

CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.

中国国际海运集装箱（集团）股份有限公司

**CHANGE OF PLACE OF LISTING
OF DOMESTIC LISTED FOREIGN SHARES**

AND

**LISTING BY WAY OF INTRODUCTION
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

**DOMESTIC OPERATIONS GUIDE
(FOR INVESTORS ONLY)**

NOVEMBER 2012

Table of Contents

Foreword

Chapter 1: Notes to Operations

Chapter 2: Operational Guide for Investors

Section 1: Placing trade orders

Section 2: Transfer of funds

Section 3: Enquiry services

Section 4: Change of account information

Section 5: General meetings

Section 6: Other non-trade-related operations

Chapter 3: Investors' Operation Q&A

Foreword

The plan for the change of place of listing of the domestic-listed foreign shares of China International Marine Containers (Group) Co., Ltd. by way of introduction on the Main Board of the Stock Exchange of Hong Kong Limited (“CIMC B-to-H Conversion”) was considered and approved at its general meeting held on 30 August 2012. To ensure the smooth implementation of the CIMC B-to-H Conversion plan, and to guide investors through relevant domestic operations relating to the conversion, this operations guide has been formulated in accordance with the provisions of “Change of Place of Listing of the B Shares Listed on the Shenzhen Stock Exchange to List by way of Introduction and Trade on the Stock Exchange of Hong Kong Limited - Technical Guide for Domestic Securities Companies” (《深市 B 股转换上市地以介绍方式在香港联交所上市及挂牌交易境内证券公司技术指引》), “Change of Place of Listing of the B Shares Listed on the Shenzhen Stock Exchange to List by way of Introduction and Trade on the Stock Exchange of Hong Kong Limited - Technical Interface Standards for Domestic Securities Companies” (《深市 B 股转换上市地以介绍方式在香港联交所上市及挂牌交易境内证券公司数据接口规范》) and other pertinent documents.

The domestic operations relating to the conversion cited in this operations guide refer to various types of operations pertinent to CIMC B-to-H Conversion and the results of such conversion to be conducted by investors through Domestic Securities Companies, such as the conduct of entrusted deals through the trading system of Domestic Securities Companies (Note: domestic investors may only sell CIMC H shares after conversion), enquiries, and account transfers and change of custodians, etc through domestic securities companies.

This operations guide does not cover overseas operations, namely operations conducted directly through overseas securities companies. For enquiries, investors may visit <http://www.hkex.com.hk>, the website of Hong Kong Exchanges and Clearing Limited (“HKEx”), the controlling company of The Stock Exchange of Hong Kong Limited (“SEHK”).

The listing rules and trading rules of Shenzhen Stock Exchange (“SZSE”) and the registration and clearing rules of China Securities Depository and Clearing Corporation Limited will not be applicable to the converted H shares of CIMC.

As trading systems, regulations and business flows vary among different securities companies, this operations guide will serve only as a general reference for operations. Detailed procedures and process flows of the actual operation are subject to the pertinent regulations of securities companies engaged by investors. Investors should fully inform themselves of the specific requirements and provision relating to CIMC B-to-H Conversion of the securities company with which they open their account.

This operations guide is prepared in both Chinese and English. In case of discrepancies, the Chinese version shall prevail.

Chapter 1 - Notes to Operations

I. Comparison of major trading differences between the B share market and the H share market

To facilitate investors' understanding of the H share trading rules, comparisons between the B share and H share trading rules have been set out in the following table by summarising certain major differences between B shares and H share trading rules. For a more detailed understanding of the B share trading rules and the H share trading rules, please visit the website of SZSE (<http://www.szse.cn>) and the website of HKEx (<http://www.hkex.com.hk>)

| Item for comparison | B shares | H shares |
|--|--|--|
| Trading dates | From Monday to Friday; market closed on Saturdays, Sundays and statutory national holidays of the PRC | From Monday to Friday; market closed on Saturdays, Sundays and public holidays of Hong Kong |
| Method of placing orders and prices | Orders at market price: quotations may only be made during consecutive trading hours Limit orders: to be made according to designated prices | At-auction orders: an order with no specified price and such order may only be submitted during the pre-opening session Limit orders: an order with specified price |
| Processing of trade submissions by the stock exchange trading system in the pre-trading period | 9:15-9:20: trade submissions are admissible and also cancellable; 9:20-9:25: trade submissions are admissible but no cancellations may be made; 9:25-9:30: trade submissions and cancellations are admitted but not processed. | 9:00-9:15: submission, modification and cancellation of limit orders and at-auction orders acceptable 9:15-9:20: only at-auction orders are acceptable; limit orders and at-auction order already put in queue cannot be modified or cancelled 9:20-9:28: no input, modification and cancellation of orders are allowed. Orders will be matched in order type (at-auction order first) 9:28-9:30: no terminal activities are allowed |
| Consecutive trading hours | Morning: 9:30-11:30 Afternoon: 13:00-15:00 | Morning: 9:30a.m. -12:00p.m. Afternoon: 1:00p.m.-4:00p.m. No afternoon sessions on Christmas Eve, New Year Eve and Chinese New Year Eve. |
| Minimum trading volume for each order | 100 shares | Varies from counter to counter, usually with a minimum transaction amount of HK\$2,000. Board lot of converted CIMC H share will be 100 shares. |
| Trading of volumes below the minimum requirement for each | share with odd lot size, to be sold on a one-off basis | Odd lot shares, to be acquired by specialized agencies at trading prices equivalent to 85-90% of the market |

| | | |
|---|----------|---|
| order | | price and must be sold in full in one single transaction. |
| Minimum price fluctuation | HK\$0.01 | Varies according to the range of share prices. For details please refer to Section I “Trade Submission” in Chapter II of this Guide |
| Price movement limits | 10% | Nil |
| Turn around trade | T+1 | T+0 |
| Settlement | T+3 | T+2 |
| Margin financing and securities lending | Nil | Yes |

The differences stated above are solely derived from comparison between the B share market and the H share market, and may not be relevant to all investors in converted CIMC H shares after the CIMC B-to-H Conversion. Different trading rules apply to different types of investors. For details please refer to the sections headed “Types of investors,” “Comparison of trading restrictions and differences between domestic investors and domestically-trading overseas investors” in this Guide.

II. Types of investors

Investors are classified into three types, namely, domestic investors, domestically trading overseas investors and non-domestically trading overseas investors according to their identities and the different reporting methods for their future transactions.

| Type of investors | Criteria for classification |
|---|---|
| Domestic investors | Domestic investors who trade via trading systems of domestic securities companies. |
| Domestically trading overseas investors | Overseas investors who have not directly opened H share accounts with overseas securities companies and who will continue to trade via trading systems of domestic securities companies. |
| Non-domestically trading overseas investors | Overseas investors who have opened independent H share accounts with Guotai Junan Hong Kong or other overseas brokers, whose converted CIMC H shares have been transferred to these accounts to be held in custody and who will trade via trading systems of overseas securities companies. |

III. Comparison of trading restrictions and differences between domestic investors and domestically-trading overseas investors

Comparison among domestic investors, domestically trading overseas investors and non-domestically trading overseas investors indicates certain trading restrictions and differences. Investors should find out which type of investors they belong to and fully inform themselves of relevant restrictions and differences before transacting businesses concerned. The following table sets out only certain trading restrictions and differences. For details of other restrictions and differences, please consult the securities company with which you are maintaining your account.

| Comparison | Domestic Investors | Domestically-trading Overseas Investors | Non-domestically trading overseas investors |
|--------------------------------------|--|---|---|
| Stock code | 299901 | | SEHK H share stock code |
| Name of stock | 中集H代 | | SEHK H share stock name |
| Trading authorisation | Selling only; buying not permissible (Converted CIMC H shares representing unsold shares in respect of which no valid exercise of the cash option has been submitted as at the last trading day for CIMC B shares) | | Buying and selling permissible |
| Trading day | Common trading day of SEHK and SZSE | | Trading day of SEHK |
| Types of buy / sell orders permitted | Limit orders | | Price bidding orders; limit orders |
| Trading hours | Morning: 9:15-11:30; Afternoon: 13:00-15:00 Afternoon: 15:00-16:00: no new orders may be submitted, nor may previous orders be cancelled, provided that trading orders not cancelled during the day will remain effective and transaction receipts may still be received. | | Morning: 9:00-12:00 Afternoon: 13:00-16:00 |
| Settlement time | T+2 If T+2 is not a SZSE trading day, fund settlement will be deferred to the next common trading day. | | T+2 |
| T+0 day trade | Not permissible | | Permissible |
| Margin financing trade | Not permissible | | Permissible |
| Trading fee | B share commission for domestic securities company with which account is maintained + H share fees | | H share fees |
| Change of custodian | Change of domestic custodians permitted | Change of both domestic and overseas custodians are permitted | Change of overseas custodians only |

IV. Parties involved

| Full name of party | Acronym used in this Guide | Major responsibilities |
|--|----------------------------|---|
| China International Marine Containers (Group) Co., Limited | CIMC | Information disclosure |
| Guotai Junan Securities (Hong Kong) Limited | Guotai Junan Hong Kong | As designated overseas securities agent, provides custody for all initial H shares upon listing; receives H share trading orders sent by Domestic Securities Companies through SSSCC, reports the same with to SEHK, complete clearing and settlement for transacted deals in the aforesaid |

| | | |
|---|---|--|
| | | trading orders and maintains records of particulars of investors' shareholdings. |
| Guotai Junan Securities Co., Ltd. | Guotai Junan | As domestic nominee securities agent, opens H share securities trading accounts with Guotai Junan Hong Kong to hold all initial H shares upon listing as a centralised custodian. |
| Shenzhen Securities Communication Co., Ltd. | SSSCC | Transmits real-time trading information of the H share trading information, trading instructions and orders for transaction. |
| China Securities Depository and Clearing Corporation Limited, Shenzhen Branch | SD&C Shenzhen | Appointed by Guotai Junan to carry out fund allocation based on particulars of investors' shareholdings and fund settlement data document issued by Guotai Junan Hong Kong, and forward such particulars of shareholdings and fund settlement data to Domestic Securities Companies through SSSCC. |
| Domestic securities companies | Domestic Securities Company / Companies | Receive all business applications by investors and handle enquiries, communications and other investors' services; completes secondary clearing for transacted deals for converted CIMC H shares and adjusts stock and cash balances of investors' accounts. |

Chapter 2 - Operational Guide for Investors

Following the CIMC B-to-H Conversion, investors should continue to operate through the business departments of the securities companies with which they maintain their accounts in handling related matters, and the method of operation for principal businesses will remain basically unchanged from that for B share trading in the past. For details please consult the securities companies concerned.

To ensure smooth transaction in the future after CIMC B-to-H Conversion, investors should at least do the following:

- (1) Confirm with the securities companies with which they maintain their accounts whether their trading system will be converted and upgraded, as only securities companies who have implemented and completed the conversion and upgrade of their trading systems can provide real-time trading information of converted CIMC H shares and accept trading instructions in the future. If such securities companies have confirmed that they will not convert and upgrade their trading systems, investors may elect to sell their CIMC B shares by the close of the last trading day for CIMC B shares, or exercise their cash options, or they may change the custodian and place their CIMC B shares with a securities company that has completed the conversion and upgrade of their trading systems.
- (2) Confirm which type of investors they are and, in case of domestic investors or domestically trading overseas investors, fully inform themselves the trading restrictions and differences they will face in the future.
- (3) Confirm with the securities companies with which they maintain their accounts which types of services will be supported for converted CIMC H shares.
- (4) Fully inform themselves of the differences between B shares and H shares in trading rules.
- (5) The stock code and name of H shares after conversion by CIMC were referred to as “299901” and “中集H代”, respectively, for domestic trade instructions.
- (6) Continue to monitor related announcements of CIMC to inform themselves of the progress of CIMC B-to-H Conversion.
- (7) Consult the securities companies with which they maintain their accounts for the actual manner in which CIMC B-to-H Conversion will be operated.

Section1: Placing trade orders

Special reminder:

1. Domestic investors and domestically trading overseas investors who hold converted CIMC H shares as a result of having neither sold their CIMC B shares nor validly exercised their cash options by the last trading day for CIMC B shares may only either continue to hold or sell such converted CIMC H shares, but may not buy further converted CIMC H shares.
2. Overseas investors who hold converted CIMC H shares as a result of having neither sold their CIMC B shares nor validly exercised their cash options by the last trading day for CIMC B shares may change the custodianship of their converted CIMC H shares to

Guotai Junan Hong Kong or other overseas brokers and continue to hold, buy or sell converted CIMC H shares via overseas trading channels through an independent H share account opened with Guotai Junan Hong Kong or other overseas brokers.

3. After the completion of the clearing and settlement of cash options in respect of CIMC B-to-H Conversion, domestic investors not holding any converted CIMC H shares shall not be entitled to trade in converted CIMC H shares.

I. Manner of instruction

The manner of instruction will remain basically unchanged, which will be the method of investment instruction registered by the investor with the business department of the original securities company with which he / she is maintaining an account. If the investor has registered for online trading instruction, he / she may also place trading instructions for converted CIMC H shares through online trading. However, the extent of conversion varies among different securities companies. Aside from counter instructions and online instructions, investors should consult the securities companies with which their accounts are maintained to confirm whether other instructions methods such as on-site self-service terminals of the business department support converted CIMC H shares.

II. Real-time trading information

An investor may obtain real-time trading information and notices of trading suspension / resumption in respect of the converted CIMC H shares via the existing channels and means for the display of trading information provided by the securities company with which he / she maintains an account, such as on-site self-service terminals at the business department and online trading customer terminals, etc.

III. Principal trading rules

The stock code and name of H shares after conversion by CIMC were referred to as “299901” and “中集H代”, respectively, for domestic trade instructions which were basically the same as that for Shenzhen B shares.

Unless otherwise noted, the following trading rules are applicable to all domestic investors and domestically trading overseas investors.

(I) Price movement limits

There are no daily price movement limits for H share.

(II) Day trade system

The H share day trade system operates on a T+0 basis, namely one can buy and sell on the same day for unlimited times. Short-selling of designated stocks (such as certain large-cap blue-chip stocks) is also allowed.

As domestic investors and domestically trading overseas investors may only continue to hold or sell converted CIMC H shares, they may not conduct any day trade. Only non-domestically trading overseas investors may conduct day trade in accordance with this rule.

(III) Minimum price fluctuation

H shares are not traded on uniform ranges of price fluctuation. Different minimum price fluctuation ranges apply to different stocks depending on the range of their listing prices, as indicated in the following table:

Table of Minimum Price Fluctuations of H Shares

Unit: HKD

| Range of Stock Price | Minimum Fluctuation |
|-----------------------------|----------------------------|
| 0.01-0.25 | 0.001 |
| 0.25-0.5 | 0.005 |
| 0.5-10 | 0.01 |
| 10-20 | 0.02 |
| 20-100 | 0.05 |
| 100-200 | 0.1 |
| 200-500 | 0.2 |
| 500-1000 | 0.5 |
| 1000-2000 | 1 |
| 2000-5000 | 2 |
| 5000-9995 | 5 |

(IV) Valid price range for sell transaction orders

The prices instructed for H share transaction orders cannot exceed ranges acceptable by the SEHK, otherwise the transaction order will be automatically cancelled.

The valid price range of H share sell order is the valid range of instructed transaction prices determined according to the price of minimum fluctuation on the basis of the prevailing traded price. The lowest valid price for a sell order should be the prevailing traded price minus 10 minimum fluctuation price intervals, and the highest valid price for a sell order should be the prevailing traded price plus 100 minimum fluctuation price intervals. If the instructed sell price falls between the prevailing traded price and the lowest valid instructed price, the order will be transacted immediately; if the instructed sell price is higher than the prevailing traded price but lower than the highest valid price, the order will be put into the queue for transaction.

Example:

If the prevailing traded price for an H share counter is 8.00, the current valid price range of sell orders for this H share counter would be:

7.9-9.00, and sell orders with an instructed price between 7.9-8.00 will be immediately taken, while those with instructed prices between 8.01-9.00 will be put into the queue.

(Note: the above description is extracted from the trading rules of the SEHK regarding price ranges. For details please refer to the website of the SEHK.)

(V) Trading hours and the processing of trading orders for converted CIMC H shares

The trading hours for non-domestically trade overseas investors are identical with the H share trading hours, namely 9:00-16:00 on trading days of SEHK. Specifically, they include the following bands:

1. 9:00-9:30: the pre-opening session;
2. 9:30-12:00: the morning session;
3. 12:00-13:00: the extended morning session;
4. 13:00-16:00: the afternoon session.

There are no afternoon sessions or extended morning sessions on Christmas Eve, New Year Eve and Chinese New Year Eve.

The trading hours for domestic investors and domestically trading overseas investors are 9:15-15:00 on common trading days of SEHK and SZSE. During the aforesaid time bands, trading orders of domestic investors and domestically trading overseas investors will be handled in the following order:

1. 9:15-9:30: Sell orders may be input, revised or cancelled. No transaction receipts will be issued during this period. The trading order will be stored in the trading system of domestic securities companies, who will send all stored orders to Guotai Junan Hong Kong at 9:30 and forward to HKEX;
2. 9:30-11:30 Sell orders may be input and transaction receipts will be issued. Pending orders can be cancelled;
3. 11:30-13:00 Orders placed between 9:15 and 11:30 which have not been cancelled will received transaction receipts. Sell orders may be input, revised or cancelled. The trading order will be stored in the trading system of domestic securities companies, who will send all stored orders to Guotai Junan Hong Kong at 13:00 and forward to HKEX
4. 13:00-15:00 Sell orders may be input and transaction receipts will be issued. Pending orders can be cancelled;
5. 15:00-16:00 No new orders may be submitted, nor may pending orders be cancelled. Sell orders given during the day and not cancelled will remain valid and transaction receipts may still be received.

(VI) Collective at-auction mechanism

A further breakdown of the pre-opening session for H shares (9:00-9:30) into four bands is set out as follows:

1. Input of buy / sell orders (9:00-9:15): auction orders may be entered into the system and may also be revised or cancelled. If the revision involves only a decrease in the number of shares bought or sold, the waiting time and sequence for order matching will not be affected. However,

if the revision involves a change in prices or an increase in the number of shares bought or sold, the original waiting time and sequence for order matching will no longer be valid;

2. Pre-matching period (9:15-9:20): bidding prices may be input into the system but no buy / sell orders may be revised or cancelled.
3. Matching period (9:20-9:28): the automatic matching of auction orders must be conducted in accordance with Rule 517 (1) (a). During this period, no buy / sell orders may be input into, revised or cancelled in the system. All trades entered into during the matching period in accordance with methods stipulated in Rule 517 (1) (a) of the Rules of the Exchange of SEHK pertaining to H shares will be deemed as trades entered into at the start of the matching period.
4. Time-out period (9:28-9:30): The system will be in a standstill condition to transit from the pre-trading session to the continuous trading session. During this period, no buy / sell orders may be input, revised or cancelled.

After the CIMC B-to-H Conversion, the aforesaid collective at-auction mechanism will only apply to non-domestically trading overseas investors, while domestic investors and domestically trading overseas investors may only place limit orders (starting from 9:15) but not at-auction orders.

(VII) Types of buy / sell orders

1. At-auction limit orders

At-auction limit orders are buy or sell orders with designated prices placed by investors during the buy / sell order input period during the pre-opening session.

During the matching period, if the specified price of a buy order is equal to or higher than the indicative equilibrium price (IEP), or if the specified price of a sell order is equal to or lower than the IEP, automatic matching of the at-auction limit order will be executed at the IEP calculated will be at the end of the pre-order matching period.

2. At-auction orders

An at-auction order is a buy order or a sell order with no specified price input during the order input period or pre-order matching period of the pre-opening session for automatic order matching by the investor.

The automatic order matching of an at-auction order is conducted during the order matching period at the IEP calculated at the end of the pre-order matching period.

After the CIMC B-to-H Conversion, only non-domestically trading overseas investors may place at-auction orders, while domestic investors and domestically trading overseas investors will not be able to place at-auction orders.

3. Auction orders

Auction orders comprise at-auction orders and at-auction limit orders (as the case may be).

(VIII) Odd lots

Stocks are traded at SEHK in one board lot or more, while stocks in quantity less than one board lot are treated as odd lots. However, at SEHK the size of one board lot varies from counter to counter, as SEHK stipulates that each single transaction in securities should typically carry an amount of not less than HK\$2,000, and each listed company may determine the size of the board lot of its shares based on its own conditions. Investors who wish to dispose of odd lots will have to do so at prices slightly lower than market rates to institutions specialised in the acquisition of odd lot shares. The transaction price typically represents 85%-90% of the market rate.

The available balance of odd lots held by the investor after a trading instruction has been placed for the disposal of odd lots in one single transaction will be zero. In other words, all odd lots held by an investor should be disposed of in one single transaction. The trading instruction for odd lots may be given independently for execution or consolidated into the trading instruction for board lots.

After the CIMC B-to-H Conversion, the transaction price for the future odd lots of investors trading via the trading systems of domestic securities companies will be based on a discounted price pledged by Guotai Junan Hong Kong (90% of the averaged traded price or market price for board lots), namely: if the number of shares under the trading instruction exceeds one board lot, after all board lots have been traded, the odd lots will be given assured trading at a trading price equivalent to *90% of the average traded price of the board lots. If the number of shares under the trading instruction is less than one board lot, such shares will be given assured trading at a trading price equivalent to *90% of the prevailing market price.

The minimum volume of converted CIMC H shares to be placed in one single trading instruction is 100 shares, quantities of less than 100 shares are treated as odd lots. Prior to the last trading day for CIMC B shares, investors may buy additional shares to consolidate odd lots into one board lot or sell to eliminate odd lots and keep board lots.

IV. Transaction costs

Apart from transaction costs normally required to be paid in H share transactions, domestic investors and domestically trading overseas investors are also required to pay commissions arising from trading via trading systems of domestic securities companies with which accounts are maintained. The rate of such commission is usually identical with the rate payable by investors when they carry out B share trades at the securities companies with which their accounts are maintained.

| Trading fee | Rate | Type of investors | | |
|---|--|--------------------|---|---|
| | | Domestic investors | Domestically trading overseas investors | Non-domestically trading overseas investors |
| Commission payable to domestic securities companies with which accounts | Same as the original Shenzhen B share commission | | √ | × |

| | | | |
|--------------------------------|---|---|---|
| are maintained | | | |
| H share trading commission | 0.10% (Hong Kong H share trading commission payable to Guotai Junan Hong Kong) | √ | √ |
| H share trading fee | 0.005% | √ | √ |
| H share transaction levy | 0.003% | √ | √ |
| H share transaction stamp duty | 0.1% of the transaction amount | √ | √ |
| H share settlement fee | 0.002% of the total value of each trade at SEHK, the buyer and seller each subject to minimum and maximum fees payable of \$2 and \$100, respectively | √ | √ |

Section 2: Transfer of funds

I. Timing for fund settlement

Changes in particulars and fund settlement for trading in converted CIMC H shares under instructions placed through Domestic Securities Companies will be completed on T+2. T day is the common trading day and T+2 will be construed on the basis of SEHK trading days. In the event that T+2 is not a trading day for SZSE, completion of changes in particulars and fund settlement will be deferred to the next common trading day.

Furthermore, as the record of changes in investors' shareholdings will not be delivered to SD&C Shenzhen until the end of the trading day, any shareholding record updates relating to distributions of bonus shares effected during the day will only be available for inspection and selling through the system on the next working day.

II. Bonus shares and dividends

Investors holding converted CIMC H shares on the record date for equity interests will have capitalisation shares and bonus shares automatically deposited into their accounts, and they will not be required to go through any procedures. Guotai Junan Hong Kong has agreed to waive the handling charge for the distribution of bonus shares.

Investors holding converted CIMC H shares on the record date for equity interests will have

dividends in respect of converted CIMC H shares automatically deposited into their accounts after deduction of relevant charges by Guotai Junan Hong Kong, and they will not be required to go through any procedures.

CIMC will withhold and pay a 10% tax on behalf of domestically trading overseas individual investors out of their entitlements to CIMC dividend distributions in accordance with PRC tax laws, and the balance of the entitlement amounts will be remitted into the PRC.

Apart from a 10% enterprise income tax withheld and paid by CIMC on behalf of domestic investors out of their entitlements to CIMC dividend distributions in accordance with PRC tax laws, the balance of the entitlement amounts may further be subject to a 10% personal income tax upon remittance into the PRC.

The tax liabilities concerned will be undertaken by the responsible party for withholding and payment stipulated by the law.

There might be a relatively long gap between the deposit date for bonus shares and dividends in respect of converted CIMC H shares and the record date. Investors are reminded not to cancel their securities accounts before the bonus shares are deposited and not to cancel their securities account and cash account before dividends are deposited.

III. Transfer of funds

The manner of fund transfers will remain unchanged, namely in the same way fund transfers for Shenzhen B shares are currently being processed by the business departments of securities companies with which accounts are maintained.

Section 3: Enquiry services

After the CIMC B-to-H Conversion, the manner in which investors enquire about the stock and cash balances of their accounts will remain unchanged, namely in the same way it is currently being operated by the business departments of securities companies with which accounts are maintained.

In addition, investors may also access information disclosure in respect of converted CIMC H shares from the website of HKEx (<http://www.hkex.com.hk>).

Section 4: Change of account information

The manner in which information of investors' accounts may be revised will remain unchanged, namely in the same way it is currently being operated by the business departments of securities companies with which accounts are maintained.

Section 5: General Meetings

After the CIMC B-to-H Conversion, domestic investors and domestically trading overseas investors will not be able to submit through online voting their voting instructions for matters tabled at general meetings. They may only do so in writing by completing notices of the general meeting. In practice:

1. After the record date for CIMC equity interests, intentions regarding the general meeting should be submitted to the securities companies with which accounts are maintained and notices of the general meetings should be completed in writing and delivered to the securities companies with which accounts are maintained, who will submit the same to Guotai Junan to be forwarded to Guotai Junan Hong Kong. Guotai Junan Hong Kong will process registration with Hong Kong Securities Clearing Company.
2. If investors wish to attend the general meeting in person or by proxy, they must complete the section of the notice to the general meeting headed “Attendance in Person.” Investors or their proxies will only be qualified to attend the general meeting after confirmation upon input of their information into CCASS. On the day the general meeting is held, the attendee should produce his / her investor identification or similar documents. Proxies attending on behalf of others should produce their proxy forms. Prior to admission to the general meeting, the identifications and proxy forms shown by attendees will be verified against information confirmed by CCASS.
3. If investors who are not able to attend the general meeting in person wish to submit their voting instructions, they must complete the section of the notice to the general meeting headed “Appointment of Guotai Junan as Proxy” to appoint Guotai Junan Kong to process an electronic vote on their behalf.

Section 6: Other non-trade-related operations

Non-trade-related transfer operations relating to converted CIMC H shares such as property inheritance, estate inheritance, property segregation and judicial judgement, etc, and non-trade-related operations such as judicial freezing and judicial seizure, etc, will be handled in accordance with legal means prevailing in the PRC and overseas. As such operations will involve cross-border activities on complex business details, investors and owners concerned are advised to consider, wherever possible, selling the shares to cash in first before conducting transfers, when non-trade-related transfers are involved.

Chapter 3 – Investors’ Operation Q&A

1. How do investors assure smooth transaction of converted CIMC H shares?

To ensure smooth transaction in the future after CIMC B-to-H Conversion, investors should at least do the following:

- (1) Confirm with the securities companies with which they maintain their accounts whether their trading system will be converted and upgraded, as only securities companies who have implemented and completed the conversion and upgrade of their trading systems can provide real-time trading information of converted CIMC H shares and accept trading instructions in the future. If such securities companies have confirmed that they will not convert and upgrade their trading systems, investors may elect to sell their CIMC B shares by the close of the last trading day for CIMC B shares, or conduct valid exercises of their cash options, or they may change the custodian and place their CIMC B shares with a securities company that has completed the conversion and upgrade of their trading systems.
- (2) Confirm which type of investors they are and, in case of domestic investors or domestically trading overseas investors, fully inform themselves the trading restrictions and differences they will face in the future.
- (3) Confirm to with the securities companies with which they maintain their accounts which types of services will be supported for converted CIMC H shares.
- (4) Fully inform themselves of the differences between B shares and H shares in trading rules.
- (5) The stock code and name of H shares after conversion by CIMC were referred to as “299901” and “中集H代”, respectively, for domestic trade instructions.
- (6) Continue to monitor related announcements of CIMC Group to inform themselves of the progress of CIMC B-to-H Conversion.
- (7) Consult the securities companies with which they maintain their accounts for the actual manner in which CIMC B-to-H Conversion will be operated.

2. What are the differences between domestic investors and overseas investors?

Domestic investors are PRC resident investors whose addresses are located within the PRC and who trade through the trading systems of domestic securities companies.

There are two types of overseas investors: the first type comprises those investors with a legal overseas identity who have not directly opened H share accounts with overseas securities companies and will continue trade via the trading systems of domestic securities companies; the other type comprises investors with a legal overseas identity who have opened independent H share accounts with Guotai Junan Hong Kong or other overseas brokers and transferred the custodianship for their converted CIMC H shares to such accounts, and are trading through overseas securities companies.

After the completion of the clearing and settlement of cash options in respect of CIMC B-to-H

Conversion, domestic investors not holding any converted CIMC H shares shall not be entitled to trade in converted CIMC H shares.

Domestic investors and domestically trading overseas investors who hold converted CIMC H shares as a result of having neither sold their CIMC B shares nor validly exercised their cash options by the last trading day for CIMC B shares may only either continue to hold or sell such converted CIMC H shares, but may not buy further converted CIMC H shares.

Overseas investors who hold converted CIMC H shares as a result of having neither sold their CIMC B shares nor validly exercised their cash options by the last trading day for CIMC B shares may change the custodianship of their converted CIMC H shares to Guotai Junan Hong Kong or other overseas brokers and continue to hold, buy or sell converted CIMC H shares via overseas trading channels through an independent H share account opened with Guotai Junan Hong Kong or other overseas brokers.

Comparison among domestic investors, domestically trading overseas investors and non-domestically trading overseas investors indicates certain trading restrictions and differences. For details of principal restrictions and differences please refer to set out in the “Comparison of trading restrictions and differences between domestic investors and domestically-trading overseas investors” in page 5 of this Guide.

3. After CIMC B-to-H Conversion, to whom should investors direct their business applications? Will there be any change to the manner of business operation? Who will be responsible for investors’ services such as business consultation and the handling of complaints?

After CIMC B-to-H Conversion, if the securities company with which an investor maintains his / her account has completed the conversion and upgrade of its trading system, the investor will continue to do business with the business department of the original securities company with which he / she maintaining an account.

The manner in which investors may enquire about the stock and cash balances of their accounts will remain unchanged, namely in the same way it is currently being operated by the business departments of securities companies with which accounts are maintained. The manner in which investors may change their account information will remain unchanged, namely in the same way change in account information is currently being processed by the business departments of securities companies with which accounts are maintained.

The legal relationship between the investor and the original securities company with which he / she maintains an account will remain unchanged. The securities company with which the investor maintains an account will continue to be responsible for investors’ services such as business consultation and the handling of complaints.

4. After CIMC B-to-H Conversion, can investors obtain real-time trading information of converted CIMC H shares?

If the securities company with which an investor maintains his / her account has completed the conversion and upgrade of its trading system, the investor may obtain real-time trading information and notices of trading suspension / resumption in respect of the converted CIMC H shares via the existing channels and means for the display of trading information provided by the securities company with which he / she maintains an account, such as on-site self-service terminals at the business department and online trading customer terminals, etc.

5. After CIMC B-to-H Conversion, what channels are there for domestic investors (including domestically trading overseas investors) to sell their holdings of converted CIMC H shares?

If the securities company with which an investor is maintaining his / her account has completed the conversion and upgrade of its trading system, the manner of investment instruction will remain basically unchanged, which will be the method of investment instruction registered by the investor with the business department of the original securities company with which he / she is maintaining an account. If the investor has registered for online trading instruction, he / she may also place trading instructions for converted CIMC H shares through online trading. However, the extent of conversion varies among different securities companies. Aside from counter instructions and online instructions, investors should consult the securities companies with which their accounts are maintained to confirm whether other instructions methods such as on-site self-service terminals of the business department support converted CIMC H shares.

If the trading system of the securities company with which an investor maintains his / her account has not been converted or upgraded, the investor may change the custodian of his / her shares to a securities company that has completed the conversion and upgrade of its trading system and place trading instructions via means supported by such securities company.

6. What are odd lots?

Stocks are traded at SEHK in one board lot or more, while stocks in quantity less than one board lot are treated as odd lots. However, at SEHK the size of one board lot varies from counter to counter, as SEHK stipulates that each single transaction in securities should typically carry an amount of not less than HK\$2,000, and each listed company may determine the size of the board lot of its shares based on its own conditions. Investors who wish to dispose of odd lots will have to do so at prices slightly lower than market rates to institutions specialised in the acquisition of odd lot shares. The transaction price typically represents 85%-90% of the market rate. As pledged by Guotai Junan Hong Kong, the transaction price for odd lots of domestic investors (including domestically trading overseas investors) will be 90% of the averaged traded price or market price for board lots, namely: if the number of shares under the trading instruction exceeds one board lot, after all board lots have been traded, the odd lots will be given assured trading at a trading price equivalent to *90% of the average traded price of the board lots. If the number of shares under the trading instruction is less than one board lot, such shares will be given assured trading at a trading price equivalent to *90% of the prevailing market price.

The minimum volume of converted CIMC H shares to be placed in one single trading instruction is 100 shares, quantities of less than 100 shares are treated as odd lots. Prior to the last trading day for

CIMC B shares, investors may consolidate odd lots into board lots through trading or exercising partially their cash option.

All odd lots held by an investor should be disposed of in one single transaction. The trading instruction for odd lots may be given independently for execution or consolidated into the trading instruction for board lots. For example: if the board lot for a certain H share counter is 100 shares and an investor holds 120 shares, then 20 shares are treated as odd lots. If the investor gives separate instructions to sell 10 shares or 110 shares, the trading orders will be rejected on grounds of “invalid volume.” The valid volume should be either 100 shares, 120 shares or 20 shares.

7. After CIMC B-to-H Conversion, what changes will there be in terms of trading fees?

Apart from transaction costs normally required to be paid in H share transactions, domestic investors and domestically trading overseas investors are also required to pay commissions arising from trading via trading systems of domestic securities companies with which they are maintaining accounts. Assuming no adjustments, the rate of such commission should be identical with the rate payable by investors when they carry out B share trades at the securities companies with which their accounts are maintained.

8. After CIMC B-to-H Conversion, when will funds be deposited after disposal of shares? Is there any change in the manner of transfer?

The settlement of converted CIMC H shares will be completed on T+2. T day is the common trading day for SZSE and SEHK and T+2 will be construed on the basis of SEHK trading days. In the event that T+2 is not a trading day for SZSE, fund settlement will be deferred to the next common trading day. Different securities companies may have different arrangements for the timing of fund readiness or availability. Normally, funds will be available for drawdown on T+3. For exact details, please consult and confirm with the securities company with which you are maintaining an account.

The manner of fund transfers will remain unchanged, namely in the same way fund transfers for Shenzhen B shares are currently being processed by the business departments of securities companies with which accounts are maintained.

9. Can custodianship be changed in respect of converted CIMC H shares?

Custodianship can be changed in respect of converted CIMC H shares. In particular:

Domestic investors and domestically trading overseas investors may change custodians among different Domestic Securities Companies.

Domestically trading overseas investors may also execute a change of/to overseas custodian, namely changing their custodians from domestic securities companies to overseas securities companies. Domestic investors are not allowed to seek change of/to overseas custodian.

An investor who wishes to apply for change of domestic custodians should first open a cash account with the business department of the new securities company and confirm the number of the code number of the business department of the new securities company. The investor applying for

change of custodian should bring along his / her identification documents to the business department of the securities company with which he / she is maintaining an account and complete the Application Form for Change of Domestic Custodians for H Shares.

Prior to applying for change of/to overseas custodians, investors should open a securities trading account with a securities company or custodian bank in Hong Kong at his / her choice. The investor applying for change of custodian should bring along his / her identification documents to the business department of the securities company with which he / she is maintaining an account and complete the Application Form for Change of Overseas Custodians for H Shares.

10. Is there any time limit for the application of change of custodian?

The timing for application of change of domestic custodian by way of trade channel via securities companies that have completed technological conversion and upgrade of their trading systems is the same as the timing for trade instructions.

The change of overseas custodian may only be conducted through non-trade channel. The change of domestic custodian that have not completed technological conversion and upgrade of their trading systems may only be conducted by way of non-trade channel. Investors should submit their applications for change of custodian by way of non-trade channel to the securities companies with which they maintain their accounts before 11 am on a common trading day for SEHK and SZSE.

11. Can the change of custodian be cancelled or corrected?

The change of custodian may be cancelled on the same day of application. The timing of application should comply with relevant timing requirements for applications for change of custodian.

If an application for change of domestic custodian is found to be erroneous after submission, the investor may complete the correction form for errors in change of custodians to apply for adjustments.

No adjustment to the change of / to overseas custodian is allowed once completed.

12. Are there any fees payable for the change of custodian?

No fees are payable for the change of domestic custodian.

The handling charge for change of / to overseas custodian =1+2, comprising 1=HK\$50 payable for each transaction; 2=0.002% of the total value of the shares based on the closing market price on the trading day immediately before the change of custodian (subject to a minimum charge of HK\$2). The handling charge for change of / to overseas custodian will be collected by Guotai Junan Hong Kong from the receiving securities dealers via CCASS on a delivery versus payment (DVP) basis. Overseas investors who submit their applications for change of / to overseas custodians at the domestic securities companies with which they maintain accounts are not required to pay any fees. Whether overseas investors are required to pay such fees to overseas receiving securities dealers will depend on the requirements of such overseas receiving securities dealers. In case of Guotai Junan Hong Kong as the overseas receiving securities dealer, the handling charge for overseas change of / to overseas custodian is waived.

13. How should investors handle non-trade-related transfer operations such as property inheritance, estate inheritance, property segregation and judicial judgement?

Non-trade-related transfer operations relating to converted CIMC H shares such as property inheritance, estate inheritance, property segregation and judicial judgement, etc, and non-trade-related operations such as judicial freezing and judicial seizure, etc, shall be handled in accordance with legal means prevailing in the PRC and overseas. As such operations will involve cross-border activities on complex business investors and owners concerned are advised to consider, wherever possible, selling the shares to cash in first before conducting transfers, when non-trade-related transfers are involved.

14. After the CIMC B-to-H Conversion, how should voting instructions for general meetings be submitted?

After the CIMC B-to-H Conversion, domestic investors and domestically trading overseas investors will not be able to submit through online voting their voting instructions for matters tabled at general meetings. They may only do so in writing by filling up notices to the general meeting. In practice:

1. After the record date for CIMC equity interests, intentions regarding the general meeting should be submitted to the securities companies with which accounts are maintained and notices to the general meetings should be filled up in writing and delivered to the securities companies with which accounts are maintained, who will submit the same to Guotai Junan to be forwarded to Guotai Junan Hong Kong. Guotai Junan Hong Kong, who will process registration with Hong Kong Securities Clearing Company.
2. If investors wish to attend the general meeting in person or by proxy, they must fill up the section of the notice to the general meeting headed "Attendance in Person." Investors or their proxies will only be qualified to attend the general meeting after confirmation upon input of their information into CCASS. On the day the general meeting is held, the attendee should produce his / her investor identification and similar documents. Proxies attending on behalf of others should produce their proxy forms. Prior to admission to the general meeting, the identifications and proxy forms shown by attendees will be verified against information confirmed by CCASS.
3. If investors who are not able to attend the general meeting in person wish to submit their voting intentions, they must fill up the section of the notice to the general meeting headed "Appointment of Guotai Junan as Proxy" to appoint Guotai Junan Kong to process an electronic vote on their behalf.

Guotai Junan Securities Co. Ltd.

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