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**無錫盛力達科技股份有限公司**

**Wuxi Sunlit Science and Technology Company Limited\***

*(A joint stock company established in the People's Republic of China with limited liability)*

**(Stock Code: 1289)**

**DISCLOSEABLE TRANSACTION  
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT  
— STRUCTURED DEPOSIT**

On 19 July 2018, the Company and China Merchants Bank entered into the Structured Deposit Agreements, pursuant to which the Company has agreed to subscribe for a wealth management product of Structured Deposit of China Merchants Bank with an aggregate amount of RMB30,000,000. Among the Subscription amount of RMB30,000,000, a total of RMB27,000,000 was financed by the temporary idle proceeds of the Company raised from the Listing and a total of RMB3,000,000 was financed by the temporary idle internal funds of the Company.

**IMPLICATIONS UNDER THE LISTING RULES**

The Subscription amounts are aggregated in accordance with Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in relation to the Subscription, on an aggregate basis, exceed 5% but are below 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements, but is exempted from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 19 July 2018, the Company and China Merchants Bank entered into Structured Deposit Agreement A pursuant to which the Company has agreed to subscribe for a wealth management product of Structured Deposit of China Merchants Bank in the amount of RMB27,000,000 which was financed by the temporary idle proceeds of the Company raised from the Listing, and the Structured Deposit Agreement B pursuant to which the Company has agreed to subscribe

for a wealth management product of Structured Deposit of China Merchants Bank in the amount of RMB3,000,000 which was financed by the temporary idle internal funds of the Company.

The major terms of the Structured Deposit Agreements are as follows:

Date: 19 July 2018

Parties: The Company, as the subscriber

China Merchants Bank, as the bank

Name of product: Structured Deposit (Product code: CWX00217) of China Merchants Bank (招商銀行結構性存款 (產品號碼: CWX00217))

Term: 365 days commencing from 19 July 2018 to 18 July 2019

Principal amount of the Structured Deposit: RMB30,000,000 (being RMB27,000,000 for Structured Deposit Agreement A, and RMB3,000,000 for Structured Deposit Agreement B)

Type of product: Principal-preservation with floating income

Expected income: The aggregate of the fixed income and floating income shall be calculated in accordance with the following formulae:

**Fixed income**

Fixed income = principal amount of the Structured Deposit x 1.75% x 365/365

**Floating income**

If on the Specific Observation Date, the London Gold Fixing Price is more than or equal to US\$674.5 per troy ounce but less than US\$1,774.5 per troy ounce, then:

Floating income = principal amount of the Structured Deposit x 1.95% x 365/365

If on the Specific Observation Date, the London Gold Fixing Price is less than US\$674.5 per troy ounce or more than US\$1,774.5 per troy ounce, then:

Floating income = 0

Early Termination: Both the Company and China Merchants Bank do not have the right of early termination

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE STRUCTURED DEPOSIT AGREEMENTS**

At the annual general meeting of the Company held on 8 June 2018, a special resolution has been passed by the shareholders of the Company whereby, *inter alia*, the Board is authorised to exercise within one year of the approval thereof the investment decision for purchasing wealth management products by utilising the temporary idle proceeds of the Company, subject to the cap of RMB35 million. For more details, please refer to the circular of the Company dated 23 April 2018. The Board has resolved to enter into the Structured Deposit Agreement A pursuant to the authority granted to it under the said special resolution.

By entering into the Structured Deposit Agreements, the Company intends to enhance the utilization and efficiency of its temporary idle proceeds raised from the Listing and its temporary idle internal funds, thereby increasing the overall income of the Company while at the same time ensuring that the construction of the committed projects and planned usage of proceeds for such construction will not be affected. The Directors have taken into consideration the normal operation funding needs and liquidity needs of the Group and are of the opinion that the terms of the Structured Deposit Agreements are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

The Subscription amounts are aggregated in accordance with Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in relation to the Subscription, on an aggregate basis, exceed 5% but are below 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements, but is exempted from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

## **INFORMATION ON THE PARTIES**

The Company and its subsidiaries are principally engaged in the research and development, design, manufacture, equipment supply, installation, testing, repair and maintenance of production lines for manufacturing steel wire products in the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, (i) China Merchants Bank is one of the national joint stock commercial banks in the PRC and is principally engaged in banking business; and (ii) China Merchants Bank and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

## DEFINITIONS

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

“Board”	the board of directors of the Company
“China Merchants Bank”	招商銀行 (China Merchants Bank Co., Ltd.*), a licensed bank established under the laws of the PRC and listed on the Shanghai Stock Exchange (stock code: 600036) and the Stock Exchange (stock code: 03968)
“Company”	無錫盛力達科技股份有限公司 (Wuxi Sunlit Science and Technology Company Limited*), a joint stock company incorporated in the PRC with limited liability
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the H Shares of the Company on the Main Board of the Stock Exchange on 11 November 2014
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“London Gold Fixing Price”	the afternoon fixing price of gold per troy ounce quoted in US\$ by The London Gold Market (published by the London Bullion Market Association) usually at 3:00 p.m.
“PRC”	The People's Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Specific Observation Date”	means 17 July 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Structured Deposit”	principal-preservation and floating income structured deposit product with an aggregate amount of RMB30,000,000 offered by China Merchants Bank
“Structured Deposit Agreements”	Structured Deposit Agreement A and Structured Deposit Agreement B
“Structured Deposit Agreement A”	the structured deposit agreement entered into between the Company and China Merchants Bank on 19 July 2018 in relation to the Subscription which was financed by the temporary idle proceeds of the Company raised from the Listing
“Structured Deposit Agreement B”	the structured deposit agreement entered into between the Company and China Merchants Bank on 19 July 2018 in relation to the Subscription which was financed by the temporary idle internal funds of the Company
“Subscription”	the subscription of wealth management product of Structured Deposit subject to the terms and conditions set out in the Structured Deposit Agreements
“US\$”	US dollar, the lawful currency of the United States
“%”	per cent

By order of the Board of  
無錫盛力達科技股份有限公司  
**Wuxi Sunlit Science and Technology Company Limited\***  
**Zhang Degang**  
*Chairman*

Hong Kong, 19 July 2018

*As at the date of this announcement, the executive Directors are Mr. Zhang Degang and Mr. Zhang Deqiang, the non-executive Directors are Ms. Zhang Jinghua and Mr. Gao Feng and the independent non-executive Directors are Mr. Liu Chaojian, Mr. Ho Yuk Ming, Hugo and Mr. Gao Fuping.*

\* *For identification purpose only*