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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 INDUSTRIAL BANK WEALTH MANAGEMENT AGREEMENT

On 29 April 2020, Lisheng Pharmaceutical entered into the First Industrial Bank Wealth Management Agreement with Industrial Bank to subscribe for wealth management products in an aggregate subscription amount of RMB60,000,000 (equivalent to approximately HK\$65,645,514).

SECOND INDUSTRIAL BANK WEALTH MANAGEMENT AGREEMENT

On 7 May 2020, Lisheng Pharmaceutical entered into the Second Industrial Bank Wealth Management Agreement with Industrial Bank to subscribe for wealth management products in an aggregate subscription amount of RMB60,000,000 (equivalent to approximately HK\$65,645,514).

LISTING RULES IMPLICATIONS

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

On 29 April 2020, Lisheng Pharmaceutical entered into the First Industrial Bank Wealth Management Agreement with Industrial Bank to subscribe for wealth management products in an aggregate subscription amount of RMB60,000,000 (equivalent to approximately HK\$65,645,514).

Subject to early termination of the First Industrial Bank Wealth Management Agreement by Industrial Bank, the subscription shall be effective from 29 April 2020 to 29 June 2020, for a period of 61 days.

SECOND INDUSTRIAL BANK WEALTH MANAGEMENT AGREEMENT

On 7 May 2020, Lisheng Pharmaceutical entered into the Second Industrial Bank Wealth Management Agreement with Industrial Bank to subscribe for wealth management products in an aggregate subscription amount of RMB60,000,000 (equivalent to approximately HK\$65,645,514).

Subject to early termination of the Second Industrial Bank Wealth Management Agreement by Industrial Bank, the subscription shall be effective from 7 May 2020 to 30 June 2020, for a period of 54 days.

PRINCIPAL TERMS OF THE INDUSTRIAL BANK WEALTH MANAGEMENT AGREEMENTS

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

Parties	:	(i) Lisheng Pharmaceutical; and (ii) Industrial Bank
Name of the wealth management product	:	興業銀行企業金融結構性存款產品 (Corporate Finance Structured Deposits Product of Industrial Bank)
Currency of investment and returns	:	RMB
Type of return	:	Principal-preservation with floating return
Subscription amount	:	RMB60,000,000 (equivalent to approximately HK\$65,645,514)
Expected annualized return rate	:	Fixed return rate: 1.41%; Floating return rate: 1.79% to 1.82%
Principle for calculation of return and interest	:	The return consists of fixed return and floating return. For fixed return, it is calculated based on the investment principal of Lisheng Pharmaceutical, days of investment and the actual annualized return rate (365 days a year). For floating return, it is calculated based the investment principal of Lisheng Pharmaceutical, days of investment, the fluctuation of the SHGFGOAM INDEX and its corresponding floating annualized return rate during the investment period (365 days a year).

- Right of early termination : Industrial Bank has the right of early termination of the deposits. In case of early termination of this product, Industrial Bank shall notify Lisheng Pharmaceutical 2 working days before the termination date and shall specify a date for payment of the principal and return to Lisheng Pharmaceutical (which will usually be within 3 working days after the early termination date).
- 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 Industrial Bank.

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

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. As the wealth management products are principal-preservation in nature upon maturity or upon the early termination date 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 Industrial 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 Industrial Bank Wealth Management Agreement and the Second Industrial 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 Industrial Bank Wealth Management Agreement, when aggregated with the First Industrial Bank Wealth Management Agreement, exceeds 5% but is less than 25%, the transactions contemplated under the Industrial 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.

Industrial Bank is a licensed bank incorporated under the laws of the PRC. Its principal businesses include the provision of corporate and retail services, capital operation, investment banking, assets management, trust and financial leasing as well as other financial services. To the best knowledge, information and belief of the Directors, Industrial 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:

“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
“Group”	the Company and its subsidiaries
“First Industrial Bank Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and Industrial Bank dated 29 April 2020 as described in the section headed “ <i>First Industrial 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
“Industrial Bank”	Industrial Bank Co., Ltd. (興業銀行股份有限公司), a licensed bank incorporated under the laws of the PRC
“Industrial Bank Wealth Management Agreements”	collectively, the First Industrial Bank Wealth Management Agreement and the Second Industrial Bank Wealth Management Agreement
“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 Industrial Bank Wealth Management Agreement”	the wealth management agreement entered into between Lisheng Pharmaceutical and Industrial Bank dated 7 May 2020 as described in the section headed “ <i>Second Industrial Bank Wealth Management Agreement</i> ” in this announcement
“Shareholder(s)”	holder(s) of share(s) in the Company
“SHGFGOAM INDEX”	the benchmark price of Shanghai Gold in the morning on the Shanghai Gold Exchange
“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 RMB0.914 = 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, 8 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*