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WISON ENGINEERING SERVICES CO. LTD.

惠生工程技術服務有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2236)

DISCLOSEABLE TRANSACTION

CORNERSTONE INVESTMENT AGREEMENT

CORNERSTONE INVESTMENT

The Board is pleased to announce that on May 24, 2019 (after trading hours), the Company (as an investor) entered into the Cornerstone Investment Agreement with CSSC (Hong Kong) Shipping (as the issuer), CICC (as the Sole Sponsor and one of the Joint Global Coordinators) and CLSA (as one of the Joint Global Coordinators), pursuant to which the Company has agreed to subscribe for the Investor Shares at the Offer Price. The Aggregate Subscription Price payable by the Company under the Cornerstone Investment Agreement (exclusive of the Brokerage and the Levies in respect of the Investor Shares) shall be no more than HK\$234 million.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Cornerstone Investment is more than 5% but less than 25%, the Cornerstone Investment constitutes a discloseable transaction for the Company and accordingly, is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on May 24, 2019 (after trading hours), the Company (as an investor) entered into the Cornerstone Investment Agreement with CSSC (Hong Kong) Shipping (as the issuer), CICC (as the Sole Sponsor and one of the Joint Global Coordinators) and CLSA (as one of the Joint Global Coordinators), pursuant to which the Company has agreed to subscribe for the Investor Shares at the Offer Price. The Aggregate

Subscription Price payable by the Company under the Cornerstone Investment Agreement (exclusive of the Brokerage and the Levies in respect of the Investor Shares) shall be no more than HK\$234 million.

CORNERSTONE INVESTMENT AGREEMENT

The principal terms of the Cornerstone Investment Agreement are as follows:

Date

May 24, 2019 (after trading hours)

Parties

- (1) the Company, as investor
- (2) CSSC (Hong Kong) Shipping, as issuer
- (3) CICC, as the Sole Sponsor and one of the Joint Global Coordinators
- (4) CLSA, as one of the Joint Global Coordinators

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, CSSC (Hong Kong) Shipping, CICC and CLSA and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Cornerstone Investment

Subject to the conditions set out in the paragraph headed "Conditions Precedent" below having been fulfilled or waived (as the case may be), the Company has agreed to subscribe for, and CSSC (Hong Kong) Shipping has agreed to issue to the Company, the Investor Shares at the Offer Price under and as part of the International Placing.

The number of Investor Shares to be subscribed by the Company shall be calculated by dividing HK\$234 million by the Offer Price (exclusive of the Brokerage and the Levies which the Company shall pay in respect of the Investor Shares), rounded down to the nearest whole board lot of 2,000 CSSC Shares.

The Investor Shares shall, when issued and delivered, be fully paid-up, freely transferable and free from all options, liens, charges, mortgages, pledges, claims, equities, encumbrances and other third party rights and shall rank pari passu with the CSSC Shares then in issue and to be listed on the Stock Exchange.

CSSC (Hong Kong) Shipping is seeking a listing on the Main Board of the Stock Exchange by way of a Global Offering comprising (i) the Hong Kong Public Offering and (ii) the International Placing. The Cornerstone Investment forms part of the International Placing.

CSSC (Hong Kong) Shipping has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, among other things, the Investor Shares.

Consideration and Payment

The Aggregate Subscription Price payable by the Company under the Cornerstone Investment Agreement (exclusive of the Brokerage and the Levies in respect of the Investor Shares) shall be no more than HK\$234 million and will be financed out of the internal financial resources of the Group.

The Aggregate Subscription Price for all the Investor Shares, together with the Brokerage and the Levies in respect of the Investor Shares, shall be paid by the Company to CLSA by same day value credit in Hong Kong dollars by wire transfer in immediately available funds at or before 9:30 a.m. (Hong Kong time) on the Listing Date.

The Aggregate Subscription Price was determined after arm's length negotiations between the parties to the Cornerstone Investment Agreement with reference to the size of investment as offered by CSSC (Hong Kong) Shipping and accepted by the Company, and prevailing market conditions.

Conditions Precedent

The parties' respective obligations under the Cornerstone Investment Agreement to effect completion of the Cornerstone Investment are conditional upon the following conditions having been satisfied or waived (except that the conditions set out in (a), (b), (d) and (e) below cannot be waived):

- (a) the underwriting agreements for the Hong Kong Public Offering and the International Placing having been entered into, having become effective and unconditional in accordance with their respective original terms (or as subsequently waived, to the extent it may be waived, by the relevant parties thereto) by no later than the respective time and date specified therein, and not having been terminated;
- (b) the Offer Price having been agreed between the Joint Global Coordinators (for themselves and on behalf of the other underwriters under the Global Offering) and CSSC (Hong Kong) Shipping in connection with the Global Offering;
- (c) the representations, warranties, acknowledgements and undertakings provided by the Company under the Cornerstone Investment Agreement are true and accurate in all respects and not misleading and there having been no material breach of the Cornerstone Investment Agreement on the part of the Company;
- (d) the Listing Committee of the Stock Exchange having granted or agreed to grant the approval for the listing of, and permission to deal in, the CSSC Shares on the Main Board of the Stock Exchange and such approval or permission not having been revoked; and
- (e) no laws having been enacted or promulgated by any governmental authority which prohibits the consummation of the completion of the Cornerstone Investment and there having been no order or injunction of a court of competent jurisdiction in effect precluding or prohibiting consummation of the completion of the Cornerstone Investment.

If any of the conditions set out above has not been satisfied or waived (the condition set out in (c) above may only be waived by CSSC (Hong Kong) Shipping and CLSA, and the remaining conditions cannot be waived) on or before the date that is 60 days after the date of the Cornerstone Investment Agreement (or such other date as may be agreed among the parties thereto in writing), the obligations of the parties under the Cornerstone Investment Agreement shall cease, and any amount paid by the Company under the Cornerstone Investment Agreement for the Investor Shares shall be repaid to the Company without interest, and the Cornerstone Investment Agreement shall terminate and be of no effect, provided that termination of the Cornerstone Investment Agreement shall be without prejudice to the accrued rights or liabilities of any party to the other parties in respect of the terms therein at or before such termination.

Restriction in Disposal

The Company (and any wholly-owned subsidiary elected by the Company to acquire the Investor Shares in accordance with the terms of the Cornerstone Investment Agreement) shall be subject to, among other restrictions, a lock-up period of six months from the Listing Date in accordance with the terms of the Cornerstone Investment Agreement.

Completion of the Cornerstone Investment

The Investor Shares will be acquired on the Listing Date contemporaneously with the closing of the International Placing.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CORNERSTONE INVESTMENT AGREEMENT

The Company is an investment holding company. The principal activity of the Group is the provision of chemical engineering, procurement and construction management, or “EPC”, services. The Group provides a broad range of integrated services spanning the project life cycle from technical appraisal, early project planning, feasibility studies, consulting services, provision of proprietary technologies, design, engineering, raw materials and equipment procurement and construction management to maintenance and after-sale technical support.

The Cornerstone Investment into CSSC (Hong Kong) Shipping will be more than just a financial investment, but a good opportunity to extend the Company’s business value chain by providing more integrated services to customers, and to reach out to more business partners by leveraging CSSC (Hong Kong) Shipping’s business network, which will bring mutual benefits strategically to both parties.

The Company considers that the Cornerstone Investment is in line with the Group’s investment strategy and will bring investment returns to the Group.

The Directors (including the independent non-executive Directors) are of the view that the Cornerstone Investment Agreement was entered into after arm’s length negotiation between the parties thereto and reflects normal commercial terms, and that the terms of the Cornerstone Investment Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON CSSC (HONG KONG) SHIPPING

CSSC (Hong Kong) Shipping is a shipyard-affiliated leasing company in Greater China and its core business is the provision of leasing services, which include finance lease and operating lease, with a primary focus on ship leasing. CSSC (Hong Kong) Shipping also provides shipbroking and loan services to its customers.

Based on the post hearing information pack of CSSC (Hong Kong) Shipping posted on the website of the Stock Exchange on May 15, 2019, the audited consolidated financial information of CSSC (Hong Kong) Shipping for the three financial years ended December 31, 2016, 2017 and 2018, prepared in accordance with Hong Kong Financial Reporting Standards, are as follows:

	For the year ended December 31,		
	2016	2017	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before income tax	442,963	618,790	704,415
Profit for the year	432,195	602,592	706,522

The audited consolidated net asset value of CSSC (Hong Kong) Shipping as at December 31, 2018 is HK\$5,765,228,000.

INFORMATION ON CICC AND CLSA

CICC is a company incorporated in Hong Kong with limited liability. CICC is a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities under the SFO.

CLSA is a company incorporated in Hong Kong with limited liability. CLSA is a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 7 (providing automated trading services) regulated activities under the SFO.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Cornerstone Investment is more than 5% but less than 25%, the Cornerstone Investment constitutes a discloseable transaction for the Company and accordingly, is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

As completion of the Cornerstone Investment is subject to the satisfaction or waiver (as the case may be) of the conditions precedent set out in the Cornerstone Investment Agreement which may or may not be satisfied or waived (as the case may be), Shareholders and potential investors in the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

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

“Aggregate Subscription Price”	the amount equal to the Offer Price multiplied by the number of Investor Shares to be purchased by the Company pursuant to the Cornerstone Investment Agreement
“Board”	the board of Directors of the Company
“Brokerage”	brokerage of 1% of the Aggregate Subscription Price in respect of the Investor Shares
“CICC”	China International Capital Corporation Hong Kong Securities Limited, a company incorporated in Hong Kong with limited liability and the Sole Sponsor and one of the Joint Global Coordinators
“CLSA”	CLSA Limited, a company incorporated in Hong Kong with limited liability and one of the Joint Global Coordinators
“Company”	Wison Engineering Services Co. Ltd. (惠生工程技術服務有限公司), an exempted company with limited liability incorporated in the Cayman Islands whose issued shares are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Cornerstone Investment”	the subscription of the Investor Shares contemplated under the Cornerstone Investment Agreement
“Cornerstone Investment Agreement”	the cornerstone investment agreement dated May 24, 2019 and entered into between the Company, CSSC (Hong Kong) Shipping, CICC and CLSA in relation to the Cornerstone Investment
“CSSC (Hong Kong) Shipping”	CSSC (Hong Kong) Shipping Company Limited 中國船舶(香港)航運租賃有限公司, a company incorporated in Hong Kong with limited liability
“CSSC Share(s)”	ordinary share(s) in the share capital of CSSC (Hong Kong) Shipping
“Directors”	the directors of the Company
“Global Offering”	the global offering of the CSSC Shares which comprises the Hong Kong Public Offering and the International Placing

“Greater China”	for the purpose of this announcement, includes the PRC, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Public Offering”	the offer of CSSC Shares by CSSC (Hong Kong) Shipping for subscription in Hong Kong
“International Placing”	the conditional placing of CSSC Shares for and on behalf of CSSC (Hong Kong) Shipping to professional, institutional, corporate and other investors in Hong Kong and elsewhere in the world outside the United States
“Investor Shares”	such number of CSSC Shares to be subscribed by the Company pursuant to the Cornerstone Investment Agreement for an aggregate amount of not more than HK\$234 million at the Offer Price (exclusive of the Brokerage and the Levies), rounded down to the nearest whole board lot of 2,000 CSSC Shares
“Joint Global Coordinators”	the joint global coordinators appointed by CSSC (Hong Kong) Shipping in relation to the Global Offering
“Levies”	SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, in each case, of the Aggregate Subscription Price in respect of the Investor Shares
“Listing Date”	the date on which the CSSC Shares are first listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offer Price”	the final HK\$ price per CSSC Share (exclusive of the Brokerage and the Levies) at which the CSSC Shares are to be issued and sold pursuant to the Global Offering
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“SFC”	Securities and Futures Commission of Hong Kong

“SFO”	Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Shareholders”	holder(s) of the ordinary shares in the capital of the Company with a nominal value of HK\$0.10 each
“Sole Sponsor”	the sole sponsor in relation to the listing of the CSSC Shares on the Main Board of the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
Wison Engineering Services Co. Ltd.
Rong Wei
Executive Director and Chief Executive Officer

Hong Kong, May 24, 2019

As at the date of this announcement, the executive Directors of the Company are Ms. Rong Wei, Mr. Zhou Hongliang, Mr. Li Zhiyong and Mr. Dong Hua; and the independent non-executive Directors are Mr. Lawrence Lee, Mr. Tang Shisheng and Mr. Feng Guohua.