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Wasion Holdings Limited
威勝控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3393)

**(1) LISTING OF WILLFAR INFORMATION TECHNOLOGY
ON THE SCI-TECH BOARD OF THE SHANGHAI STOCK EXCHANGE
AND
(2) DISCLOSEABLE TRANSACTION**

LISTING OF WILLFAR INFORMATION TECHNOLOGY ON THE SCI-TECH BOARD

Reference is made to the previous announcements of the Company with regard to the Proposed Spin-off.

The Board is pleased to announce that CSRC has agreed the registration of Willfar Information Technology for initial public offering of shares on the Sci-Tech Board. On 6 January 2020, Willfar Information Technology and CICC have determined the Offer Price of the Willfar Shares in the Offering to be RMB13.78 per Willfar Share. In accordance with the present timetable, the Willfar Listing will take place on 21 January 2020.

THE OFFERING

Pursuant to the Willfar Listing, Willfar Information Technology will offer 50,000,000 new Willfar Shares for subscription by investors.

Willfar Information Technology is currently owned as to 65% by the Company. Upon completion of the Offering and the Willfar Listing, the interest of the Company in Willfar Information Technology will be reduced to approximately 58.5%. The Offering hence constitutes a deemed disposal by the Company of its interest in Willfar Information Technology.

As one of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in relation to the Offering is more than 5% but less than 25%, the Offering constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE WILLFAR LISTING

Reference is made to the announcements of the Company dated 4 April 2019, 27 May 2019 and 27 December 2019 regarding the Proposed Spin-off.

The Board is pleased to announce that CSRC has agreed the registration of Willfar Information Technology for initial public offering of shares on the Sci-Tech Board. On 6 January 2020, Willfar Information Technology and CICC, the sponsor and lead underwriter to the Willfar Listing, have determined that the Offer Price of the Willfar Shares in the Offering to be RMB13.78 per Willfar Share. In accordance with the present timetable, the Willfar Listing will take place on 21 January 2020.

THE OFFERING

Pursuant to the Willfar Listing, Willfar Information Technology will offer 50,000,000 new Willfar Shares for subscription by investors. The salient terms of the Offering are summarized below:

Number of Willfar Shares being offered

A total of 50,000,000 new Willfar Shares will be offered for subscription by investors in the Willfar Listing. The number of Willfar Shares being offered in the Offering represent approximately 11.11% of the existing share capital of Willfar Information Technology and approximately 10% of the share capital of Willfar Information Technology as enlarged by the issue of the new Willfar Shares under the Offering.

Offer Price

The Offer Price for the Willfar Shares in the Offering is RMB13.78 per Willfar Share, which was determined by Willfar Information Technology and CICC after a market consultation process and arm's length negotiations and with reference to the size of the Offering, the industry sector that Willfar Information Technology operates, comparable market price of the shares of similar listed companies, and market conditions.

Use of proceeds

The total proceeds to be raised, after deducting expenses and commission, is expected to be approximately RMB610.83 million, and will be used by Willfar Information Technology for the capacity expansion and technology improvement projects on the monitoring equipment and fluid sensing equipment applied in the perception layer of Internet of Things (“IoT”), capacity expansion and technology improvement projects on products applied in the network layer of IoT, establishment of integrated research and development centre for IoT and replenishment of working capital.

INFORMATION ON THE PARTIES

The Company

The Company is an investment holding company. The subsidiaries of the Company are engaged in the smart power metering, advanced power distribution business, data collection terminal business and water, gas and heat meters business.

Willfar Information Technology

Willfar Information Technology and its subsidiary are engaged in the data collection terminal business and the water, gas and heat meters business.

The financial information of Willfar Information Technology for the two years ended 31 December 2017 and 2018, and the six months ended 30 June 2019 is set out below:

	For the financial year		For the
	ended 31 December		six months
	2017	2018	30 June 2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Profit before tax	175,503.9	200,849.3	133,106.0
Profit after tax	153,356.7	177,157.4	113,585.8

The net asset value of Willfar Information Technology as at 30 June 2019 was RMB1,451,401,400.

Willfar Information Technology is currently owned as to 65% by the Company. Upon completion of the Offering and the Willfar Listing, the interest of the Company in Willfar Information Technology will be reduced to approximately 58.5%. Willfar Information Technology will remain as a subsidiary of the Company and its results will continue to be consolidated into the financial statements of the Company.

CICC

CICC is the sponsor and lead underwriter to the Willfar Listing. CICC is a leading investment bank in the PRC that engages in investment banking, securities, investment management and other related financial services. The H shares of CICC are listed on the main board of the Stock Exchange (Stock Code: 3908). To the best knowledge of the Directors, having made reasonable enquiry, CICC and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons.

LISTING RULES IMPLICATION

The interest of the Company in Willfar Information Technology will be reduced from 65% to approximately 58.5% upon completion of the Offering and the Willfar Listing. The Offering hence constitutes a deemed disposal by the Company of its interest in Willfar Information Technology.

As one of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in relation to the Offering is more than 5% but less than 25%, the Offering constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“CICC”	China International Capital Corporation Limited, a joint stock company incorporated in the PRC, the H shares of which are listed on the main board of the Stock Exchange (Stock Code: 3908);
“Company”	Wasion Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 3393);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets;
“Director(s)”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Offering”	the offering of 50,000,000 new Willfar Shares for subscription by investors;
“Offer Price”	RMB13.78;
“PRC”	the People’s Republic of China;

“Proposed Spin-off”	the proposed spin-off and separate listing of the shares of Willfar Information Technology on the Sci-Tech Board of the Shanghai Stock Exchange;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sci-Tech Board”	the science and technology innovation board (科創板) of the Shanghai Stock Exchange;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Willfar Information Technology”	Willfar Information Technology Company Limited, a 65% owned subsidiary of the Company;
“Willfar Listing”	the listing of Willfar Information Technology on the Sci-Tech Board;
“Willfar Shares”	shares of Willfar Information Technology; and
“%”	per cent.

By order of the Board
Wasion Holdings Limited
Ji Wei
Chairman

Hong Kong, 6 January 2020

As at the date of this announcement, the Board comprises Mr. Ji Wei, Ms. Cao Zhao Hui, Mr. Zeng Xin, Ms. Zheng Xiao Ping and Mr. Tian Zhongping as executive directors of the Company, Mr. Kat Chit as non-executive director of the Company and Mr. Huang Jing, Mr. Luan Wenpeng, Mr. Cheng Shi Jie and Mr. Hui Wing Kuen as independent non-executive directors of the Company.