

CHINACACHE INTERNATIONAL HOLDINGS LTD.

FORM 6-K (Report of Foreign Issuer)

Filed 04/26/17 for the Period Ending 04/30/17

Telephone 86 10 6437-3399
CIK 0001498576
Symbol CCIH
SIC Code 7374 - Computer Processing and Data Preparation and Processing Services
Industry IT Services & Consulting
Sector Technology
Fiscal Year 12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of April 2017

Commission File Number: 001-34873

ChinaCache International Holdings Ltd.

**Section A, Building 3, Dian Tong Creative Square
No. 7 Jiuxianqiao North Road, Chaoyang District
Beijing, 100015
The People's Republic of China
+86 10 6437 3399**

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ChinaCache International Holdings Ltd.

By : /s/ Song Wang
Name: : Song Wang
Title: : Chairman and Chief Executive Officer

Date: April 26, 2017

ChinaCache Reports Adjusted Fourth Quarter and Full Year 2016 Results from New Value-added Tax Treatment

BEIJING, April 24, 2017 (GLOBE NEWSWIRE) — ChinaCache International Holdings Ltd. (“ChinaCache” or the “Company”) (Nasdaq: CCIH), a leading total solutions provider of Internet content and application delivery services in China, today reported its adjusted unaudited financial results for the fourth quarter and full year 2016.

On April 17, 2017, a Beijing local taxation division notified the Company that it disallowed the value-added tax treatment by the Company on certain transactions that happened in 2016. As a result of this development, the Company recalculated the related value-added taxes and revised the amount of cost of revenues for the fourth quarter of 2016 and full year 2016 from RMB257.7 million and RMB1,059.5 million, respectively, as reported on March 27, 2017, to RMB275.9 million and RMB1,077.8 million, respectively. This revision resulted in an increase in the cost of revenue for the fourth quarter of 2016 and full year 2016 by approximately RMB18.3 million and RMB18.3 million (variance due to rounding), respectively. The revision did not affect the Company’s cash flows for 2016.

The following presents the Company’s unaudited financial results for the fourth quarter of 2016 and full year 2016 after giving effect to the aforementioned adjustment.

Condensed Consolidated Balance Sheets
(amounts in thousands)

| | <u>As of Dec 31</u> <u>2015</u> <u>RMB</u> <u>(Audited)</u> | <u>As of Dec 31</u> <u>2016</u> <u>RMB</u> <u>(Unaudited)</u> | <u>As of Dec 31</u> <u>2016</u> <u>US\$</u> <u>(Unaudited)</u> |
|---|--|--|---|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 606,796 | 134,924 | 19,433 |
| Accounts receivable, net | 243,431 | 190,587 | 27,450 |
| Prepaid expenses and other current assets | 31,560 | 56,976 | 8,206 |
| Short term investments | 26,169 | — | — |
| Deferred tax assets | 17,923 | — | — |
| Amount due from a subsidiary held for sale | 435 | 53,169 | 7,658 |
| Assets held for sale | 1,060,543 | 1,270,483 | 182,988 |
| Total current assets | <u>1,986,857</u> | <u>1,706,139</u> | <u>245,735</u> |
| Non-current assets | | | |
| Property and equipment, net | 499,946 | 387,940 | 55,875 |
| Intangible assets, net | 10,898 | 11,728 | 1,689 |
| Long term investments | 50,157 | 34,159 | 4,920 |
| Deferred tax assets | 11,368 | — | — |
| Long term deposits and other non-current assets | 59,390 | 36,525 | 5,261 |
| Total non-current assets | <u>631,759</u> | <u>470,352</u> | <u>67,745</u> |
| Total Assets | <u><u>2,618,616</u></u> | <u><u>2,176,491</u></u> | <u><u>313,480</u></u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current Liabilities | | | |
| Short-term loan | — | 29,311 | 4,222 |
| Accounts payable | 205,593 | 301,569 | 43,435 |
| Accrued employee benefits | 44,690 | 46,233 | 6,659 |
| Accrued expenses and other payables | 76,409 | 52,697 | 7,590 |
| Income tax payable | 13,513 | 13,924 | 2,005 |
| Liabilities for uncertain tax positions | 11,337 | 10,020 | 1,443 |
| Amounts due to related parties | 18 | 18 | 3 |
| Current portion of long term loan | 7,180 | 3,840 | 553 |
| Current portion of capital lease obligations | 70,615 | 72,851 | 10,493 |
| Deferred government grant | 16,360 | 13,000 | 1,872 |
| Amount due to a subsidiary held for sale | 319,536 | 18,063 | 2,602 |
| Liabilities held for sale | 1,014,449 | 1,302,658 | 187,622 |
| Total current liabilities | <u>1,779,700</u> | <u>1,864,184</u> | <u>268,499</u> |
| Non-current liabilities | | | |
| Long-term loan | 4,340 | — | — |
| Non-current portion of capital lease obligations | 104,450 | 43,951 | 6,330 |
| Deferred government grant | 8,439 | 11,208 | 1,614 |
| Total non-current liabilities | <u>117,229</u> | <u>55,159</u> | <u>7,944</u> |
| Total Liabilities | <u><u>1,896,929</u></u> | <u><u>1,919,343</u></u> | <u><u>276,443</u></u> |
| Total Shareholders' equity | <u><u>721,687</u></u> | <u><u>257,148</u></u> | <u><u>37,037</u></u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | <u><u>2,618,616</u></u> | <u><u>2,176,491</u></u> | <u><u>313,480</u></u> |

Condensed Consolidated Statements of Comprehensive Income
(amounts in thousands, except for number of shares, per share and per ADS data)

| | For the Three Months Ended | | | | For the Twelve Months Ended | | |
|---|----------------------------|--------------------|--------------------|---------------------|-----------------------------|--------------------|---------------------|
| | Dec 31, 2015 | Sep 30, 2016 | Dec 31, 2016 | Dec 31, 2016 | Dec 31, 2015 | Dec 31, 2016 | Dec 31, 2016 |
| | RMB (Unaudited) | RMB (Unaudited) | RMB (Unaudited) | US\$ (Unaudited) | RMB (Audited) | RMB (Unaudited) | US\$ (Unaudited) |
| Net revenues | 311,447 | 261,643 | 263,312 | 37,926 | 1,353,627 | 1,054,235 | 151,842 |
| Cost of revenues | (267,339) | (255,133) | (275,927) | (39,742) | (1,041,412) | (1,077,810) | (155,237) |
| Gross profit (loss) | 44,108 | 6,510 | (12,615) | (1,816) | 312,215 | (23,575) | (3,395) |
| Other operating income (loss) | 13,911 | 3,260 | (28,895) | (4,162) | 13,911 | (19,044) | (2,743) |
| Sales & marketing expenses | (30,145) | (23,009) | (22,467) | (3,236) | (115,621) | (93,603) | (13,482) |
| General & administrative expenses | (61,062) | (62,202) | (50,264) | (7,240) | (198,626) | (265,017) | (38,170) |
| Research & development expenses | (25,530) | (24,037) | (25,102) | (3,615) | (103,110) | (104,018) | (14,982) |
| Transaction tax on assets transfer | (5,394) | — | — | — | (27,733) | — | — |
| Impairment of long term investments | — | — | (18,240) | (2,627) | — | (18,240) | (2,627) |
| Operating loss | (64,112) | (99,478) | (157,583) | (22,696) | (118,964) | (523,497) | (75,399) |
| Interest income | 1,940 | 1,627 | 261 | 38 | 4,618 | 4,669 | 672 |
| Interest expense | (2,473) | (2,932) | (2,091) | (301) | (13,158) | (11,647) | (1,678) |
| Other income (expense) | 141 | 5,171 | (263) | (38) | 2,991 | 5,336 | 769 |
| Foreign exchange gain, net | 4,845 | 915 | 8,015 | 1,154 | 13,164 | 14,209 | 2,047 |
| Loss before income taxes | (59,659) | (94,697) | (151,661) | (21,843) | (111,349) | (510,930) | (73,589) |
| Income tax benefit (expense) | 22,861 | 384 | (21,805) | (3,141) | 22,614 | (4,229) | (609) |
| Net loss | (36,798) | (94,313) | (173,466) | (24,984) | (88,735) | (515,159) | (74,198) |
| Net loss attributable to the noncontrolling interest | (44) | (152) | (463) | (67) | (44) | (776) | (112) |
| Net loss attributable to the Company's shareholders | (36,754) | (94,161) | (173,003) | (24,917) | (88,691) | (514,383) | (74,086) |
| Foreign currency translation | 249 | (196) | (426) | (61) | 264 | (666) | (96) |
| Unrealized holding gain on available-for-sale investments | 1,106 | 36 | — | — | 1,853 | 36 | 5 |
| Reclassification adjustments for gains included in net income | — | (3,741) | — | — | — | (3,741) | (539) |
| Total other comprehensive income (loss), net of tax | 1,355 | (3,901) | (426) | (61) | 2,117 | (4,371) | (630) |
| Comprehensive loss | (35,443) | (98,214) | (173,892) | (25,045) | (86,618) | (519,530) | (74,828) |
| Comprehensive loss attributable to the noncontrolling interest | (44) | (152) | (463) | (67) | (44) | (776) | (112) |
| Comprehensive loss attributable to the Company's shareholders | (35,399) | (98,062) | (173,429) | (24,978) | (86,574) | (518,754) | (74,716) |
| Loss per ordinary share: | | | | | | | |
| Basic | (0.09) | (0.23) | (0.41) | (0.06) | (0.22) | (1.26) | (0.18) |
| Diluted | (0.09) | (0.23) | (0.41) | (0.06) | (0.22) | (1.26) | (0.18) |
| Loss per ADS*: | | | | | | | |
| Basic | (1.45) | (3.68) | (6.56) | (0.96) | (3.49) | (20.16) | (2.88) |
| Diluted | (1.45) | (3.68) | (6.56) | (0.96) | (3.49) | (20.16) | (2.88) |
| Weighted average number of ordinary shares used in earnings per share computation: | | | | | | | |
| Basic | 404,344,939 | 412,253,323 | 421,522,374 | 421,522,374 | 407,149,509 | 408,189,722 | 408,189,722 |
| Diluted | 404,344,939 | 412,253,323 | 421,522,374 | 421,522,374 | 407,149,509 | 408,189,722 | 408,189,722 |

* Note1:1 ADS = 16 shares

Supplementary Metrics - Reconciliations of Non-GAAP to GAAP Financial Measures

(amounts in thousands, except for percentages, number of shares, per share and per ADS data)

(Unaudited)

| | For the Three Months Ended | | | | For the Twelve Months Ended | | |
|---|----------------------------|-----------------|------------------|-----------------|-----------------------------|------------------|-----------------|
| | Dec 31, 2015 | Sep 30, 2016 | Dec 31, 2016 | Dec 31, 2016 | Dec 31, 2015 | Dec 31, 2016 | Dec 31, 2016 |
| | RMB | RMB | RMB | US\$ | RMB | RMB | US\$ |
| <i>Adjusted EBITDA — defined as EBITDA before share-based compensation expense, foreign exchange gain, transaction tax on assets transfer and impairment of long term investments</i> | | | | | | | |
| Net loss | (36,798) | (94,313) | (173,466) | (24,984) | (88,735) | (515,159) | (74,198) |
| Depreciation | 40,872 | 38,653 | 38,090 | 5,486 | 153,313 | 155,225 | 22,357 |
| Amortization | 1,151 | 1,102 | 1,253 | 180 | 4,298 | 3,869 | 557 |
| Interest expense | 2,473 | 2,932 | 2,091 | 301 | 13,158 | 11,647 | 1,678 |
| Interest income | (1,940) | (1,627) | (261) | (38) | (4,618) | (4,669) | (672) |
| Income tax (benefit) expense | (22,861) | (384) | 21,805 | 3,141 | (22,614) | 4,229 | 609 |
| Share-based compensation | 18,259 | 8,601 | 2,685 | 387 | 48,606 | 85,025 | 12,246 |
| Foreign exchange gain | (4,845) | (915) | (8,015) | (1,154) | (13,164) | (14,209) | (2,047) |
| Penalties on uncertain tax positions | 2,206 | — | 658 | 95 | 2,206 | 658 | 95 |
| Transaction tax on assets transfer | 5,394 | — | — | — | 27,733 | — | — |
| Impairment of long term investments | — | — | 18,240 | 2,627 | — | 18,240 | 2,627 |
| Adjusted EBITDA | 3,911 | (45,951) | (96,920) | (13,959) | 120,183 | (255,144) | (36,748) |
| Margin% | 1.3% | (17.6)% | (36.8)% | (36.8)% | 8.9% | (24.2)% | (24.2)% |
| <i>Adjusted net loss— defined as net loss before share-based compensation, foreign exchange gain (loss), penalties on uncertain tax positions, transaction tax on assets transfer and impairment of long term investments</i> | | | | | | | |
| Net loss | (36,798) | (94,313) | (173,466) | (24,984) | (88,735) | (515,159) | (74,198) |
| Share-based compensation | 18,259 | 8,601 | 2,685 | 387 | 48,606 | 85,025 | 12,246 |
| Foreign exchange gain | (4,845) | (915) | (8,015) | (1,154) | (13,164) | (14,209) | (2,047) |
| Penalties on uncertain tax positions | 2,206 | — | 658 | 95 | 2,206 | 658 | 95 |
| Transaction tax on assets transfer | 5,394 | — | — | — | 27,733 | — | — |
| Impairment of long term investments | — | — | 18,240 | 2,627 | — | 18,240 | 2,627 |
| Adjusted net loss | (15,784) | (86,627) | (159,898) | (23,029) | (23,354) | (425,445) | (61,277) |
| Margin% | (5.1)% | (33.1)% | (60.7)% | (60.7)% | (1.7)% | (40.4)% | (40.4)% |
| Loss per ordinary share: | | | | | | | |
| Basic | (0.04) | (0.21) | (0.38) | (0.05) | (0.13) | (1.04) | (0.15) |
| Diluted | (0.04) | (0.21) | (0.38) | (0.05) | (0.13) | (1.04) | (0.15) |
| Loss per ADS: | | | | | | | |
| Basic | (0.64) | (3.36) | (6.08) | (0.80) | (2.01) | (16.64) | (2.40) |
| Diluted | (0.64) | (3.36) | (6.08) | (0.80) | (2.01) | (16.64) | (2.40) |
| <i>Non-GAAP gross profit (loss) — defined as gross profit (loss) before share-based compensation expense</i> | | | | | | | |
| Gross profit (loss) | 44,108 | 6,510 | (12,615) | (1,816) | 312,215 | (23,575) | (3,395) |
| Plus: Share-based compensation | 945 | 378 | 623 | 90 | 3,670 | 5,961 | 859 |
| Non-GAAP gross profit (loss) | 45,053 | 6,888 | (11,992) | (1,726) | 315,885 | (17,614) | (2,536) |
| Margin% | 14.5% | 2.6% | (4.6)% | (4.6)% | 23.3% | (1.7)% | (1.7)% |

| | For the Three Months Ended | | | | For the Twelve Months Ended | | |
|---|----------------------------|-----------------|------------------|-----------------|-----------------------------|------------------|-----------------|
| | Dec 31, 2015 | Sep 30, 2016 | Dec 31, 2016 | Dec 31, 2016 | Dec 31, 2015 | Dec 31, 2016 | Dec 31, 2016 |
| <i>Non-GAAP operating expense — defined as operating expense before share-based compensation expense</i> | | | | | | | |
| Sales & marketing expenses | 30,145 | 23,009 | 22,467 | 3,236 | 115,621 | 93,603 | 13,482 |
| Minus: Share-based compensation | (693) | 131 | (7) | (1) | (2,882) | (2,753) | (397) |
| Non-GAAP sales & marketing expenses | <u>29,452</u> | <u>23,140</u> | <u>22,460</u> | <u>3,235</u> | <u>112,739</u> | <u>90,850</u> | <u>13,085</u> |
| <i>% of net revenues</i> | 9.5% | 8.8% | 8.5% | 8.5% | 8.3% | 8.6% | 8.6% |
| General & administrative expenses | | | | | | | |
| 61,062 | 62,202 | 50,264 | 7,240 | 198,626 | 265,017 | 38,170 | |
| Minus: Share-based compensation | (15,876) | (8,092) | (1,854) | (267) | (38,796) | (72,483) | (10,440) |
| Non-GAAP general & administrative expenses | <u>45,186</u> | <u>54,110</u> | <u>48,410</u> | <u>6,973</u> | <u>159,830</u> | <u>192,534</u> | <u>27,730</u> |
| <i>% of net revenues</i> | 14.5% | 20.7% | 18.4% | 18.4% | 11.8% | 18.3% | 18.3% |
| Research & development expenses | | | | | | | |
| 25,530 | 24,037 | 25,102 | 3,615 | 103,110 | 104,018 | 14,982 | |
| Minus: Share-based compensation | (745) | (262) | (201) | (29) | (3,258) | (3,828) | (550) |
| Non-GAAP research & development expenses | <u>24,785</u> | <u>23,775</u> | <u>24,901</u> | <u>3,586</u> | <u>99,852</u> | <u>100,190</u> | <u>14,432</u> |
| <i>% of net revenues</i> | 8.0% | 9.1% | 9.5% | 9.5% | 7.4% | 9.5% | 9.5% |
| <i>Non-GAAP operating loss — defined as GAAP operating loss before share-based compensation expense, transaction tax on assets transfer and impairment of long term investments</i> | | | | | | | |
| Operating loss | (64,112) | (99,478) | (157,583) | (22,696) | (118,964) | (523,497) | (75,399) |
| Share-based compensation | 18,259 | 8,601 | 2,685 | 387 | 48,606 | 85,025 | 12,246 |
| Transaction tax on assets transfer | 5,394 | — | — | — | 27,733 | — | — |
| Impairment of long term investments | — | — | 18,240 | 2,627 | — | 18,240 | 2,627 |
| Non-GAAP operating loss | <u>(40,459)</u> | <u>(90,877)</u> | <u>(136,658)</u> | <u>(19,682)</u> | <u>(42,625)</u> | <u>(420,232)</u> | <u>(60,526)</u> |
| <i>Margin%</i> | (13.0)% | (34.7)% | (51.9)% | (51.9)% | (3.1)% | (39.9)% | (39.9)% |

About ChinaCache International Holdings Ltd.

ChinaCache International Holdings Ltd. (Nasdaq: CCIH) is a leading total solutions provider of Internet content and application delivery services in China. As a carrier-neutral service provider, ChinaCache's network in China is interconnected with networks operated by all telecom carriers, major non-carriers and local Internet service providers. With more than a decade of experience in developing solutions tailored to China's complex Internet infrastructure, ChinaCache is a partner of choice for businesses, government agencies and other enterprises to enhance the reliability and scalability of online services and applications and improve end-user experience. For more information on ChinaCache, please visit ir.chinacache.com.

For investor and media inquiries please contact:

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