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**MIDEA INTERNATIONAL
CORPORATION COMPANY LIMITED**
美的國際控股有限公司
(Incorporated in Hong Kong with limited liability)



WELLING HOLDING LIMITED
威靈控股有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 382)

JOINT ANNOUNCEMENT
(1) PROPOSAL FOR THE PRIVATISATION OF
WELLING HOLDING LIMITED
BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
(2) PROPOSED WITHDRAWAL OF LISTING OF
WELLING HOLDING LIMITED
AND
(3) DESPATCH OF SCHEME DOCUMENT

Financial Adviser to the Offeror



**Independent Financial Adviser to
the Independent Board Committee**



INTRODUCTION

Reference is made to (a) the joint announcement of Welling Holding Limited (the “**Company**”) and Midea International Corporation Company Limited (the “**Offeror**”) dated 10 November 2017 (the “**Joint Announcement**”) in relation to, among other things, the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance and the proposed withdrawal of listing of the Company (the “**Matters**”); (b) the announcement of the Company dated 17 November 2017 in relation to the appointment of Optima Capital Limited as the independent financial adviser of the Company (the “**Independent Financial Adviser**”); (c) the joint announcement of the Company and the Offeror dated 29 November 2017 in relation to the delay in despatch of the Scheme Document to be jointly issued by the Company and the Offeror in relation to the Proposal and the Scheme (the “**Scheme Document**”); (d) the joint announcement of the Company and the Offeror dated 29 December 2017 in relation to the entering into of an irrevocable undertaking; and (e) the joint announcement of the Company and the Offeror dated 29 December 2017 in relation to monthly update on the Matters. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document together with the notices of the Court Meeting and the EGM to be held on Monday, 5 February 2018 and the related proxy forms will be despatched to the Shareholders on Thursday, 11 January 2018.

The Scheme Document contains, among other things, further details of the Proposal and the Scheme, the expected timetable, the explanatory statement of the Scheme as required under the Companies Ordinance, financial information of the Group, general information regarding the Group and the Offeror, the letters from the Board, the Independent Board Committee and the Independent Financial Adviser, a notice of the Court Meeting and a notice of the EGM.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Tan Jinsong, Mr. Lam Ming Yung and Ms. Cao Zhoutao, has been established by the Board to make recommendations to the Scheme Shareholders in respect of the Proposal and the Scheme.

Optima Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Scheme and the Proposal.

The Independent Financial Adviser has advised the Independent Board Committee that it considers the terms of the Proposal and the Scheme (including the Cancellation Price) are fair and reasonable, and accordingly, it recommends the Independent Board Committee to recommend the Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme.

The Independent Board Committee, having considered the terms of the Proposal and the Scheme, and having taken into account the opinion of the Independent Financial Adviser, considers that the terms of the Proposal and the Scheme are fair and reasonable and recommends the Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme.

Shareholders are urged to read carefully the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in relation to the Proposal and the Scheme as set out in the letters from the Independent Board Committee and the Independent Financial Adviser as contained in the Scheme Document.

COURT MEETING AND EGM

The Court Meeting and the EGM are scheduled to be held at 10:00 a.m. and 10:30 a.m. (or as soon thereafter as the Court Meeting shall have concluded or been adjourned), respectively, on Monday, 5 February 2018 at Lotus Room, 6/F, Marco Polo Hongkong Hotel, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong.

The High Court has directed that the Court Meeting be convened for the purpose of considering and, if thought fit, approving the Scheme (with or without modification).

Immediately following the conclusion of the Court Meeting, the EGM will be held for the purpose of considering and, if thought fit, passing the special resolution to give effect to the Scheme, including the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares and of the issue to the Offeror of such number of new Shares as is equal to the number of the Scheme Shares cancelled.

Notices of the Court Meeting and the EGM are contained in the Scheme Document.

An announcement will be made by the Offeror and the Company in relation to the results of the Court Meeting and the EGM on Monday, 5 February 2018.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to attend and vote at the Court Meeting and the EGM, the register of members of the Company will be closed from Monday, 29 January 2018 to Monday, 5 February 2018, both days inclusive, and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Friday, 26 January 2018.

CONDITIONS

Shareholders and potential investors should be aware that the Proposal is conditional upon the fulfilment or waiver (as applicable) of the Conditions as described in the paragraph headed “Conditions of the Proposal and the Scheme” in the Explanatory Statement of Scheme Document. All of the conditions contained therein will have to be fulfilled or waived, as applicable, otherwise the Scheme will lapse. If the Scheme is withdrawn, not approved or sanctioned by the High Court or lapses, the listing of the Shares on the Stock Exchange will not be withdrawn. If approved, the Scheme will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting.

Further announcements will be made regarding the Proposal in accordance with the requirements of the Takeovers Code and the Listing Rules, including in relation to the result of the hearing of the petition for the sanction of the Scheme by the High Court, the Effective Date, the date of withdrawal of the listing of the Shares from the Stock Exchange and if the Scheme is withdrawn or lapses.

EXPECTED TIMETABLE

The expected timetable for the Scheme is as follows:

Hong Kong time

Date of despatch of the Scheme Document Thursday, 11 January 2018

Latest time for lodging transfers of the Shares
in order to be entitled to attend and vote
at the Court Meeting and the EGM. 4:30 p.m. on
Friday, 26 January 2018

Closure of register of members for determination of
entitlement to attend and vote at the Court Meeting
and the EGM (*Note 1*) Monday, 29 January 2018 to
Monday, 5 February 2018
(both days inclusive)

Latest time and date for lodging forms of proxy in respect of:

the Court Meeting (*Note 2*). 10:00 a.m. on Friday, 2 February 2018

the EGM (*Note 2*) 10:30 a.m. on Friday, 2 February 2018

Court Meeting (*Note 2, 3*) 10:00 a.m. on Monday, 5 February 2018

Hong Kong time

EGM (*Note 2, 3*) 10:30 a. m. on Monday, 5 February 2018
(or as soon thereafter as the Court Meeting
has been concluded or adjourned)

Announcement of the results of
the Court Meeting and the EGM posted
on the website of the Stock Exchange By 7:00 p.m. on
Monday, 5 February 2018

Latest time for trading of the Shares
on the Stock Exchange. Close of trading hours on
Tuesday, 6 February 2018

Latest time for lodging transfers of the Shares
in order to qualify for entitlements under
the Scheme 4:30 p.m. on
Friday, 9 February 2018

Register of members of the Company closed
for determining entitlements to qualify
under the Scheme (*Note 4*). From Saturday,
10 February 2018 onwards

High Court hearing of the petition for the sanction of
the Scheme (*Note 5*) Wednesday, 14 February 2018

Announcement of the result of the High Court hearing,
the Effective Date and the date of withdrawal of the
listing of the Shares on the Stock Exchange posted on
the website of the Stock Exchange. Wednesday, 14 February 2018

Record Date Thursday, 15 February 2018

Effective Date (*Note 5*). Thursday, 15 February 2018

Announcement of, among other things, the Effective
Date and the withdrawal of the listing of the Shares
on the Stock Exchange posted on the website
of the Stock Exchange Thursday, 15 February 2018

Withdrawal of the listing of the Shares
on the Stock Exchange. 9:00 a.m. on Tuesday, 20 February 2018

Cheques for the cash payment under the Proposal
to be despatched on or before (*Note 6*) Wednesday, 28 February 2018

Notes:

1. The register of members of the Company will be closed during such period for the purpose of determining entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the EGM. For the avoidance of doubt, this period of closure is not for determining entitlements of Scheme Shareholders under the Scheme.
2. The pink form of proxy in respect of the Court Meeting and the white form of proxy in respect of the EGM should be completed and signed in accordance with the instructions respectively printed thereon and should be lodged at the Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by the times and dates stated above. In the case of the pink form of proxy in respect of the Court Meeting, it may alternatively be handed to the chairman of the Court Meeting at the Court Meeting if it is not so lodged. The white form of proxy for use at the EGM must be lodged no later than the time and date stated above in order for it to be valid. The completion and return of the forms of proxy will not preclude a member from attending and voting in person at the relevant meeting or any adjournment thereof if he so wishes. In such event, the relevant form of proxy shall be deemed to have been revoked.
3. If a tropical cyclone warning signal No.8 or above is or is expected to be hoisted or a black rainstorm warning signal is or is expected to be in force at any time after 7:00 a.m. on the date of the Court Meeting and the EGM, the Court Meeting and the EGM will be postponed. The Company will post an announcement on the respective websites of Hong Kong Exchanges and Clearing Limited and the Company to notify the members of the date, time and venue of the rescheduled meetings.
4. The register of members of the Company will be closed during such period for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme.
5. The Scheme shall become effective when it is sanctioned (with or without modification) by the High Court and an office copy of the order of the High Court, together with the minute and the return containing the particulars required by Section 230 of the Companies Ordinance, are delivered to and registered by the Registrar of Companies in compliance with the procedural requirements of Section 230 and Section 673 of the Companies Ordinance in relation to the reduction of the issued share capital of the Company and the Scheme, respectively.
6. Cheques for cash entitlements of Scheme Shareholders will be despatched by ordinary post in envelopes addressed to Scheme Shareholders at their respective addresses as appearing in the register of members at the Record Date or, in the case of joint holders, at the address appearing in the register of members at the Record Date of the joint holder whose name then stands first in the register of members in respect of the relevant joint holdings as soon as possible but in any event within 7 business days (as defined in the Takeovers Code) following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, CMB International, the Independent Financial Adviser and the Share Registrar shall be responsible for any loss or delay in receipt.

Warning:

Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant, or other professional advisers.

By order of the Board
**MIDEA INTERNATIONAL
CORPORATION COMPANY LIMITED**
Li Feide
Director

By order of the Board
WELLING HOLDING LIMITED
Fu Yongjun
Chairman

Hong Kong, 11 January 2018

As at the date of this announcement, the directors of the Offeror are Mr. Fang Hongbo, Mr. Li Feide and Mr. Xiao Mingguang.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Fu Yongjun (Chairman), Mr. Zhang Lifeng (Chief Executive Officer), Ms. Pan Xinling, Mr. Li Li, Mr. Xiao Mingguang and Mr. Li Feide and three independent non-executive Directors, namely Mr. Tan Jinsong, Mr. Lam Ming Yung and Ms. Cao Zhoutao.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.