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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)

**MAJOR TRANSACTION
ACQUISITION OF PROPERTIES
AND
RESUMPTION OF TRADING**

THE ACQUISITION

On 19 April 2018, 20 April 2018, 21 April 2018 and 22 April 2018, the Company and the Vendor entered into the Sale and Purchase Agreements, pursuant to which the Company agreed to purchase and the Vendor agreed to sell the Properties at an aggregate consideration of RMB74,347,796 (equivalent to approximately HK\$92,934,745).

LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, publication and shareholders' approval requirements under Chapter 14 of the Listing Rules.

* For identification purposes only

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Acquisition. As such, no Shareholder would be required to abstain from voting if a general meeting were convened to approve the Acquisition. Pursuant to Rule 14.44 of the Listing Rules, a written shareholders' approval may be accepted in lieu of a general meeting. Written approval of the Acquisition has been obtained from a closely allied group of shareholders of the Company, namely Mr. Zhang Degang, Mr. Zhang Deqiang and Ms. Zhang Jinghua, who respectively holds 43,221,504 Shares, 29,983,104 Shares and 4,027,392 Shares, representing 33.77%, 23.42% and 3.15% of the issued share capital of the Company. Mr. Zhang Degang, Mr. Zhang Deqiang and Ms. Zhang Jinghua are family members and persons acting in concert, and they collectively hold 77,232,000 Shares, representing approximately 60.34% of the issued share capital of the Company as at the date of this announcement. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Acquisition and the Sale and Purchase Agreements.

DESPATCH OF CIRCULAR

A circular containing, amongst others, further information in relation to the Acquisition, and a valuation report of the Properties will be despatched to the Shareholders on or before 16 May 2018.

TRADING HALT AND RESUMPTION

Trading of the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 20 April 2018 pending the release of this announcement. Application has been made for resumption of trading of the Shares with effect from 9:00 a.m. on 25 April 2018.

On 19 April 2018, 20 April 2018, 21 April 2018 and 22 April 2018, the Company and the Vendor entered into the Sale and Purchase Agreements, pursuant to which the Company agreed to purchase and the Vendor agreed to sell the Properties at an aggregate consideration of RMB74,347,796 (equivalent to approximately HK\$92,934,745).

THE SALE AND PURCHASE AGREEMENTS

The principal terms of the Sale and Purchase Agreements are set out below:

- Date : 19 April 2018, 20 April 2018, 21 April 2018 and 22 April 2018
- Parties : (a) The Company as purchaser
- (b) Shandong Snton Real Estate Development Co., Ltd. as vendor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

Information of the Properties

The Properties to be acquired by the Company from the Vendor comprise 166 residential units of Tong Xing Garden, No. 269 Guanxing Road, Kenli District, Dongying City, Shandong Province, the PRC. The Properties have a total gross floor area of 18,920.94 square metres and 3,331.19 square metres for the residential units and ancillary facilities (including car parking spaces and storage rooms), respectively. The Vendor is the property developer of the property development project of the Properties.

Consideration

The aggregation consideration for the Properties under the Sales and Purchase Agreements is RMB74,347,796 (equivalent to approximately HK\$92,934,745), which will be deducted from the amount payable to us by Shandong Snton Steelcords upon the transfer of the title of the Properties from the Vendor to us.

The Consideration was determined between the parties by reference to the prevailing market conditions, as well as location of the Properties and market price of comparable properties in the same area. A full valuation report on the Properties will be prepared for the inclusion in the circular to be despatched to the Shareholders as required under the Listing Rules.

The Vendor and the Company has mutually agreed that the aggregation consideration for the Properties shall be paid by way of setting off the same outstanding amount owed to the Company by Shandong Snton Steelcord.

Transfer of title

The transfer of the title of the Properties are expected to be completed on or before 31 May 2018.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Before the Acquisition, an amount of RMB74,347,796 (equivalent to approximately HK\$92,934,745) for the purchase of equipments under the accounts payable of Shandong Snton Steelcords remained outstanding to us. In order to recover the outstanding amount and reduce the risk of bad debts, the Company agreed to purchase the Properties from the Vendor, a related company of Shandong Snton Steelcords, to set off the amount outstanding from Shandong Snton Steelcords. The Acquisition would improve the financial position of the Company.

The Directors, including the independent non-executive Directors, are of the view that the terms of the Sale and Purchase Agreements are on normal commercial terms, are fair and reasonable, and the Acquisition is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, publication and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Acquisition. As such, no Shareholder would be required to abstain from voting if a general meeting were convened to approve the Acquisition. Pursuant to Rule 14.44 of the Listing Rules, a written shareholders' approval may be accepted in lieu of a general meeting. Written approval of the Acquisition has been obtained from a closely allied group of shareholders of the Company, namely Mr. Zhang Degang, Mr. Zhang Deqiang and Ms. Zhang Jinghua, who respectively holds 43,221,504 Shares, 29,983,104 Shares and 4,027,392 Shares, representing 33.77%, 23.42% and 3.15% of the issued share capital of the Company. Mr. Zhang Degang, Mr. Zhang Deqiang and Ms. Zhang Jinghua are family members and persons acting in concert, and they collectively hold 77,232,000 Shares, representing approximately 60.34% of the issued share capital of the Company as at the date of this announcement. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Acquisition and the Sale and Purchase Agreements.

A circular containing, amongst others, further information in relation to the Acquisition, and a valuation report of the Properties will be despatched to the Shareholders on or before 16 May 2018.

INFORMATION ON THE GROUP

The Group is 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.

INFORMATION ON SHANDONG SNTON GROUP AND VENDOR

The Vendor is a company incorporated in the PRC which is principally engaged in property developments in the PRC, and is a wholly-owned subsidiary of Shandong Snton Group.

Shandong Snton Group is an investment holding company incorporated in the PRC and the principal business of Shandong Snton Group and its subsidiaries include steel cord, fine chemicals, machine manufacturing, electric equipment, architectural construction, and real estate development.

TRADING HALT AND RESUMPTION

Trading of the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 20 April 2018 pending the release of this announcement. Application has been made for resumption of trading of the Shares with effect from 9:00 a.m. on 25 April 2018.

DEFINITIONS

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

“Acquisition”	the acquisition of the Properties by the Company from the Vendor pursuant to the Sale and Purchase Agreements
“Board”	the board of Directors of the Company
“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
“Domestic Share(s)”	the domestic share(s) in the share capital of the Company with a par value of RMB1.00 each, which are subscribed or to be subscribed for in Renminbi by investors inside the PRC
“Group”	the Company and its subsidiary(ies)
“H Share(s)”	the overseas listed foreign invested share(s) in the share capital of the Company with a par value of RMB1.00 each, which are subscribed for and traded in HK\$ and listed on the Stock Exchange
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of and not connected or acting on concert with the Company and any of its connected persons or any of their respective associates (as defined under the Listing Rules)
“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, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“persons acting in concert”	has the meaning given to it under the Takeovers Code
“Properties”	166 residential units of Tong Xing Garden, No. 269 Guanxing Road, Kenli District, Dongying City, Shandong Province, the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreements”	166 sale and purchase agreements entered into between the Company and the Vendor on 19 April 2018, 20 April 2018, 21 April 2018 and 22 April 2018 in relation to the Acquisition
“Shandong Snton Group”	Shandong Snton Group Co., Ltd. (山東勝通集團股份有限公司), a company incorporated in the PRC
“Shandong Snton Steelcord”	Shandong Snton Steelcord Co., Ltd. (山東勝通鋼簾線有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Shandong Snton Group
“Share(s)”	the Domestic Share(s) and the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“Vendor”	Shandong Snton Real Estate Development Co., Ltd (山東勝通房地產開發有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Shandong Snton Group
“%”	percent

Amounts denominated in RMB in this announcement have been converted into HK\$ at the rate of RMB1.00 = HK\$1.25 for illustration purpose. No representation is made that any amount in HK\$ or RMB is or could have been or could be converted at such rate or at any other rate or at all.

By Order of the Board
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, 24 April 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.

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