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CMIC Ocean En-Tech Holding Co., Ltd.

華商國際海洋能源科技控股有限公司

(Formerly known as TSC Group Holdings Limited TSC集團控股有限公司)*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 206)

BUSINESS UPDATE

This announcement is made by CMIC Ocean En-Tech Holding Co., Ltd. (the “**Company**”) on a voluntary basis to keep the shareholders and the potential investors of the Company informed of the latest business development and strategies of the Group for the year 2019.

ENTERED CERTAIN AGREEMENTS WITH SHELF DRILLING

The Company is pleased to announce that:

- (1) Wealthy Marvel Enterprises Limited (the “**JV**” or “**WME**”) (owned as to 50% by Alliance Offshore Group Limited (“**AOG**”) (a wholly-owned subsidiary of the Company) and 50% by China Merchants & Great Wall Ocean Strategy & Technology Fund (the “**Fund**”);
- (2) Shelf Drilling, Ltd. (“**Shelf Drilling**”, an exempted company incorporated under the laws of the Cayman Islands, the shares of which are listed on the Oslo Børs); and
- (3) Wealthy Marvel International Limited (an affiliate of the Fund) (“**WMI**”);

have recently entered into certain agreements pursuant to which, amongst other things:

- (1) Shelf Drilling has agreed to purchase and the JV has agreed to sell two premium CJ46 Jack-up rigs for a total consideration of US\$174 million, of which US\$150 million will be paid in cash and US\$24 million will be paid in new common shares of Shelf Drilling;
- (2) JV has agreed to subscribe for new common shares issued by Shelf Drilling for a total consideration of US\$24 million, at a per share price of US\$6.50; and
- (3) JV has agreed to charter two additional premium CJ46 Jack-up rigs to Shelf Drilling and its subsidiaries with an option to purchase said rigs.

(collectively, the “**Transactions**”).

ABOUT SHELF DRILLING

Shelf Drilling is a leading international shallow water offshore drilling contractor with rig operations across Middle East, Southeast Asia, India, West Africa and the Mediterranean. Shelf Drilling was founded in 2012 and has established itself as a leader within its industry through its fit-for-purpose strategy and close working relationship with industry leading clients. Shelf Drilling is incorporated under the laws of the Cayman Islands with corporate headquarters in Dubai, United Arab Emirates. Shelf Drilling is listed on the Oslo Stock Exchange under the ticker “SHLF”. Shelf Drilling fleet consists of 38 jack-up rigs, and one swamp barge.

REASONS FOR ENTERING INTO THE AGREEMENTS

The management of the Company is of the view the Transactions will establish a firm foundation from which the medium and long-term business of the Company can be transformed into a strong and sustainable basis. The Transactions contemplated will create a significant base from which the business of the Company can be expanded and extended thus creating good business opportunities which will create greater value for the Company and generate better return to the Shareholders in the future. Furthermore, (1) JV will receive US\$150 million in cash from the Transactions, which is beneficial to the future development of the Company; (2) the investment in Shelf Drilling, a leading and successful offshore drilling service company, will significant enhance the Group’s international exposure and acceptance; and (3) through the Transactions, the Company has achieved a breakthrough in business transformation and is well positioned to reap the benefits of the recovering oil and gas market enhanced by the recovery of the offshore rigs management business.

AOG is a wholly-owned subsidiary of the Company, registered in Singapore and is mainly engaged in the sale, lease and management of offshore drilling and production vessels and platforms. Currently, AOG jointly controls WME with the Fund. WME owns two CJ46 jack-up rigs, named SMS MARIAM and SMS FAITH, which are currently in final stages of preparation for providing drilling services to Abu Dhabi National Oil Company. Upon completion of the Transactions, WME will have a total of four CJ46 jack-up rigs chartered out on a bareboat basis.

China Merchants & Great Wall Ocean Strategy & Technology Fund (L.P.) (the “**Fund**”) is an exempted limited partnership registered in the Cayman Islands and a controlling shareholder of the Company.

The Company will make further announcement(s) as and when required in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
CMIC Ocean En-Tech Holding Co., Ltd.
Wang Hongyuan
Executive Chairman

Hong Kong, 4 March 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wang Hongyuan, Mr. Jiang Bing Hua and Mr. Zhang Menggui, Morgan; two non-executive Directors, namely Mr. Lou Dongyang and Mr. Wang Jianzhong; and three independent non-executive Directors, namely Mr. Chan Ngai Sang, Kenny, Mr. Zou Zhendong and Mr. Chen Weidong.

* *For identification only*