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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 SPD BANK WEALTH MANAGEMENT AGREEMENT

On 7 July 2020, Lisheng Pharmaceutical entered into the First SPD Bank Wealth Management Agreement with SPD Bank to subscribe for wealth management products in an aggregate subscription amount of RMB70,000,000 (equivalent to approximately HK\$77,777,778).

SECOND SPD BANK WEALTH MANAGEMENT AGREEMENT

On 5 August 2020, Lisheng Pharmaceutical entered into the Second SPD Bank Wealth Management Agreement with SPD Bank to subscribe for wealth management products in an aggregate subscription amount of RMB60,000,000 (equivalent to approximately HK\$66,666,667).

LISTING RULES IMPLICATIONS

The subscription amount under each of the First SPD Bank Wealth Management Agreement and the Second SPD Bank 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 Second SPD Bank Wealth Management Agreement, when aggregated with the First SPD Bank Wealth Management Agreement, exceeds 5% but is less than 25%, the transactions contemplated under the SPD Bank 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 SPD BANK WEALTH MANAGEMENT AGREEMENT

On 7 July 2020, Lisheng Pharmaceutical entered into the First SPD Bank Wealth Management Agreement with SPD Bank to subscribe for wealth management products in an aggregate subscription amount of RMB70,000,000 (equivalent to approximately HK\$77,777,778).

Subject to early termination of the First SPD Bank Wealth Management Agreement by SPD Bank, the subscription shall be effective from 9 July 2020 to 7 October 2020, for a period of 90 days. The expected floating annualised return rate under the First SPD Bank Wealth Management Agreement ranges from 1.4% to 3.2%.

SECOND SPD BANK WEALTH MANAGEMENT AGREEMENT

On 5 August 2020, Lisheng Pharmaceutical entered into the Second SPD Bank Wealth Management Agreement with SPD Bank to subscribe for wealth management products in an aggregate subscription amount of RMB60,000,000 (equivalent to approximately HK\$66,666,667).

Subject to early termination of the Second SPD Bank Wealth Management Agreement by SPD Bank, the subscription shall be effective from 7 August 2020 to 5 November 2020, for a period of 90 days. The expected floating annualised return rate under the Second SPD Bank Wealth Management Agreement ranges from 1.4% to 3.15%.

PRINCIPAL TERMS OF THE SPD BANK WEALTH MANAGEMENT AGREEMENTS

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

Parties	:	(i) Lisheng Pharmaceutical; and (ii) SPD Bank
Name of the wealth management product	:	利多多公司穩利固定持有期 JG6014 期人民幣對公結構性存款 (Li Duo Duo Stable Profit and Fixed Holding Period RMB-denominated Structured Deposit Company Product JG6014)
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 the investment principal of Lisheng Pharmaceutical, days of investment, the 1-month USD LIBOR on the observation date (being the second London Working Day prior to the maturity date of the investment) and its corresponding annualized floating return rate during the investment period (365 days a year).
Right of early termination	:	SPD Bank has the right of early termination of the deposits according to the actual investment situation without further notice to Lisheng Pharmaceutical, provided that it shall publish an information announcement at its business outlets or websites or in other means within 2 working days before the date 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 or the specified date after early termination by SPD Bank.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SPD BANK WEALTH MANAGEMENT AGREEMENTS

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 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. 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 Directors are of the view that the terms and conditions of each of the SPD Bank 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 SPD Bank Wealth Management Agreement and the Second SPD Bank 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 Second SPD Bank Wealth Management Agreement, when aggregated with the First SPD Bank Wealth Management Agreement, exceeds 5% but is less than 25%, the transactions contemplated under the SPD Bank 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.

SPD Bank is a licensed bank in the PRC and a joint stock company listed on the Shanghai Stock Exchange (Stock Code: 600000). Its principal businesses include the provision of corporate and personal banking business, treasury business, finance leasing, asset management and other financial services. To the best knowledge, information and belief of the Directors, SPD Bank 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:

“1-month USD LIBOR”	an indicative average interest rate at which a selection of banks in London are prepared to lend to one another in US dollars with a maturity of one month
“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)
“Directors”	the directors of the Company
“First SPD Bank Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and SPD Bank dated 7 July 2020 as described in the section headed “ <i>First SPD Bank 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
“London Working Day”	a day on which licensed banks are generally open for business in London throughout their normal business hours
“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 SPD Bank Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and SPD Bank dated 5 August 2020 as described in the section headed “ <i>Second SPD Bank Wealth Management Agreement</i> ” in this announcement

“SPD Bank”	Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司), a licensed bank established under the laws of the PRC
“SPD Bank Wealth Management Agreements”	collectively, the First SPD Bank Wealth Management Agreement and the Second SPD Bank Wealth Management Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	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 RMB0.9 = 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, 6 August 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*