CIMC Vehicles that has erected the Group's first "lighthouse plant", the 100,000th semitrailer rolled off its KTL (electrodeposition + powder coating) line, representing a solid step forward in China's semitrailer production and making the "lighthouse plant" the first one that produced 100,000 semitrailers.

The "lighthouse plant" of CIMC Vehicles is established to follow the national strategy and global trend and explore automatic and digitalized production models. At the end of 2014, CIMC Vehicles launched the forward-looking "lighthouse plant" programme, aiming to upgrade its traditional manufacturing plants into automatic, digitalized and informatized ones. The core of the programme is to manufacture semitrailers in the same way as producing cars, and it is supported by three "pillars": modularized

industrial designs, automated IoT (Internet of Things) equipment, and IT system that connects them.

At present, CIMC Vehicles has upgraded 4 "lighthouse plants" in total, and they are respectively based in CIMC Huajun, Yangzhou Tonghua, Dongguan and Shenzhen Pingshan. The "lighthouse plant" can replace 45% of manual operations, raise production efficiency by 66% and logistics efficiency by 90%, and achieve zero emissions of VOC (volatile organic compounds). With the application of new technologies such as laser cutting, robotic welding and KTL powder coating, CIMC Vehicles has raised the special-purpose vehicle production techniques to a completely new level.

The Group's first "lighthouse plant" was put into operation at Dongguan CIMC Special-purpose Vehicles Co., Ltd in July 2016, and it took the lead to manufacture

semitrailers in the same way as producing cars in the world. The successful operation of the "lighthouse plant" will underpin the world's leading position of CIMC Vehicles in production capacity and quality, achieve the leapfrog development of national semitrailer manufacturing technology and drive domestic semitrailer producers to achieve new breakthroughs in "intelligent integration" technology.

A responsible person of Dongguan CIMC Special-purpose Vehicles Co., Ltd said: "in the past 32 months, we have made strenuous effort and worked closely with business partners, and we have got the job done. In the future, we will carry forward the craftsmanship spirit and pool together the wisdom of engineers to steer industrial changes from the aspects of design, manufacture and greenness and environmental protection."

## CIMC Enric's LNG tank containers contributes to the success of China's first sea-river coordinated transportation attempt

On January 4, the "Jian Gong Jiu Hao" ship, which was loaded with 24 LNG (liquefied natural gas) tank containers, arrived at Longtan Port, Nanjing after 4 days of sea-river coordinated transportation starting from Rizhao Port, Shandong Province. This was China's first-ever sea-river coordinated transportation via LNG tank containers. The transportation can effectively connect offshore natural gas transportation arteries with inland river networks, contribute to the successful construction of the "LNG infrastructure on the Yangtze River" and profoundly promote the green development of the Yangtze River Economic Belt.

This is another innovative attempt after China carried out the first attempt to divert LNG with container tanks from the country's south to North via LNG tank containers and opened up the offshore LNG transportation channel in 2018. It is noteworthy that the 24 LNG tank containers were developed and manufactured by Nantong CIMC Energy Equipment Manufacturing Co., Ltd (Nantong CIMC), an energy equipment specialist under CIMC Enric.

Since the sea-river coordination transportation of LNG via tank containers is an innovative LNG transportation model, there is no a proven technology or experience available for reference. Therefore, CNOOC, China LNG Group and CIMC Enric systematically and thoroughly summarized the experience for the country's first-ever attempt to transport the surplus capacity of Hainan terminal to its northern part via LNG tank containers in 2018, and successfully carried out the sea-river coordinated transportation by working together with relevant government agencies at different levels in Shandong and Jiangsu Province.

"Our LNG tank containers have done an incredible job in the south-to-north LNG diversion in November 2018 and in the country's first-ever sea-river coordinated transportation this year. Its amazing performance is highly recognized by customers", said a responsible person of Nantong CIMC, "as the central government makes intensified efforts to establish systems favorable for the production, provision, storage and sales of natural gas and further

implements the strategy to construct 'LNG infrastructure on the Yangtze River', CIMC's LNG tank containers will play more and more important roles."

"Our product is easy for storage and transportation and features great flexibility. It not only provides sufficient and stable resources for the bunkering operation on a ship in an inland river, but also benefits the riverside regions, removes the constraints of economic radius of tank truck transportation, serves a beneficial supplement to the traditional transportation of natural gas through land pipelines, meets the quickly increasing demands for the consumption of natural gas, and promotes the high-quality development of the Yangtze River Economic Belt", said the responsible person, adding that "the 24 tank containers specially designed for the sea-river coordinated transportation can handle 600,000-m<sup>3</sup> LNG and be used for the bunkering of LNG fueled vessels. Therefore, it is an important approach to ensure the successful implementation of the strategy to construct 'LNG infrastructure on the Yangtze River'."

## CIMC Enric successfully delivers four 999-m<sup>3</sup> LNG liquid tanks

On January 19, CIMC SOE successfully delivered four 999-m<sup>3</sup> LNG liquid tanks.

Since CIMC SOE and Wärtsilä signed the strategic purchase agreement in January 2018, the two sides have been working very closely and have successively reached agreements on a series of projects, and the four 999-m<sup>3</sup> LNG liquid tanks is one of such projects. The liquid tanks meet the

certification requirements of ABS, pass the certification of USCG, and will be equipped onto an articulated bunkering vessel to provide natural gas for ships at the ports of Florida and Caribbean Sea.

CIMC SOE has rich experience in the design and manufacture of liquid tanks, and it is committed to providing high-quality products and services for enterprises in

offshore oil and gas and clean energy fields. With the world leading performance, it has won trust, support and new orders for liquid tanks from global customers. The steady increase in the orders for various vessel tanks and fuel tanks has laid solid foundation for future development of CIMC SOE.

## CIMC Enric wins the order for building the world's biggest LNG bunkering vessels

On February 1, the order for building two 20,000-m<sup>3</sup> LNG (liquefied natural gas) transportation and bunkering vessels by CIMC SOE was formally activated. The two ships are the first part of the 2+2+2 order granted by STOLT-NIELSEN GAS B.V. to CIMC SOE and the world's biggest LNG fuel bunkering vessels.

CIMC SOE is a gas transportation ship design and manufacturing specialist with proven delivery records. In particular, it has delivered 6 multipurpose LNG carriers of 27,500m<sup>3</sup>. The 20,000-m<sup>3</sup> LNG transportation and bunkering vessels are the world's biggest ones and are equipped with type-C double-body liquid tanks. Featuring safety, energy efficiency and environmental protection, they represent the update of technology for LNG carriers since it can transport LNG and provide LNG for other vessels and terminals.

STOLT-NIELSEN GAS B.V. is a wholly-controlled subsidiary of Avenir LNG, a joint venture

by the world's largest chemicals shipping company Stolt-Nielsen and two LNG giants Hoegh LNG and Golar LNG, and it specializes in the small-scale LNG transportation and bunkering business. At the same time, Hoegh LNG and Golar LNG are the end users of CIMC SOE's regasification modules.

According to a responsible person of CIMC SOE, LNG bunkering vessel will be one of fields that the company will give a top priority to in the future, because there will be rising demands for LNG bunkering vessels on markets thanks to favorable policies at home and abroad.

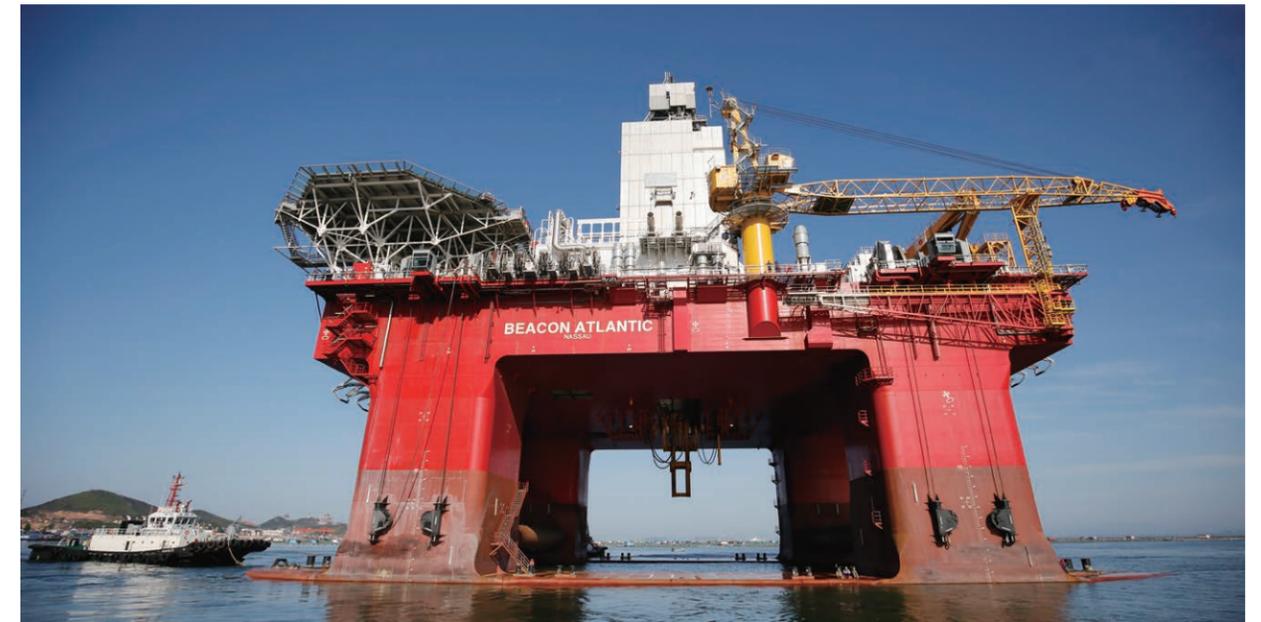
In August 2018, the Ministry of Transport issued the *Opinions on Further Promoting the Application of Liquefied Natural Gas in Water Transportation Industry (Draft for Comments)*, requiring that efforts should be made to promote the use of LNG fueled vessels in inland rivers; to support the building of inland river vessels and river-sea ships and

refitting of inland river vessels and river-sea ships through the update of the whole power system, and to prioritize the use of LNG fuel; to promote the application of LNG for fueling ships; to advance the development of LNG fueled vessels, encourage shipping enterprises with appropriate conditions to give a top priority to the LNG fueled vessels when updating their transportation power, and positively promote the use of LNG for ocean shipping vessels.

"LNG bunkering vessel is one of important mobile bunkering models that the central government is strongly promoting. In the past, it developed pretty steadily; but now, with the implementation of relevant national policies, it is believed that LNG bunkering vessels are moving forward along a fast track. At the same time, with profound foundation in the design and manufacture of LNG bunkering vessels, CIMC SOE will have a bright development outlook", said a responsible person of CIMC SOE.



## CIMC Raffles and Odfjell jointly win Neptune's drilling service contract



On March 19, CIMC Raffles and Odfjell, a well-known drilling service contractor in Norway, jointly announced that Neptune awarded a drilling contract to "Deepsea Yantai", including the confirmed lease for 6 drilling wells and optional lease for another 10 drilling wells.

At the same time, CIMC Raffles and Odfjell signed an agreement to further deepen their partnership, including CIMC Raffles would become the first choice for Odfjell's new projects, and Odfjell will manage, operate and promote the "Deepsea Yantai" on behalf of CIMC Raffles within the agreement framework. The agreement also gave Odfjell the right of first refusal after the operating period expires. At the same time, CIMC Raffles and Odfjell reached agreement on sister platforms of "Deepsea Yantai" and would carry out joint promotion to a specific group of customers.

At present, "Deepsea Yantai" is under final commissioning and on a trial voyage at the Yantai Base of CIMC Raffles. The platform series adopts the GM4-D designs, and CIMC Raffles owns 80% intellectual property rights of the platform. It is specially designed for the operation at Norwegian North Sea and

equipped with highly efficient systems such as offline takeover system and wave compensation system, so it can withstand a 100-year return period storm and work in the adverse environment include the Arctic. "Deepsea Yantai" meets the certification requirement of Det Norske Veritas and meets the Norsok standards, the most stringent one in the world.

At the Norwegian North Sea, an important oil and gas production base in the world, 3 semi-submersible platforms designed and built by CIMC Raffles are working as excellently as expected, and they have won the best platform awards for a couple of times. After the "Deepsea Yantai" was awarded the operating contract by Neptune, CIMC has successfully delivered another semi-submersible platform to its customers at Norwegian North Sea.

As an independent international oil and natural gas exploration and production company, Neptune mainly operates businesses at Norwegian North Sea, North Africa and Southeast Asia and explores and produces oil and natural gas through safe, efficient and innovative operations.

Odfjell CEO Simen Lieungh said: "the signing of the agreement is a big move in our long-term development strategy. We will have a new and attractive platform that can work at sea areas with bad conditions and we even have the right of first refusal. The contract from Neptune has demonstrated that the platform is a necessary supplement to our fleet. With our specially developed technology for working normally at sea areas with bad conditions, it is believed that the platform will achieve remarking performance at Norwegian North Sea."

"So far, we have designed and manufactured 7 semi-submersible platforms that meet the certification requirements of Norsok. Therefore, it is fair to say that among offshore engineering enterprises in China, CIMC Raffles understands Norsok most. The contract awarded by Neptune has proved that we can provide the most cutting-edge platforms for markets with the most rigorous standards and customers with the highest requirements. We are convinced that 'Deepsea Yantai' can meet customers' expectations and deliver brilliant performance, and we are looking forward to working with more companies in different fields at Norwegian North Sea."

## CIMC Logistics contributes to the successful maiden voyage of Asia's largest heavy-duty and self-propelled CSD

On March 12, Tiankun, the largest heavy-duty and self-propelled cutter suction dredger (CSD) in Asia, started its maiden voyage from Lianyungang, Jiangsu Province after all customs declaration formalities were handled, representing that the independently developed and constructed CSD was formally put into operation. It is noteworthy that Zhenhua Logistics Group, a member company of CIMC's Logistics Segment, handled all customs declaration formalities.

Tiankun is the sister vessel and updated version of Tianjin, which is the Asia's largest CSD in service. Measuring 140 meters long

and 27.8 meters wide and featuring total installed capacity of 25,843 kW, Tiankun can dig as deep as 35 meters into the sea and dredge 6,000 cubic meters of mud every hour – roughly the size of 2.5 Olympic Swimming Pools. Rated as the “magical” island-building ship, Tiankun is the largest and most advanced CSD in Asia and the most intelligent CSD in the world.

The trip is the maiden production voyage of Tianjin. According to the relevant regulations of the State, customs declaration formalities must be handled at non-customs supervised “anchorage” before the shipment of large

cargos such as docks, drilling platforms and building materials for ultra-large projects. Due to the importance of Tiankun CSD, the customer carried out thorough investigation and finally entrusted Zhenhua Logistics to handle the formalities.

“Over the years, we have familiarized ourselves with and strictly observed customs declaration laws and regulations of different countries, and we have rich experience and proven track record in the customs clearance of large and special cargoes. In particular, for programmes within special supervision category, we work closely and frequently with

domestic and foreign customs. Thanks to reputation for comprehensive strength in the industry, the customer gave us a top priority and finally chose to work with us”, said a responsible person of Zhenhua Logistics.

At the time of customs clearance for Tiankun CSD, it is required to handle the customs declaration formalities for the ship and the cargo. That is to say, two formalities, namely the formality for customs clearance of the cargoes and the formality for import and export of transportation tools, must be handled simultaneously. After winning the bid for customs declaration of the ship,

Zhenhua Logistics paid great attention to the programme and made preparations for customs clearance two months ahead. To avoid the delay in the shipping date, the company and Lianyungang Customs learned about the customer's demands and timetable, made special customs clearance supervision and quarantine schemes accordingly and completed the departure supervision on the side, which contributed to the successful maiden voyage of Tiankun.

“With rich experience and strong resource allocation ability, we saved 5 days in handling the customs clearance formalities and

preserved sufficient amount of time for the customs clearance of Tiankun after the ship arrived at the destination port. This has won great recognition from the customer”, said the responsible person.



## CIMC Logistics transports 128-meter-long pipe piles for Peljesac Bridge construction project



Recently, the 21 steel pipe steels that will play an important role in the construction of Peljesac Bridge in Croatia were loaded and departed from Jiangdu Port, Yangzhou, and will arrive at the destination on March 23, 2019. Zhenhua Logistics Group, a member company of CIMC's Logistics Segment, will perform the transportation as general contractor.

The length of the 21 pipe piles all exceeds 100 meters, and the length of 8 pipe piles is even 128 meters long, making them the longest pipe piles that is ever transported by a Chinese company. "This will be a milestone for Zhenhua Logistics' transportation of ultra-long and ultra-heavy cargos, and it is also an innovative and pioneering act in the industry", said a responsible person of Zhenhua Logistics.

"The pipe piles are the bases of the bridge piles and the core building materials of the

bridge. Therefore, the customer imposed stricter requirements for the logistics service supplier."

"The customer's trust of our strength and expertise and the satisfactory cooperation between the customer and us enabled us to stand out among competitors and win the bid."

According to the responsible person, the transportation was schedule to start near the Spring Festival when many ship owners would take a holiday, there would be severe shortage of shipping resources, and the shipping date would be impacted. Therefore, Zhenhua Logistics made best use of its powerful resource integration ability, prearranged sufficient shipping resources while designing proper logistics schemes in advance, and completed the verification of the technical schemes and the arrangement of transportation ships within two days after the Spring Festival, which ensured the

scheduled loading of the cargo.

"After we got the ships, we had to find how to load the pipe piles", said the responsible person, noting "a single pipe pile weighed 254 tons, and this exceeded the hoisting load greatly. A single hoisting machine could not hoist the pipe pile, and it might exceed the yield point and lead to the deformation of the pipe pile. In this case, we used the double floating hoist to solve the problem."

"We considered all loading details and possibilities and made thorough preparation accordingly. Finally, we successfully loaded the cargo onto ships within the agreed period of time. The good job won thumbs-up from the customer", said the responsible person. "The successful loading and transportation has not only contributed to the construction of Peljesac Bridge, but also d established a new record for the logistics of ultra-large and ultra-heavy cargos."

## CIMC-TianDa wins MIIT's certificate for implementing the management system of integrating industrialization and intelligentization

On December 13, 2018, the Fifth Electronic Research Institute of the Ministry of Industry and Information Technology (MIIT) awarded the certificate for implementing the management system of integrating industrialization and intelligentization to Shenzhen CIMC-TianDa Airport Support Ltd. (CIMC-TianDa). This represents that CIMC-TianDa has formally passed the MIIT's certification.

In 2014, CIMC-TianDa was rated by Guangdong Provincial Government as a pilot enterprise to integrate industrialization and intelligentization. Today, in an environment with fast developing IT technology and with the focus on the strategic objective of implementing the management system of integrating industrialization and intelligentization, the company has taken the informatization as an element crucial for endogenous development, strengthened the industrialization basis, promoted the interactive innovation and optimization of data, technology, business processes and organization structure, fully exploited the resource allocation potential, continuously enhanced new abilities in the informatized environment, so as to build up sustainable competitiveness and achieve innovative development, intelligent development and green development.



## CIMC firefighting trucks show at Dominica Republic's National Day Military Parade



On February 27, Dominica Republic held a military parade to commemorate the 175th anniversary of National Independence at its capital city Santo Domingo. Two firefighting trucks provided by the Chinese government showed at the parade as a member of the 911 Emergency Squad, and the red-colored equipment immediately came under spotlight in the midst of camouflage clothing and equipment.

The two firefighting trucks was a part of the firefighting truck assistance programme launched in January 2019. As the first assistance programme after China and Dominica Republic established diplomatic relations, it was composed of 40 trucks and supportive devices.

The 40 firefighting trucks are all produced by Sichuan Chuanxiao Fire Trucks Manufacturing

Co., Ltd (Chuanxiao). At the same time, they are high-end products in the same type of independently designed and developed firefighting trucks and major ones used in daily firefighting operations by Chinese soldiers, and they meet technical criteria of the two countries. The 40 firefighting trucks will become an integrate part of the 911 national safety and emergency system of Dominica Republic and provide more sufficient and reliable safety guarantee for local residents.

Currently, CIMC-TianDa Holdings Company Limited (CIMC-TianDa) is responsible for the operation of firefighting truck business of the Group. Besides the famous "Chuanxiao" brand firefighting trucks, CIMC owns the brand of Ziegler, a high-end and well-established firefighting truck brand in Germany, which has become the No. 1 foreign brand in the

market segment. In addition, CIMC-TianDa acquired Shenyang Jietong in July 2018 and Shanghai Jindun in October 2018, and the two brands have become an important part of the company's firefighting truck product line-up.

According to a responsible person of CIMC-TianDa, through a series of strategic layout, the company has established global customer service network and developed efficient and fast service response ability, which will provide strong guarantee for the continuous exploitation of firefighting truck market. In the future, CIMC-TianDa will continue to develop one-stop solutions and provide global users with higher-quality service.

## CIMC-TianDa announces a 67.6% increase in business revenue in its first annual report



On March 26, CIMC-TianDa Holdings Company Limited (CIMC-TianDa), which was listed on the main board of the Stock Exchange of Hong Kong Ltd in the first half of 2018, released its annual report for the year 2018; on March 28, it convened the business performance conference at Shenzhen. According to the annual report, CIMC-TianDa achieved business revenue about 2.786 billion yuan, increasing 67.6% YOY; and the net profit attributable to shareholders of the parent company increased 92.1% YOY to 0.165 billion yuan.

Airport facilities business and the cultivation business of intelligent parking system reported business revenue of 1.357 billion yuan, increasing 18.61% YOY; net profit of 0.173 billion yuan, increasing 34.31% YOY. In particular, the airport facilities business contributed 48.7% of the company's total business revenue.

The firefighting trucks and rescue equipment business reported business revenue of

0.548 billion yuan (CIMC directly holds 60% of equity in Ziegler, so the business revenue of Ziegler was not included in that of CIMC-TianDa; the acquisitions of Shenyang Jietong and Shanghai Jindun are to be closed, so the business revenue of the two companies was not included in that of CIMC-TianDa), and achieved increases in business revenue and net profit.

In addition, to provide better products and services for customers, CIMC-TianDa has further intensified its R&D efforts and launched a number of new products such as wholly electric airport firefighting trucks, road-rail tunnel rescue trucks and long-distance water trucks. It is noteworthy that from the second half of 2018, CIMC-TianDa installed the IoT (Internet of Things) management system on all ex-factory firefighting trucks. With the system, the real-time operation of a truck can be transmitted to and stored in the data server via the IoT, and then customers and

aftersales staff of CIMC-TianDa will be able to access the information such as the location, operation and status from time to time, so as to manage the firefighting truck efficiently and effectively.

Thanks to the priority given to high-quality industries and markets, the technological improvement and the optimization of project management, the business of automatic logistics system (baggage, materials and warehouse handling system) made remarkable performance in 2018 and business reported business revenue of 0.881 billion yuan, increasing roughly 70%; and a significant increase in net profit by 109%.

As a mainstream and global integrator capable of providing comprehensive and intelligent logistics solutions in the industry, CIMC-TianDa has ranked top on air cargo handling system market, and its baggage handling system (BHS) has become a world-famous brand.

## CIMC Industry & City contributes to coordinated innovation of high-end equipment in the Yangtze River Delta

On March 13, the Ceremony for the Commencement of Implementing the 2019 Major Industrial Projects of Baoshan District and the Unveiling Ceremony for the Base of Coordinated Innovation of High-end Equipment in Yangtze River Delta were held at Shanghai Meilan Lake of CIMC Industry & City Group. The event was hosted by Shanghai Baoshan District People's Government and co-organized by CIMC Industry & City Development Group (CIMC I&C) Shanghai Branch.

Deputy Director of Shanghai Municipal Development & Reform Commission Yuan Qing, Deputy Director of Shanghai Municipal Economic and Informatization Commission Wu Jincheng, leaders of Shanghai Baoshan District People's Government, over 40 leaders responsible for major industrial projects at Baoshan District, CIMC's Executive Vice President Gao Xiang, CIMC's President Assistant Qin Gang, CIMC I&C's Managing Director Yu Zhenfei, CIMC I&C's Deputy Managing Director and CIMC I&C Shanghai's General Manager Tang Yu attended the ceremony. Deputy Chief of Baoshan District Lv Ming introduced the 2019 major industrial projects; Deputy Chief Chen Yaoshui introduced the service measures about the assistance throughout the whole process of a social investment programme and presented certificates to 20 assistance representatives; and the assistance representatives twined with major projects. CIMC I&C Shanghai's Deputy General Manager Zhou Jingjing attended the twinning on behalf CIMC Wise City - Shanghai Meilan Lake Programme.

Gao Xiang delivered a speech as the representative of major programmes. He

made introduction about CIMC, CIMC I&C and CIMC Wise City - Shanghai Meilan Lake Programme, noting that the Group will pool together its resources with competitive advantages to turn the Meilan Lake Programme into an important pivot that will support the deep integration of Baoshan District into the coordinated development of the Yangtze River Delta.

At the ceremony, Yuan Qing and CPC Baoshan District Secretary Wang Hong jointly inaugurated the Base of Coordinated Innovation of High-end Equipment in Yangtze River Delta which is dependent on the CIMC Wise City - Shanghai Meilan Lake Programme.

In the future, Baoshan District will center round the implementation of the strategy to achieve coordinated development in the Yangtze River Delta, start with the relocation and settlement of CIMC's high-end equipment manufacturing enterprises, promote comprehensive cooperation in a couple of fields such as the commercialization of scientific research achievements, the joint cultivation of scientific talents, the coordinated cultivation of scientific innovative enterprises, and the creation of an ecological circle favorable for innovation and start-up, and explore and build a cross-region and cross-industry innovative resource sharing platform.

Culmination of the event: under the leadership of Wang Hong, the leaders from Shanghai Municipal Government and Baoshan District Government, Gao Xiang and Yu Zhenfei jointly laid foundations for the major projects.



## CIMC transports the first batch of LNG for heating season in the southwest China



On January 17, CNOOC Guangxi Fangchenggang LNG Terminal held the ceremony for filling liquefied natural gas (LNG) into the storage equipment onto the first group of tank trucks, marking formal operation of the first LNG terminal in the southwest of China. After the filling, the LNG will be transported to different provinces in the southwest part so as to provide sufficient clean energy for remote areas in the southwest part and for the whole country. It is noteworthy that the first group of LNG tank trucks was provided by C&C Trucks.

LNG terminal, in particular a large one, is the major receiving, transferring and peak-shaving station of LNG during the dual-trip transportation and provides important support to meet the demand for trade and transportation on neighboring LNG markets. In the central and western part of China, the LNG is transported from large terminals at coastal areas to small terminals, and then sent to user end with truck tanks, tank container trains or local pipelines. Today, the non-pipeline model (especially for small- and medium-sized LNG terminals) is more

and more popular on global markets as it is flexible, occupies smaller areas and does not depend on natural gas pipelines.

“In Guangxi, Yunnan, Guizhou and other regions in the southwestern part of China, the road transportation system is developed due to the landform, and end users are scattered. Therefore, tank trucks are widely used for LNG transportation”, said a responsible person of C&C Trucks, noting that “it is pretty smart for Fangchenggang LNG Terminal to choose LNG tank trucks for filling and transporting of its first batch of LNG product, and it is even smarter for the Terminal to choose CIMC’s LNG tank trucks because they are more sophisticated on domestic market.”

The LNG tank trucks produced by C&C Trucks are fueled by natural gas. Therefore, it has more advantages than common heavy-duty trucks in terms of costs and environmental friendliness. For example, its fuel cost is 25% to 35% lower than that of diesel trucks. In addition, it will emit 90% less CO than traditional diesel tank trucks, seldom generate hydrocarbon, nitrogen oxide and produce no particulate matters, so it can achieve the zero emission of PM2.5 substances.

“The demands of markets and customers are changing from time to time, and this presents enormous challenge. For CIMC, the challenge means huge opportunity. We have rich experience and great advantage in the storage and transportation of LNG. We will continue to fully integrate the Group’s resources with competitive advantages, provide high-quality LNG trucks for customers, and contribute to further implementation of national natural gas strategy”, added the responsible person.

## C&C Trucks is rated as the “2019 Chinese Truck Users’ mostly Preferred and Trusted Engineering Transportation Vehicle”



On February 22, at the “Discovery & Trust – Truck Owners Survey and Appraisal Awards Ceremony”, which was hosted by chinatruck.org, C&C Trucks’ new-type urban intelligent and environmentally friendly dumpers were rated as the “2019 Chinese Truck Users’ mostly Preferred and Trusted Engineering Transportation Vehicle”.

As the central government begins to pay more attention to environmental protection, the local governments have released proper policies, and the competent authorities have launched the Blue Sky Protection Campaign, the truck and transportation industry is moving along the track of energy efficiency, environmental protection, economy and intelligentization. In particular, there is much higher requirements for dumpers. In this context, C&C Trucks has carefully studied industrial demands and the national situations, and then developed the new-type urban intelligent and environmentally friendly dumpers.

The new dumper is equipped with diesel-gas engines and fueled by LNG, and its maximum power is 370hp. Compared with diesel dumpers, the new product’s emission of CO drop by over 90%, hydrocarbon drop by over 70% and nitrogen oxide drop by over 35%, and it produces no particulate matters and can achieve the zero emission of PM2.5 substances. As for the design of packing box, the new dumper adopts fully closed electric folding cover, integral side skirts plate, closed rear door, intensified horizontal and vertical bars, rear door locking mechanism and other cutting-edge controls and features, so it generates no drops of construction wastes. Its fuel cost is 25% to 35% lower than that of diesel trucks.

In addition, the intelligent performance and reliable aftersales service of the new dumpers are popular with users. It uses advanced CAN-bus control technology and is equipped with intelligent devices such as

Smart-M G7 intelligent management system, face recognition based anti-fatigue system, dumper analyzers, and 6 intelligent video cameras and 8 radars for lane departure prevention, so as to fully supervise the status of the vehicle and provide real-time status for drivers and occupants. At the same time, the complete set of aftersales system, especially the promise that the “service must be in place within a specified period of time”, has offered users more guarantee.

As Chinese government has continuously raised its requirement for environment protection, C&C Trucks has specially developed and manufactured the urban intelligent and environmentally friendly dumpers that meet the requirements provided in different policies and contributed to the success of the campaign to make the sky blue again.

## UK's biggest modularized student apartment built by CIMC is put into operation

On December 10, 2018, Newcastle University held the opening ceremony for the newly built Park View Student Village (PVSV), and announced that the new student apartments were put into operation. PVSV is the biggest modularized student apartment in the UK, and it was built by CIMC Modular Building & Investment Co., Ltd. (CIMC MBI).

Galliford Try, general contractor of the project, chose CIMC MBI for the building of 6 student apartments. With a designed using period of 50 years and a total investment of 75 million pounds, PVSV is the largest project that Newcastle University has ever invested in.

"If the project is built in traditional ways, it will cost at least 3 years. In contrast, with the modules provided by CIMC MBI, we got the job done in 6 months – one sixth of the time

previously scheduled", said Paul Milburn, Project Manager of Galliford Try, noting that "in addition, the use of CIMC MBI's modules means a big drop in comprehensive costs".

"Every module is given a unique reference number, and they are delivered in the same order as expected. When you are a part of the building process, you will be able to find what a remark job CIMC MBI has done", added Paul Milburn.

In consideration of the high quality of the products and excellent performance of CIMC MBI, the property owner and the UK building industry thumbed up for the company. Paul Banteen, Accommodation Service Director of Newcastle University, said at the opening ceremony that "we are excited to see that today, new student apartments are

available for our students. It is an important project of the University. I would like to say 'thank you' to those who help us create and provide first-class living environment for students". Professor Chris Day, Vice President of Newcastle University, said that "previously, our students thought highly of our accommodation conditions. Today, as the PVSV is put into operation, I cannot imagine how excited they will be!"

A responsible person of CIMC MBI responded to the good comments, saying that the modularized student apartments feature

great economy and comfort, and they meet customer's requirement for the sustainability of the apartments. That is to say, new modules can be added to the apartments whenever there is new demand for more rooms.

With the innovative value injected into the student apartment by CIMC MBI, PVSV won the Most Innovative Project of the Year within a couple of weeks after it was opened, and it also won the Special Award for the Large Project subcategory of Northern county Institution of Structural Engineers Award.



## Modular building is a focus at Shenzhen International Conference on Building Green Campus



On February 21, the Shenzhen International Conference on Building Green Campus was held at Southern University of Science and Technology. Directed by Shenzhen Building Science & Technology Development Center, hosted by CIMC Modular Building & Investment Co., Ltd. (CIMC MBI) and co-organized by Southern University of Science and Technology, the Conference was under the theme of “Improving Building Quality & Building Green Campus”.

The experts noted that the building of green campus is an important part of the green development strategy that the central government has been fully implementing. The assembled building, which is represented by steel structure modular building, is green, environmentally friendly and sustainable, and it will be playing an important role in building green campus.

“As a famous enterprise in the global steel structure modular building, CIMC MBI will fully contribute to the building of green

campus”, said Zhu Weidong, General Manager of CIMC MBI. CIMC’s modular building is highly integrated. With over 90% traditional building procedures completed in factories, CIMC can reduce the time spent on construction by 50% and lower construction wastes over 50% while maximally ensuring the quality and the stability of installation. Based on ocean container shipping technology, modules will be transported to construction sites through sea-land transportation for erection and delivery.

“As a well-known enterprise in global green building field, CIMC MBI has proven track records across the world. So far, we have built a large number of university student apartments, such as the student apartment for University of Amsterdam, Netherland; the graduate student apartment for University of California, Berkeley, and it is the first steel structure modular housing project in the US that has been implemented by a Chinese enterprise; Park View Student Village, new student apartments of Newcastle University

and the biggest modularized student apartment in the UK”, said Zhu Weidong, adding “these projects are well received by property owners.”

Besides student apartments, CIMC MBI does a good job in other fields. It has developed more than over 1 million square meters of buildings in different types in the UK, Europe, Australia, the US, Japan and other countries and regions, and established long and steady strategic cooperation with the world’s chain hotels such as Hilton and Continental. It also actively exploits domestic markets, such as the Office Building of Shenzhen Qianhai Administration Committee and Civic Service Center of Xiong’an New Area. CIMC MBI took the lead in drafting China’s first enterprise standard for modular building in 2017, and as one of chief editor enterprises, it is now working with industrial associations to draft China’s first industrial standard. These standards are highly recognized and praised by the Ministry of Housing and Urban-Rural Development.