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**天津发展控股有限公司**  
**TIANJIN DEVELOPMENT HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 882)**

## **DISCLOSEABLE TRANSACTION**

### **SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS**

#### **FIRST CMB WEALTH MANAGEMENT AGREEMENT**

On 29 April 2020, Lisheng Pharmaceutical entered into the First CMB Wealth Management Agreement with CMB to subscribe for a wealth management product in an aggregate subscription amount of RMB40,000,000 (equivalent to approximately HK\$43,763,676).

#### **SECOND CMB WEALTH MANAGEMENT AGREEMENT**

On 11 May 2020, Lisheng Pharmaceutical entered into the Second CMB Wealth Management Agreement with CMB to subscribe for a wealth management product in an aggregate subscription amount of RMB30,000,000 (equivalent to approximately HK\$32,822,757).

#### **THIRD CMB WEALTH MANAGEMENT AGREEMENT**

On 18 May 2020, Lisheng Pharmaceutical entered into the Third CMB Wealth Management Agreement with CMB to subscribe for a wealth management product in an aggregate subscription amount of RMB50,000,000 (equivalent to approximately HK\$54,704,595).

#### **LISTING RULES IMPLICATIONS**

The subscription amount under each of the First CMB Wealth Management Agreement, the Second CMB Wealth Management Agreement and the Third CMB Wealth Management Agreement, on a standalone basis, does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

However, as one of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the subscription amount under the Third CMB Wealth Management Agreement, when aggregated with the First CMB Wealth Management Agreement and the Second CMB Wealth Management Agreement, exceeds 5% but is less than 25%, the transactions contemplated under the CMB Wealth Management Agreements constitute discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **FIRST CMB WEALTH MANAGEMENT AGREEMENT**

On 29 April 2020, Lisheng Pharmaceutical entered into the First CMB Wealth Management Agreement with CMB to subscribe for a wealth management product in an aggregate subscription amount of RMB40,000,000 (equivalent to approximately HK\$43,763,676).

The subscription shall be effective from 29 April 2020 to 29 July 2020, for a period of 91 days. The expected floating annualised return rate under the First CMB Wealth Management Agreement ranges from 1.35% to 3.54%.

## **SECOND CMB WEALTH MANAGEMENT AGREEMENT**

On 11 May 2020, Lisheng Pharmaceutical entered into the Second CMB Wealth Management Agreement with CMB to subscribe for a wealth management product in an aggregate subscription amount of RMB30,000,000 (equivalent to approximately HK\$32,822,757).

The subscription shall be effective from 11 May 2020 to 11 August 2020, for a period of 92 days. The expected floating annualised return rate under the Second CMB Wealth Management Agreement ranges from 1.35% to 3.49%.

## **THIRD CMB WEALTH MANAGEMENT AGREEMENT**

On 18 May 2020, Lisheng Pharmaceutical entered into the Third CMB Wealth Management Agreement with CMB to subscribe for a wealth management product in an aggregate subscription amount of RMB50,000,000 (equivalent to approximately HK\$54,704,595).

The subscription shall be effective from 18 May 2020 to 18 August 2020, for a period of 92 days. The expected floating annualised return rate under the Third CMB Wealth Management Agreement ranges from 1.35% to 3.49%.

## **PRINCIPAL TERMS OF THE CMB WEALTH MANAGEMENT AGREEMENTS**

The First CMB Wealth Management Agreement, the Second CMB Wealth Management Agreement and the Third CMB Wealth Management Agreement contain similar major terms to each other. The principal terms of the CMB Wealth Management Agreements are summarised as follows:

Parties	:	(i) Lisheng Pharmaceutical; and (ii) CMB
Name of the wealth management product	:	招商銀行掛鈎黃金三層區間三個月結構性存款 (CMB Gold-linked Three-Horizon Structured Deposit for three months)
Currency of investment and returns	:	RMB
Type of return	:	Principal-preservation with floating return
Principle for calculation of return and interest	:	The floating return is calculated based on the investment principal of Lisheng Pharmaceutical, days of investment, the XAU/USD price quote on the subscription date, the London Bullion Market Association Gold Price published in the afternoon on the observation date (being 2 working days prior to the last day of the subscription period) and its corresponding floating annualized return rate during the investment period (365 days a year).

Right of early termination : Lisheng Pharmaceutical and CMB have no right of early termination.

Payment of principal and return : The principal and return will be paid to Lisheng Pharmaceutical in one lump sum on the maturity date.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CMB WEALTH MANAGEMENT AGREEMENTS**

As the wealth management products are principal-preservation in nature upon maturity and their underlying investments are considered to have relatively low risk, the entering into the wealth management products agreements are in line with the internal risk management, treasury management and investment policies of the Group. The subscriptions of wealth management products were made for treasury management purpose to provide with a better return on the idle funds of Lisheng Pharmaceutical and were conducted on the premises that such investments would not affect its working capital or its business operations. Given that the subscriptions of wealth management products enable Lisheng Pharmaceutical to earn an attractive rate of return than demand deposits or time deposits generally offered by commercial banks, the investment return in connection with the subscriptions of the wealth management products would increase the Group's earnings.

The Directors are of the view that the terms and conditions of each of the CMB Wealth Management Agreements are based on normal commercial terms and are fair and reasonable and the transactions contemplated thereunder are in the best interests of the Group and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The subscription amount under each of the First CMB Wealth Management Agreement, the Second CMB Wealth Management Agreement and the Third CMB Wealth Management Agreement, on a standalone basis, does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

However, as one of the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of the subscription amount under the Third CMB Wealth Management Agreement, when aggregated with the First CMB Wealth Management Agreement and the Second CMB Wealth Management Agreement, exceeds 5% but is less than 25%, the transactions contemplated under the CMB Wealth Management Agreements constitute discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

The principal activity of the Company is investment holding. The principal activities of the Group are (i) utilities including supply of electricity, water, heat and thermal power; (ii) pharmaceutical including manufacture and sale of chemical drugs, and research and development of new medicine technology and new products, as well as design, manufacture and printing for pharmaceutical packaging and sale of other paper-based packaging materials; (iii) hotel; (iv) electrical and mechanical including the manufacture and sale of presses, mechanical and hydroelectric equipment and large scale pump units; and (v) strategic and other investments including investments in associates which are principally engaged in the manufacture and sale of elevators and escalators and provision of port services in Tianjin.

Lisheng Pharmaceutical and its subsidiaries are principally engaged in the manufacturing and sale of chemical drugs in the PRC. As at the date of this announcement, the Company indirectly holds approximately 34.41% of the issued share capital of Lisheng Pharmaceutical.

CMB is a licensed bank incorporated under the laws of the PRC. Its principal businesses include the provision of corporate and retail services, investment banking, assets management, brokerage as well as other financial services. To the best knowledge, information and belief of the Directors, CMB and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

## DEFINITIONS

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

“Board”	the board of Directors
“Company”	Tianjin Development Holdings Limited (天津發展控股有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange (Stock Code: 882)
“CMB”	China Merchants Bank Co., Ltd. (招商銀行股份有限公司), a licensed bank incorporated under the laws of the PRC
“CMB Wealth Management Agreements”	collectively, the First CMB Wealth Management Agreement, the Second CMB Wealth Management Agreement and the Third CMB Wealth Management Agreement
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“First CMB Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and CMB on 29 April 2020 as described in the section headed “ <i>First CMB Wealth Management Agreement</i> ” in this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lisheng Pharmaceutical”	Tianjin Lisheng Pharmaceutical Co., Ltd. (天津力生製藥股份有限公司), a joint stock limited company established under the laws of the PRC and is listed on the A Shares Market of the Shenzhen Stock Exchange (Stock Code: 002393). As at the date of this announcement, the Company indirectly holds approximately 34.41% of the issued share capital of Lisheng Pharmaceutical

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Second CMB Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and CMB on 11 May 2020 as described in the section headed “ <i>Second CMB Wealth Management Agreement</i> ” in this announcement
“Shareholder(s)”	holder(s) of share(s) in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third CMB Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and CMB on 18 May 2020 as described in the section headed “ <i>Third CMB Wealth Management Agreement</i> ” in this announcement
“%”	per cent.

*English names of the PRC established companies/entities in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.*

*In this announcement, RMB has been converted to HK\$ at the rate of RMB0.914 = HK\$1.00 for illustration purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.*

By Order of the Board  
**Tianjin Development Holdings Limited**  
**Wang Zhiyong**  
*Chairman and Executive Director*

Hong Kong, 19 May 2020

*As at the date of this announcement, the board of directors of the Company consists of Mr. Wang Zhiyong, Mr. Chen Yanhua, Dr. Li Xiaoguang, Mr. Zhuang Qifei, Mr. Cui Xiaofei, Mr. Cheung Wing Yui, Edward\*, Dr. Cheng Hon Kwan\*\*, Mr. Mak Kwai Wing, Alexander\*\*, Ms. Ng Yi Kum, Estella\*\*, Mr. Wong Shiu Hoi, Peter\*\* and Dr. Loke Yu\*\*.*

\* *non-executive director*

\*\* *independent non-executive director*