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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

**ACQUISITION OF CONVERTIBLE BONDS
ISSUED BY CIMC-TIANDA HOLDINGS COMPANY LIMITED**

CONVERTIBLE BONDS PURCHASE AGREEMENT

The Board is pleased to announce that on July 25, 2019 (after trading hours), Wison Energy Engineering entered into the Convertible Bonds Purchase Agreement with Lucky Rich, pursuant to which Wison Energy Engineering agreed to acquire from Lucky Rich the CIMC-TianDa Convertible Bonds in a principal amount of RMB130,713,331.50 at a cash consideration of HK\$100,000,000.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Lucky Rich and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the transaction contemplated under the Convertible Bonds Purchase Agreement is more than 5% but less than 25%, the transaction contemplated under the Convertible Bonds Purchase Agreement 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 July 25, 2019 (after trading hours), Wison Energy Engineering entered into the Convertible Bonds Purchase Agreement with Lucky Rich, pursuant to which Wison Energy Engineering agreed to acquire from Lucky Rich the Sale Convertible Bonds (being the CIMC-TianDa Convertible Bonds in a principal amount of RMB130,713,331.50) at a cash consideration of HK\$100,000,000.

CONVERTIBLE BONDS PURCHASE AGREEMENT

Date

July 25, 2019 (after trading hours)

Parties

- (1) Wison Energy Engineering, as purchaser
- (2) Lucky Rich, as vendor

Lucky Rich, a company incorporated in Samoa with limited liability, is an investment holding company. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Lucky Rich and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject Matter

Pursuant to the Convertible Bonds Purchase Agreement, Wison Energy Engineering agreed to acquire from Lucky Rich the Sale Convertible Bonds (being the CIMC-TianDa Convertible Bonds in a principal amount of RMB130,713,331.50).

A summary of the principal terms and conditions of the CIMC-TianDa Convertible Bonds is set out below:

| | | |
|------------------|---|---|
| Issuer: | : | CIMC-TianDa |
| Principal Amount | : | The outstanding principal amount of the CIMC-TianDa Convertible Bonds in issue as of June 30, 2019 was RMB1,393,158,694.00 |
| Maturity Date | : | 30th anniversary of the issue date (being April 23, 2018) |
| Coupon Rate | : | The CIMC-TianDa Convertible Bonds bear interest from and including the issue date at the rate of 0.1% per annum, payable annually in arrears on each anniversary from the issue date. |

After the conversion rights of the CIMC-TianDa Convertible Bonds have been exercised or such CIMC-TianDa Convertible Bond is redeemed pursuant to the terms and conditions of the CIMC-TianDa Convertible Bonds, each CIMC-TianDa Convertible Bond will not bear any interest.

- Status : The CIMC-TianDa Convertible Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of CIMC-TianDa and shall at all times rank *pari passu* and without any preference or priority among themselves.
- Transferability : All CIMC-TianDa Convertible Bonds are transferable, except where any CIMC-TianDa Convertible Bonds is intended to be transferred to a connected person of CIMC-TianDa, such transfer shall be subject to the written consent of CIMC-TianDa and comply with the requirements of the Listing Rules.
- Conversion Period : Subject to certain conditions, each holder of the CIMC-TianDa Convertible Bonds has the right to convert all or part of the CIMC-TianDa Convertible Bonds held by it (if in part, the principal amount of CIMC-TianDa Convertible Bonds to be converted shall be in the minimum amount of RMB10,000,000 or the whole outstanding principal amount of the CIMC-TianDa Convertible Bonds) into CIMC-TianDa Shares credited as fully paid at any time during the period from the issue date to the maturity date.
- Conversion Price : The Conversion Price is HK\$0.366 per CIMC-TianDa Share, which is subject to adjustment upon the occurrence of consolidation, subdivision or reclassification of CIMC-TianDa Shares.

The number of CIMC-TianDa Shares to be issued on conversion of a CIMC-TianDa Convertible Bond will be determined by dividing the HK\$ equivalent of the RMB principal amount of the CIMC-TianDa Convertible Bond to be converted (at the fixed exchange rate of HK\$1.00: RMB0.85) by the Conversion Price in effect on the conversion date.

Based on the Conversion Price of HK\$0.366 per CIMC-TianDa Share, the Sale Convertible Bonds (being the CIMC-TianDa Convertible Bonds in the principal amount of RMB130,713,331.50 (equivalent to HK\$153,780,390.00)) shall be convertible into 420,165,000 CIMC-TianDa Shares.

As at June 30, 2019, CIMC-TianDa has 14,471,904,470 CIMC-TianDa Shares in issue. The 420,165,000 CIMC-TianDa Shares to be issued to Wison Energy Engineering upon conversion of the Sale Convertible Bonds represent (i) approximately 2.90% of the issued share capital of CIMC-TianDa as at June 30, 2019; and (ii) approximately 2.82% of the enlarged issued share capital of CIMC-TianDa upon conversion of the Sale Convertible Bonds (based on the number of issued CIMC-TianDa Shares as at June 30, 2019).

- Redemption at Maturity : Unless otherwise converted, purchased or cancelled in accordance with the terms and conditions of the CIMC-TianDa Convertible Bonds, CIMC-TianDa will redeem each CIMC-TianDa Convertible Bond at the HK\$ dollar equivalent of the RMB principal amount (at the fixed exchange rate of HK\$1.00:RMB0.85), at the maturity date.
- Listing : No application has been made for the listing of the CIMC-TianDa Convertible Bonds on the Stock Exchange or any other stock exchange.

Consideration

The consideration for the acquisition of the Sale Convertible Bonds is HK\$100,000,000, which shall be payable in cash on the date of Completion. Such consideration will be financed out of the internal financial resources of the Group.

The consideration for the acquisition of the Sale Convertible Bonds was determined after arm's length negotiations between the parties to the Convertible Bonds Purchase Agreement with reference to the prevailing share prices of the CIMC-TianDa Shares, the terms of the CIMC-TianDa Convertible Bonds (including the maturity date and the coupon rate) and the net asset value of CIMC-TianDa as of December 31, 2018.

On the basis that (i) the Sale Convertible Bonds are convertible into 420,165,000 CIMC-TianDa Shares; and (ii) the consideration for the acquisition of the Sale Convertible Bonds is HK\$100,000,000, the consideration for each CIMC-TianDa Share to be issued upon conversion of the Sale Convertible Bonds shall be approximately HK\$0.2380, which represents:

- (i) a discount of approximately 10.19% to the closing price of HK\$0.265 per CIMC-TianDa Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 14.08% to the average of the closing price of the CIMC-TianDa Shares as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.277 per CIMC-TianDa Share; and

(iii) a premium of approximately 0.29% to the audited consolidated net asset value of CIMC-TianDa of approximately RMB0.2088 per CIMC-TianDa Share (equivalent to approximately HK\$0.2373 at the prevailing exchange rate of RMB0.88 to HK\$1.00) as at December 31, 2018 (based on the number of issued CIMC-TianDa Shares as at June 30, 2019).

Completion

Completion will take place within seven business days after the date of the Convertible Bonds Purchase Agreement (or such other date as the parties may agree in writing).

INFORMATION ON THE CIMC-TIANDA

CIMC-TianDa is a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange. The CIMC-TianDa Group is principally engaged in the production and sale of fire engines, the production and sale of fire prevention and fighting equipment, the design and manufacturing of passengers boarding bridges and auto stereoscopic parking systems, and the provision of integrated solutions of airport facility equipment, including airport logistic systems (baggage handling and material handling) and ground support equipment.

Based on the annual report of CIMC-TianDa for the year ended December 31, 2018, the audited consolidated profit before income tax and profit after income tax of CIMC-TianDa are set out below:

| | For the year ended | |
|--------------------------|---------------------------|----------------|
| | December 31, | |
| | 2017 | 2018 |
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Profit before income tax | 138,177 | 196,477 |
| Profit after income tax | 119,681 | 172,618 |

Based on the annual report of CIMC-TianDa for the year ended December 31, 2018, the audited consolidated net assets of CIMC-TianDa as at December 31, 2018 was approximately RMB3,022,329,000.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CONVERTIBLE BONDS PURCHASE 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. Wison Energy Engineering, being a wholly-owned subsidiary of the Company, is principally engaged in the provision of engineering, procurement and construction management services and the import and export sales of equipment and parts.

As the Group has surplus short-term working capital and in view that the acquisition of financial products of this kind may improve the capital efficiency through risk-controlled investment, the Company considered the acquisition of the Sale Convertible Bonds to be in the interests of the Company. On the other hand, the acquisition of the Sale Convertible Bonds also enables the Group to further expand its business network and strengthen its cooperation with different investment entities and business partners.

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

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the transaction contemplated under the Convertible Bonds Purchase Agreement is more than 5% but less than 25%, the transaction contemplated under the Convertible Bonds Purchase Agreement 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.

DEFINITIONS

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

| | |
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| “Board” | the board of Directors of the Company |
| “CIMC-TianDa” | CIMC-TianDa Holdings Company Limited (中集天達控股有限公司), a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Stock Exchange (Stock Code: 445) |
| “CIMC-TianDa Convertible Bonds” | the 0.1% convertible bonds due 2048 issued by CIMC-TianDa pursuant to the convertible bond instrument by way of deed poll dated April 23, 2018 executed by CIMC-TianDa |
| “CIMC-TianDa Group” | CIMC-TianDa and its subsidiaries |
| “CIMC-TianDa Shares” | the ordinary shares of HK\$0.01 each in the issued share capital of CIMC-TianDa |
| “Conversion Price” | the conversion price of HK\$0.366 per CIMC-TianDa Share, which is subject to adjustment upon the occurrence of consolidation, subdivision or reclassification of the CIMC-TianDa Shares |

| | |
|---|---|
| “Convertible Bonds Purchase Agreement” | the sale and purchase agreement dated July 25, 2019 and entered into between Wison Energy Engineering as purchaser and Lucky Rich as vendor in relation to the acquisition of the Sale Convertible Bonds |
| “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 (Stock Code: 2236) |
| “Completion” | completion of the acquisition of the Sale Convertible Bonds under the Convertible Bonds Purchase Agreement |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Directors” | the directors of the Company |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Last Trading Day” | July 25, 2019, being the last trading day for the CIMC-TianDa Shares before the entering into the Convertible Bonds Purchase Agreement |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Lucky Rich” | Lucky Rich Holdings Limited, a company incorporated in Samoa, the vendor under the Convertible Bonds Purchase Agreement |
| “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 |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Sale Convertible Bonds” | the CIMC-TianDa Convertible Bonds in the principal amount of RMB130,713,331.50 |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Wison Energy Engineering” | Wison Energy Engineering (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company, the purchaser under the Convertible Bonds Purchase Agreement |

“%”

per cent.

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

Hong Kong, July 25, 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.