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TOPSEARCH INTERNATIONAL (HOLDINGS) LIMITED

至卓國際(控股)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2323)

**VERY SUBSTANTIAL DISPOSAL
70% EQUITY INTERESTS IN
TOPSEARCH PRINTED CIRCUITS (SHENZHEN) LTD
AND
RESUMPTION OF TRADING**

Financial adviser to the Company



**WALLBANCK BROTHERS
Securities (Hong Kong) Limited**

The Board hereby announces that on 13 November 2012, Topsearch HK, an indirect wholly-owned subsidiary of the Company entered into the Framework Agreement with the Transferees, pursuant to which Topsearch HK has conditionally agreed to sell and transfer to Shenzhen Fantasia and Shanghai Yuxing (collectively, the “**Transferees**”) an aggregate 70% equity interest in Topsearch Shenzhen for a consideration of RMB244,909,716 (approximately HK\$301,238,951). On 13 November 2012, Topsearch HK and the Transferees entered into (a) an equity transfer agreement to implement the transactions contemplated under the Framework Agreement and (b) a joint venture contract regarding the governance of Topsearch Shenzhen after Completion, both of which will become effective upon obtaining approval from the relevant PRC regulatory authorities.

On 13 November 2012, Topsearch Qujiang, an indirect wholly-owned subsidiary of the Company entered into a letter of guarantee in favor of the Transferees, and that the Company and Mr. Cheok entered into a joint liability guarantee in favor of the Transferees, pursuant to which Topsearch Qujiang, the Company and Mr. Cheok will guarantee to the Transferees over the performance of Topsearch HK’s obligations under the Framework Agreement and the equity transfer agreement.

* *for identification purposes only*

On 13 November 2012, Topsearch HK and the Company entered into a letter of undertaking, pursuant to which each of Topsearch HK and the Company irrevocably undertakes that it will procure that Topsearch Qujiang will not engage in any share transfer, material acquisition or disposal of its assets prior to Completion. Additionally, Mr. Cheok entered into a letter of undertaking, pursuant to which he irrevocably undertakes to vote in favor of the resolutions relating to the Framework Agreement and the transactions contemplated thereunder, and will procure that Topsearch Qujiang will not engage in any equity transfer, material acquisition or disposal of its assets prior to Completion.

Upon Completion, Topsearch Shenzhen will cease to be a subsidiary of the Group, but the Group will continue to hold a 30% interest in Topsearch Shenzhen.

As certain of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the transaction contemplated under the Framework Agreement exceed 75%, the disposal of the 70% equity interest in Topsearch Shenzhen by Topsearch HK to the Transferees (the “**Disposal**”) constitutes a very substantial disposal for the Company pursuant to Chapter 14 of the Listing Rules and is subject to the shareholders’ approval.

A circular containing, among other things, (i) further information on the Framework Agreement and the Disposal; (ii) the financial information of Topsearch Shenzhen; (iii) unaudited pro forma financial information on the Remaining Group; and (iv) notice of the SGM will be despatched to the Shareholders on or before 26 November 2012.

Completion is subject to the fulfilment (or waiver, where applicable) of certain obligations by the relevant parties to the Framework Agreement as set out in this announcement including, among other things, the approval of the Shareholders at the SGM. Hence, the Disposal may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 14 November 2012 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 19 November 2012.

A. INTRODUCTION

The Board hereby announces that on 13 November 2012, Topsearch HK, a wholly-owned subsidiary of the Company entered into the Framework Agreement with the Transferees, pursuant to which Topsearch HK has conditionally agreed to sell and transfer an aggregate 70% equity interest in Topsearch Shenzhen (the “**Sale Equity**”) to the Transferees for a consideration of RMB244,909,716 (approximately HK\$301,238,951).

Upon Completion, Topsearch Shenzhen will cease to be a subsidiary of the Group.

B. THE FRAMEWORK AGREEMENT

The principal terms of the Framework Agreement are set out below:

1. Date

13 November 2012

2. Parties

Transferor : Topsearch HK

Transferees : Shenzhen Fantasia (as transferee of 61% interest in Topsearch Shenzhen)

Shanghai Yuxing (as transferee of 9% interest in Topsearch Shenzhen)

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Transferees and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

On 13 November 2012, Topsearch HK and the Transferees entered into (i) an equity transfer agreement to implement the Disposal (the “**Equity Transfer Agreement**”) and (ii) a joint venture contract regarding the governance of Topsearch Shenzhen after Completion (the “**JV Contract**”). Both the Equity Transfer Agreement and the JV Contract will become effective upon obtaining approval from the relevant PRC regulatory authorities.

3. **Assets to be disposed of**

Topsearch Shenzhen is a company incorporated in the PRC, and an indirect wholly-owned subsidiary of the Company prior to the Disposal.

Subject to the terms and conditions of the Framework Agreement, the Transferor conditionally agreed to sell and the Transferees conditionally agreed to purchase the Sale Equity, of which 61% interest in Topsearch Shenzhen shall be transferred to Shenzhen Fantasia and 9% interest in Topsearch Shenzhen shall be transferred to Shanghai Yuxing. Upon Completion, the Group will continue to hold a 30% interest in Topsearch Shenzhen, which will be accounted for as an associate.

4. **Consideration and obligations of the parties prior to Completion**

4.1 Consideration and settlement

The aggregate consideration for the Disposal shall be RMB244,909,716 (approximately HK\$301,238,951). The aggregate consideration was determined after arm's length negotiations between Topsearch HK and the Transferees with reference to the estimated market value of land parcels I and II of RMB342,900,000 (based on the property valuation conducted by DTZ Debenham Tie Leung Limited) (the "**Appraised Value**") and the net asset value of the Topsearch Shenzhen as at the date of Completion. As the Disposal would result in an indirect disposal of 70% of the Company's interest in land parcels I and II, in determining the consideration for the Disposal, the Directors had multiplied the Appraised Value by 70%, and agreed to the consideration of RMB244,909,716 (approximately HK\$301,238,951) after negotiation with Shenzhen Fantasia and Shanghai Yuxing. Given that the consideration slightly exceeds 70% of the Appraised Value, the Directors considered the consideration to be fairly acceptable and advantageous to the Company. Furthermore, the estimated (unaudited) gain on the Disposal is approximately HK\$186,522,051 (based on the unaudited proforma financial information as at 31 December 2011) even after taking into account of the necessity of effecting waiver of inter-company debts due from Topsearch Shenzhen for bringing the relevant net assets value of Topsearch Shenzhen up to the targeted sum of RMB190,000,000 (approximately HK\$233,700,000) as set out in sub-paragraph B.5. below.

The aggregate consideration shall be payable in two installments:

- (a) the first installment of RMB19,909,716 (approximately HK\$24,488,951) is payable within five working days upon the signing of the Framework Agreement, of which RMB17,349,895 (approximately HK\$21,340,371) is payable by Shenzhen Fantasia and RMB2,559,821 (approximately HK\$3,148,580) is payable by Shanghai Yuxing;

- (b) the remaining RMB225,000,000 (approximately HK\$276,750,000) is payable within five working days after: (i) completion of the steps outlined in (a) to (f) in 4.2 below; (ii) obtaining the approval of the Shareholders regarding the Framework Agreement and the transactions contemplated thereunder, and (iii) obtaining the approval from the relevant PRC regulatory authorities regarding the Disposal, the Equity Transfer Agreement, the JV Contract and the new articles of association of Topsearch Shenzhen and the capital injection in Topsearch Qujiang. Out of the remaining installment, a total of RMB196,071,429 (approximately HK\$241,167,858) is payable by Shenzhen Fantasia and RMB28,928,571 (approximately HK\$35,582,142) is payable by Shanghai Yuxing.

Topsearch HK is required to arrange to apply part of the cash consideration in the amount of RMB225,000,000 (approximately HK\$276,750,000) for capital injection in Topsearch Qujiang, a direct wholly-owned subsidiary of Topsearch HK, because the existing borrowings of Topsearch Qujiang with China Construction Bank Corporation Limited (Shaoguan Branch) amounting to around RMB300,000,000 in total (approximately HK\$369,000,000) have been arranged through the pledge of relevant lands and buildings owned by both Topsearch Qujiang and Topsearch Shenzhen as mortgage charge. With the capital injection into Topsearch Qujiang, Topsearch Qujiang will arrange to repay partially the outstanding bank loans so that the relevant mortgage charge on the lands and buildings owned by Topsearch Shenzhen could then be released for purposes of completing the Disposal.

4.2 Obligations of the parties prior to Completion

Within 90 days after payment in 4.1 (a) above, Topsearch HK shall complete the following (among other things):

- (a) terminate the labor contracts with all the employees of Topsearch Shenzhen and pay all wages, compensation and damages (if any) to the relevant employees;
- (b) work with the Transferees to identify those agreement(s) of Topsearch Shenzhen which has (have) not been completed; except for those which Topsearch HK and the Transferees have both agreed to retain, terminate the agreement(s) which has (have) not been completed and make payments to the counter-party(ies) for early termination of the agreement(s);

- (c) dispose of the assets of Topsearch Shenzhen (other than the Retained Assets) and obtain from each of the creditors of Topsearch Shenzhen an acknowledgement of repayment of outstanding liabilities or an undertaking to waive all their rights or claims against Topsearch Shenzhen. After the above disposal, Topsearch Shenzhen shall have a net asset value of not less than RMB190,000,000 (approximately HK\$233,700,000);
- (d) complete the foreign investors qualification assessment of Topsearch HK with the relevant PRC regulatory authorities;
- (e) procure the expansion of the business scope of Topsearch Shenzhen to include property management; and
- (f) obtain approval from the relevant PRC regulatory authorities regarding the capital injection in Topsearch Qujiang.

Within three working days after the Transferees' confirming completion of (a) to (f) above, each of Topsearch HK and the Transferees shall apply to the relevant PRC regulatory authorities for approval of the Disposal, and to apply for registration of the transfer of the Sale Equity to the Transferees with the relevant administration bureau of industry and commerce (the "AIC Registration") within three working days after obtaining such approval.

Immediately but in any event no later than two working days following the payment of the remaining installment in 4.1(b) above, Topsearch HK undertakes to increase or procure the increase in the registered capital of Topsearch Qujiang by an amount of not less than RMB225,000,000 (approximately HK\$276,750,000). At the same time, Topsearch Qujiang shall arrange for the immediate repayment of the loan and release of the mortgage in favor of China Construction Bank Corporation Limited (Shaoguan Branch).

5. Other major terms

The Company is required to give a covenant to Shenzhen Fantasia and Shanghai Yuxing that the net asset value of Topsearch Shenzhen as at Completion shall be no less than RMB190,000,000 (approximately HK\$233,700,000). This can be attained by retaining basically the existing lands and buildings of Topsearch Shenzhen and eliminating all relevant outstanding debts due from Topsearch Shenzhen to the other related companies of the Group which would be amounting to approximately HK\$511,094,000 (based on the unaudited proforma financials as at 31 December 2011) and as a result of which the net liability position of Topsearch Shenzhen will turn into net asset position upon Completion.

6. Completion

Subject to (i) completion of the steps outlined in (a) to (f) in 4.2 above, (ii) obtaining the approval of the Shareholders regarding the Framework Agreement and the transactions contemplated thereunder, (iii) obtaining the approval from the relevant PRC regulatory authorities regarding the Disposal, the Equity Transfer Agreement, the JV Contract and the new articles of association of Topsearch Shenzhen and the capital injection in Topsearch Qujiang and (iv) the completion of the AIC Registration, Completion shall take place on the day immediately following the AIC Registration as set out in the paragraphs below.

At Completion, Topsearch HK shall transfer such documents (including without limitation books and accounts, agreements, certificates and approvals) to Shenzhen Fantasia to enable Shenzhen Fantasia to have effective control over Topsearch Shenzhen and the relevant pieces of land (among other things).

Disposal shall be considered to be completed upon (i) the transfer of such documents by Topsearch HK to Shenzhen Fantasia to enable it to have effective control over Topsearch Shenzhen and the relevant pieces of land (among other things), (ii) the payment of the remaining installment in 4.1(b) above, (iii) the discharge of the mortgage of certain land and buildings of Topsearch Shenzhen in favor of China Construction Bank Corporation Limited (Shaoguan Branch), and (iv) the delivery of the original property ownership certificate (房地產證) as well as the land search results issued by the relevant bureau of land and resources (國土局的信息查詢單) evidencing the discharge of the said mortgage in favor of China Construction Bank Corporation Limited (Shaoguan Branch) in relation to land parcels I and II and Topsearch Building (至卓飛高大樓) to Shenzhen Fantasia.

7. Post Completion Matters

Upon Completion, Topsearch Shenzhen will cease to be a subsidiary of the Group. According to the terms of the JV Contract, the day-to-day operations of Topsearch Shenzhen will be run by a board of directors comprising five members, of which Topsearch HK and Shanghai Yuxing shall each nominate one director, and the remaining three directors are to be appointed by Shenzhen Fantasia. The chief executive officer and the legal representative of Topsearch Shenzhen are to be appointed by Shenzhen Fantasia.

Topsearch HK and the Transferees will share in the dividends and risks of Topsearch Shenzhen in accordance with their respective equity interests. Dividends will be declared on an annual basis, if Topsearch Shenzhen recorded a distributable profit for the financial year, and after repayment of shareholders' loan or other funds or contribution from the shareholders of Topsearch Shenzhen.

The registered capital of Topsearch Shenzhen has been US\$50,000,000 (approximately HK\$390,000,000) and the portion attributable to Topsearch HK (and the Group) after Completion will be US\$15,000,000 (approximately HK\$117,000,000). According to the JV Contract, Shenzhen Fantasia, Shanghai Yuxing and Topsearch HK is required to provide in aggregate a further sum of RMB50,000,000 (approximately HK\$61,500,000) to fund all preliminary expenses relating to project or projects to be carried out soon by Topsearch Shenzhen, of which the portion attributable to Topsearch HK (and the Group) will be RMB15,000,000 (approximately HK\$18,450,000). Meanwhile, all parties to the Disposal agree that beyond the requisite initial funding such aforementioned, Shenzhen Fantasia will provide or cause to be provided additional financing to satisfy any further development and operating costs of Topsearch Shenzhen.

Additionally, each of Topsearch HK and the Transferees has agreed that after Completion it will not dispose of any interest in Topsearch Shenzhen for the time being owned by it to a third party unless such selling shareholder has first offered all other shareholders on the same or more favorable terms and such offer shall remain open for acceptance for a reasonable period, or that all other shareholders shall be entitled to dispose of their respective equity interests in Topsearch Shenzhen. The aforesaid restrictions on transfers of equity interests shall not apply to transfers of equity interests to related parties.

8. Termination and Share Buy-Back

If the PRC regulatory approval or approval by the Shareholders of the transfer of the Sale Equity is not obtained within 12 months of the date of the Framework Agreement through no fault of any party to the Framework Agreement, the Framework Agreement will terminate and Topsearch HK shall refund to the Transferees the amounts paid to it, together with interest thereon within five working days of such termination.

If for reasons relating to Shenzhen Fantasia (other than events of force majeure), Topsearch Shenzhen fails to obtain the building construction project work permit within 36 months following Completion (the “**Effective Date**”), Topsearch HK shall, within 180 days of the Effective Date, be entitled (but not obliged) to serve a written notice to Shenzhen Fantasia to buy-back all equity interest in Topsearch Shenzhen held by Shenzhen Fantasia for a consideration with reference to the then valuation of Topsearch Shenzhen as determined by a mutually acceptable and credible property valuer, provided that Topsearch HK shall repay the shareholder loans (if any) advanced to Topsearch Shenzhen by Shenzhen Fantasia. The above right is not subject to any consent of Shenzhen Fantasia.

The right of Topsearch HK in relation to the above buy-back constitutes an option under Rule 14.72 of the Listing Rules. In the event such right becomes exercisable and Topsearch HK decides to exercise such right, the Company will comply with all applicable announcement and/or shareholder approval requirements under the Listing Rules in relation to any such buy-back by Topsearch HK or other member of the Group depending on the percentage ratios calculated at that time.

C. THE JOINT LIABILITY GUARANTEE AND LETTERS OF UNDERTAKING

On 13 November 2012, Topsearch Qujiang, an indirect wholly-owned subsidiary of the Company entered into a letter of guarantee in favor of the Transferees, and that the Company and Mr. Cheok entered into a joint liability guarantee in favor of the Transferees, pursuant to which Topsearch Qujiang, the Company and Mr. Cheok will guarantee to the Transferees over the performance of Topsearch HK's obligations under the Framework Agreement and the Equity Transfer Agreement.

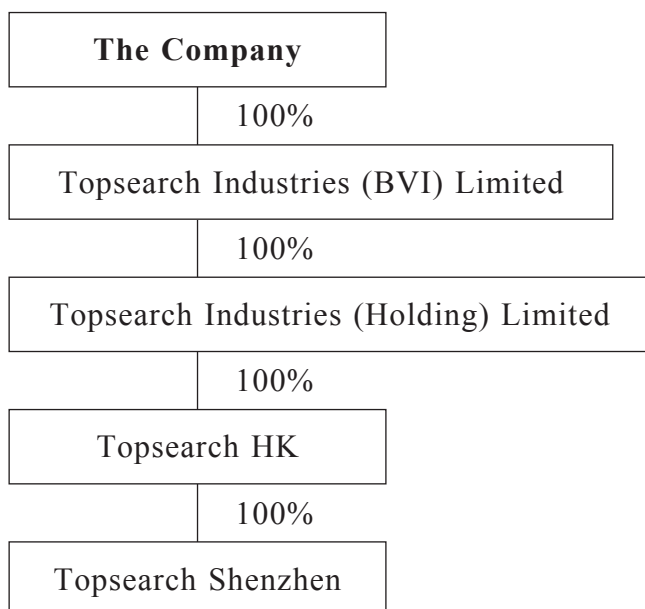
On 13 November 2012, Topsearch HK and the Company entered into a letter of undertaking, pursuant to which each of Topsearch HK and the Company irrevocably undertakes that it will procure that Topsearch Qujiang will not engage in any equity transfer, material acquisition or disposal of its assets prior to Completion. Additionally, Mr. Cheok entered into a letter of undertaking, pursuant to which he irrevocably undertakes to vote in favor of the resolutions relating to the Framework Agreement and the transactions contemplated thereunder, and will procure that Topsearch Qujiang will not engage in any equity transfer, material acquisition or disposal of its assets prior to Completion.

D. INFORMATION ON TOPSEARCH SHENZHEN

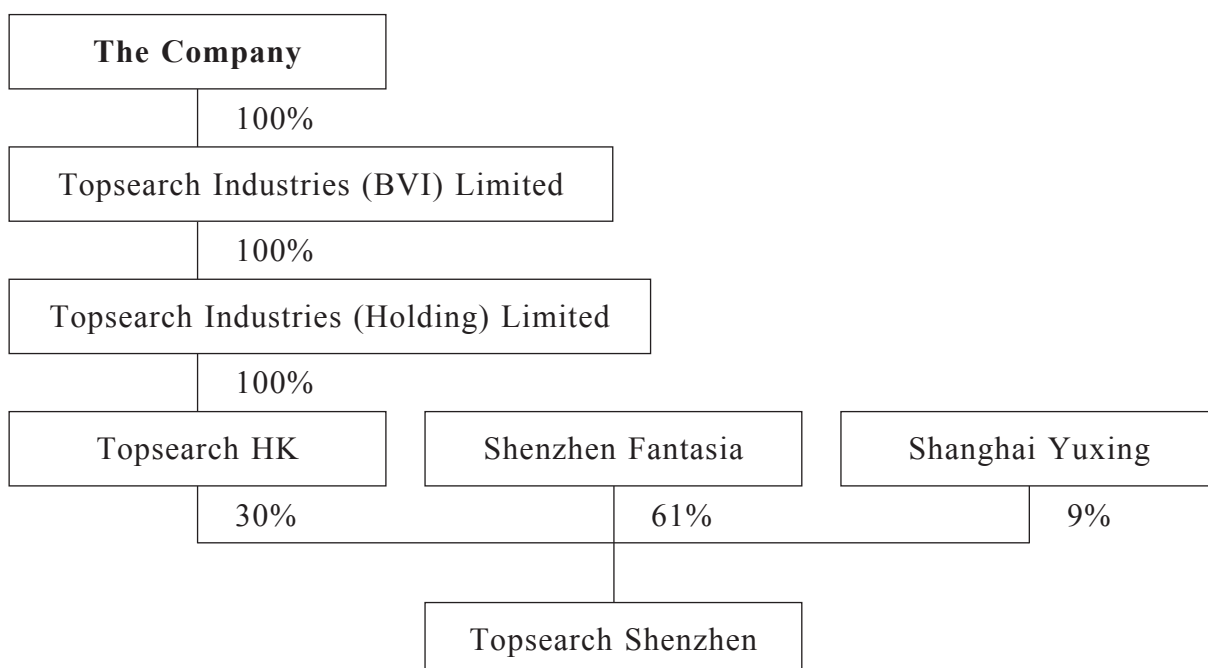
1. Shareholding structure of Topsearch Shenzhen

Set out below are the shareholding structures of Topsearch Shenzhen (a) as at the date of this announcement and (b) upon Completion:

(a) As at the date of this announcement



(b) Upon Completion



2. Topsearch Shenzhen

Topsearch Shenzhen is a wholly-foreign owned enterprise incorporated in the PRC. The principal business of Topsearch Shenzhen is the manufacture and sale of printed circuit boards. It is the legal and beneficial owner of land parcel I, which is designated for industrial and/or warehouse use, and comprises land use rights and the properties erected thereat. Land parcel I comprises land use area of approximately 13,137.8 square meters, and the properties numbered from one (1) to fourteen (14) erected thereat. The land use rights of the properties erected on land parcel I are valid for 30 to 50 years and will expire on or about 9 June 2014 or 9 June 2034, respectively. Land parcel I is situated at Shekou Industrial Zone, Nanshan District, Shenzhen, the PRC. Additionally, it is the legal and beneficial owner of industrial land and buildings located at land parcel II, which is located at the plot to the west of Dongliyuan Road and to the east of Shekou Road at Nanshan District, Shenzhen, the PRC, with an aggregate parcel area of approximately 11,208.5 square meters. The total gross floor area of Topsearch Building (至卓飛高大樓) erected on land parcel II is approximately 40,101.35 square metres. The land use rights of land parcel II are valid for 50 years and will expire on 14 September 2050.

As at the date of this announcement, all of the above land and buildings of Topsearch Shenzhen had been mortgaged to China Construction Bank Corporation Limited (Shaoguan Branch), and the outstanding amount under such mortgage is RMB224,000,000 (approximately HK\$275,520,000). Save as aforesaid, Topsearch Shenzhen is not subject to any other pledge, loan facilities or mortgage.

E. FINANCIAL INFORMATION OF TOPSEARCH SHENZHEN

For the two years ended 31 December 2011, the unaudited net loss before and after taxation and extraordinary items of Topsearch Shenzhen was as follows:

| | For the year ended | |
|--|---------------------------|-----------------|
| | 31 December | |
| | 2010 | 2011 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Net loss before taxation and extraordinary items | (130,198) | (336,019) |
| Net loss after taxation and extraordinary items | (130,198) | (348,452) |

According to the unaudited financial information of Topsearch Shenzhen, the net liability of Topsearch Shenzhen was approximately HK\$176,591,000 as at 31 December 2011 and HK\$222,628,000 as at 30 June 2012. The book value of the lands and properties of Topsearch Shenzhen is approximately HK\$237,730,000, based on the unaudited statement of financial

position as at 30 June 2012, which is included in the financial information of Topsearch Shenzhen as reviewed by Tony C.M. Yau & Company, a certified public accountant. According to the property valuation report prepared by DTZ Debenham Tie Leung Limited, the valuation amount of the lands and properties held by Topsearch Shenzhen as at 30 September 2012 is RMB342,900,000 (approximately HK\$421,767,000).

F. FINANCIAL EFFECT OF THE DISPOSAL

Based on the calculation of the consideration of RMB244,909,716 (approximately HK\$301,238,951) for the Disposal plus the fair value of the remaining 30% interest in Topsearch Shenzhen amounting to approximately HK\$126,530,100 after Completion, less (i) the unaudited deficiency in equity attributable to owner of Topsearch Shenzhen as at 31 December 2011 of approximately HK\$176,591,000; (ii) the waiver of the inter company debts due from Topsearch Shenzhen of approximately HK\$511,094,000 in total; (iii) realization of translation reserve of Topsearch Shenzhen of approximately HK\$97,556,000; and (iv) the related expenses of approximately HK\$4,300,000, it is expected that, upon Completion, for illustrative purpose, an unaudited gain before taxation of approximately HK\$186,522,051 will be recognized from the Disposal.

G. USE OF PROCEEDS

The net proceeds from the Disposal are expected to be approximately HK\$300,000,000. The Directors expect that RMB225,000,000 (approximately HK\$276,750,000) of the net proceeds will be used as capital contribution to Topsearch Qujiang in order to enable Topsearch Qujiang to repay the relevant outstanding loans of China Construction Bank Corporation Limited (Shaoguan Branch) in exchange for the bank to release and discharge the mortgage in favor of the bank over Topsearch Shenzhen's land and buildings. Such capital contribution is conditional upon Topsearch HK obtaining the approval(s) of the relevant PRC regulatory authority(ies) in connection therewith. Part of the net proceeds in the amount of RMB18,741,613 (approximately HK\$23,052,184) will be used to finance the relevant costs paid towards Shenzhen Land Office for converting land use rights of land parcel II. Additionally, a sum of approximately HK\$3,000,000 will be paid immediately to an agent who is an independent third party for introducing the contracting parties to the Company for the Disposal, which will be funded by the available balance of the proceeds (as to HK\$197,816) and internal resources of the Group.

H. REASONS AND BENEFITS FOR ENTERING INTO THE FRAMEWORK AGREEMENT

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacture and sale of a broad range of printed circuit boards.

As mentioned in the annual report of the Company for the year ended 31 December 2011, the Group has been relocating most of its production to the manufacturing plant in Qujiang to attain further cost reduction in production overheads by avoiding high labour costs in Shenzhen and better utilization of production facilities from consumption of available capacity in the factory in Qujiang. During the current year of 2012, the manufacturing operation in Topsearch Shenzhen has ceased completely while the management considers it advantageous for the Group to dispose part of the equity interest of Topsearch Shenzhen and form joint venture arrangement with the Transferees with expertise in property development projects for attaining better deployment of existing land and buildings owned by Topsearch Shenzhen which have been located in the urban district of Nanshan in Shenzhen.

Furthermore, the Transferees have sound experiences and expertise in property development and investment management projects. By entering into the new joint venture arrangement after completion of the Disposal, the Company can focus on its traditional operations of the printed circuit boards manufacturing by the production facilities located in Qujiang and Tongliao, the PRC whilst taking advantage of the excellent opportunities of participation in real estate development project which can help diversify the business of the Group and which may result in substantial return.

In addition, upon the completion of the Disposal, the Group will be able to reduce its overall bank borrowings and its net current liability position will improve significantly.

On these bases, the Directors (including the independent non-executive Directors) are of the view that the terms of the Framework Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

I. INFORMATION ON THE TRANSFEREES

To the knowledge of the Directors, Shenzhen Fantasia is one of the subsidiaries of Fantasia Holdings, which is principally engaged in investment holding, property development and investment in China. To the knowledge of the Directors, Fantasia Holdings is a leading property developer and property related service provider in China. Shanghai Yuxing, to the knowledge of the Directors, is principally engaged in investment and investment management in China.

J. LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the transaction contemplated under the Framework Agreement exceed 75%, the Disposal constitutes a very substantial disposal for the Company pursuant to Chapter 14 of the Listing Rules and is subject to Shareholders' approval.

At the request of Shenzhen Fantasia after arm's length negotiations, Mr. Cheok provided certain undertakings and guarantees in favor of the Transferees in relation to Topsearch HK's obligations under the Framework Agreement and other matters, as set out in section C of this announcement. Notwithstanding the above, the Framework Agreement and the transactions contemplated thereunder will not confer upon Mr. Cheok or his associate (as defined under the Listing Rules, other than the Group) any benefit (whether economic or otherwise) not available to the other Shareholders. Accordingly, Mr. Cheok does not have any material interest in the Framework Agreement and the transactions contemplated thereunder for the purposes of Rule 2.15 of the Listing Rules and is not required to abstain from voting at the SGM.

K. GENERAL

A circular containing, among other things, (i) further information on the Framework Agreement and the Disposal; (ii) the financial information of Topsearch Shenzhen; (iii) unaudited pro forma financial information on the Remaining Group; and (iv) notice of the SGM, is expected to be despatched to the Shareholders on or before 26 November 2012.

Completion is subject to the fulfilment (or waiver, where applicable) of certain obligations by the relevant parties to the Framework Agreement as set out in this announcement including, among other things, the approval of the Shareholders at the SGM. Hence, the Disposal may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

L. RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 14 November 2012 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 19 November 2012.

M. DEFINITIONS

Unless the context otherwise require, the following expressions have the following meanings in this announcement:

| | |
|-----------------------|--|
| “Board” | the board of Directors |
| “Company” | Topsearch International (Holdings) Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange |
| “Completion” | completion of the Disposal |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Disposal” | the disposal of 70% equity interest in Topsearch Shenzhen by Topsearch HK to the Transferees pursuant to the terms and conditions of the Framework Agreement |
| “Fantasia Holdings” | Fantasia Holdings Group Co., Limited (花樣年控股集團有限公司 [†]), whose shares are listed on the Main Board of the Stock Exchange |
| “Framework Agreement” | the framework agreement dated 13 November 2012 entered into amongst Topsearch HK and the Transferees in respect of the Disposal |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Mr. Cheok” | a Director and the chairman and controlling shareholder of the Company holding approximately 51.03% of the issued share capital of the Company as at the date of this announcement |

| | |
|---------------------|--|
| “PRC” | the People’s Republic of China, which, for the purposes of this circular does not include Hong Kong, Macau Special Administrative Region of the PRC and Taiwan |
| “Remaining Group” | the Group excluding Topsearch Shenzhen |
| “Retained Asset(s)” | the assets which shall be retained by Topsearch Shenzhen as may be agreed by Topsearch HK and the Transferees upon Completion. These would include basically land parcels I and II and the properties erected thereat, but would exclude the indebtedness and liabilities incurred by Topsearch Shenzhen, its subsidiaries and its branches (if any) before Completion |
| “RMB, or Renminbi” | Renminbi, the lawful currency of the PRC |
| “Sale Equity” | 70% of the equity interest in Topsearch Shenzhen, which includes land use rights of land parcel I and the properties numbered from one (1) to fourteen (14) erected thereat, as well as land use rights of land parcel II and Topsearch Building (至卓飛高大樓) erected thereat |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company |
| “Shareholder(s)” | shareholders of the Company |
| “Shenzhen Fantasia” | Shenzhen Fantasia Real Estate Group Limited [†] (深圳市花樣年地產集團有限公司), a wholly-owned subsidiary of Fantasia Holdings |
| “SGM” | a special general meeting of the Company to consider and, if thought fit, to approve the Framework Agreement and the transactions contemplated thereunder |
| “Shanghai Yuxing” | 上海譽星投資中心(有限合伙) (Shanghai Yuxing Investment Fund, LLP [†]), a limited liability partnership established in the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Topsearch HK” | Topsearch Printed Circuits (HK) Limited (至卓飛高線路板(香港)有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company |

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|----------------------|---|
| “Topsearch Qujiang” | Topsearch Printed Circuits (Qujiang) Limited [†] (至卓飛高線路板(曲江)有限公司), a wholly-foreign owned enterprise incorporated in the PRC and an indirect wholly-owned subsidiary of the Company |
| “Topsearch Shenzhen” | Topsearch Printed Circuits (Shenzhen) Ltd (至卓飛高線路板(深圳)有限公司), a wholly-foreign owned enterprise incorporated in the PRC and an indirect wholly-owned subsidiary of the Company |
| “Transferees” | Shenzhen Fantasia and Shanghai Yuxing |
| “US\$” or “USD” | United States dollar, the lawful currency of the United States of America |
| “%” | percentage. |

For illustration purposes, amounts in RMB in this announcement have been translated into HK\$ at RMB1.00 = HK\$1.23 whereas amounts in USD have been translated into HK\$ at US\$1.00 = HK\$7.80. Such exchange rate do not constitute a representation that any amounts have been, or could have been, or may be exchanged at such or any other rates.

[†] *denotes English translation of the name of a Chinese company, or vice versa, and is provided for identification purposes only*

By Order of the Board
Topsearch International (Holdings) Limited
Cheok Ho Fung
Chairman and Chief Executive Officer

Hong Kong, 16 November 2012

As at the date of this announcement, the Board comprises Mr. Cheok Ho Fung being executive director, Mr. Tang Yok Lam, Andy and Mr. Ng Kwok Ying, Alvin being non-executive directors, and Mr. Leung Shu Kin, Alfred, Mr. Wong Wing Kee and Mr. Ng Kee Sin as independent non-executive directors.