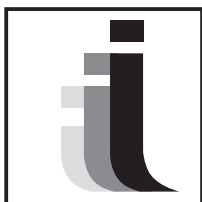


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TOPSEARCH INTERNATIONAL (HOLDINGS) LIMITED

至卓國際(控股)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2323)

DISCLOSEABLE TRANSACTION: INVESTMENT IN THE ENTRUSTED FUND

INVESTMENT IN THE ENTRUSTED FUND

The Board is pleased to announce that on 18 November 2016, the Beneficiary entered into the Entrusted Fund Agreement with the Trustee pursuant to which the Beneficiary has agreed, subject to the terms and conditions contained therein, to entrust the Entrusted Amount of RMB39,200,000 (equivalent to HK\$43,904,000) to the Trustee for a term of six months, which carries an expected rate of net return of 26.5% per annum. The permitted use of the Entrusted Fund is for the provision of the Loan to the Borrower.

The Trustee will enter into a separate loan agreement with the Borrower for the provision of the Loan with a principal amount of RMB39,200,000 (equivalent to HK\$43,904,000) and a term of six months, and which is secured by the Securities.

IMPLICATIONS UNDER THE LISTING RULES

The investment in the Entrusted Fund constitutes a transaction within the meaning of Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the investment in the Entrusted Fund is more than 5% but less than 25%, such investment constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements set out in Chapter 14 of the Listing Rules.

* *For identification purpose only*

INVESTMENT IN THE ENTRUSTED FUND

The Board is pleased to announce that on 18 November 2016, the Beneficiary (as the principal) entered into the Entrusted Fund Agreement with the Trustee.

The principal terms and conditions of the Entrusted Fund Agreement are set out below.

The Entrusted Fund Agreement

- Date : 18 November 2016
- Parties : (a) The Beneficiary (as the principal); and
(b) the Trustee, which is engaged in trust related business including but not limited to assets management, movable and immovable properties trust, trust in securities and debts and wealth management.
- Entrusted assets : (a) The Entrusted Amount which shall be deposited into the designated bank account of the Trustee within three working days after the date of the Entrusted Fund Agreement; and
(b) all other assets as generated from the management, usage and dealing of the Entrusted Amount or from other situations.
- Expected term : Six months from the effective date of the Entrusted Fund Agreement
- Permitted use of the Entrusted Fund : Provision of Loan to the Borrower (as defined below); for details, please refer to the paragraph headed "Provision of the Loan" below
- Expected net return : The expected net return shall be calculated by the below formula:

$$\text{Expected net return} = \text{Entrusted Amount} \times 26.5\% \times 6/12$$

and such expected net return (in cash form) shall be paid to the Beneficiary in one lump sum (a) within five working days after the provision of the Loan to the Borrower and (b) upon receipt of all the interest of the Loan from the Borrower by the Trustee, after deducting the relevant trust fees

Conditions precedent : The Entrusted Fund Agreement shall become effective upon fulfillment of the following conditions:

- (a) the Entrusted Fund Agreement having been signed;
- (b) all trust and transaction documents having been signed and becoming effective and all procedures in relation to the Securities (as defined below) having been completed; and
- (c) the Beneficiary having deposited the Entrusted Amount in full to the designated account of the Trustee in accordance with the Entrusted Fund Agreement.

The expected rate of net return was determined based on commercial negotiation with reference to return of similar investment products in the market in the PRC.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, saved for the entrusted fund arrangement relationship with the Group as disclosed in this announcement, each of the Trustee and its ultimate beneficial owners, the Borrower and its ultimate beneficial owners and each of the PRC citizens who provide the Securities (as defined below) is an Independent Third Party and is not connected with the Group.

Termination of the Entrusted Fund

The Entrusted Fund may be terminated, among others things, if:

- (a) the term of the Entrusted Fund expires;
- (b) the continuity of the Entrusted Fund would violate its purpose;
- (c) the purpose of the Entrusted Fund has been fulfilled or is unable to be fulfilled;
- (d) the Entrusted Fund Agreement has been revoked or cancelled;
- (e) the Beneficiary and the Trustee has mutually agreed to terminate the Entrusted Fund; or
- (f) the Trustee terminates the Entrusted Fund due to the breach of securities agreements by the guarantors under the Loan.

Within five working days after the termination and/or expiry of the Entrusted Fund Agreement, the Trustee shall pay or distribute all the entrusted assets to the Beneficiary after deducting the relevant trust fees.

Funding for the Entrusted Amount

The Entrusted Amount will be financed by the Group's internal resources or borrowings.

Provision of the Loan

The Trustee will enter into a separate loan agreement with the Borrower for the provision of the loan (the “**Loan**”) with a principal amount of RMB39,200,000 (equivalent to HK\$43,904,000) for a term of six months under the terms and conditions which are substantially similar to those as stipulated in the Entrusted Fund Agreement. The Loan will be secured by (a) charges to be created on certain properties located in Nanjing, the PRC, (b) pledges of the equity interests in the Borrower by its equity holders and (c) personal guarantees to be provided by the equity holders of the Borrower and a PRC citizen related to the Borrower (collectively, the “**Securities**”). To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of these guarantors is an Independent Third Party and is not connected with the Group.

INFORMATION ON THE GROUP

The principal business of the Group is manufacturing and sale of a broad range of printed circuited boards.

As disclosed in the Company's announcement dated 23 March 2016, the Company plans to expand its business to the carrying out of managing assets and funds for clients as well as financial investments from available investment monies of the Company including but not limited to securities, bonds and debentures of companies on discretionary basis. As further disclosed in the Company's interim report for the six months ended 30 June 2016, Hong Kong Bridge Investments Limited, an indirect wholly-owned subsidiary of the Company, was in the process of conducting internal preparatory work to conduct asset management business, pending the grant of licences by the Securities and Futures Commission to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities. The Group would also consider acquiring assets and/ or businesses from independent third parties as and when appropriate. It is expected that asset management and/or financial investment will become a separate business segment of the Group by the end of 2016.

The Beneficiary is principally engaged in the provision of investment advisory service in the PRC.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ENTRUSTED FUND AGREEMENT

The terms and conditions of the Entrusted Fund Agreement (including the expected rate of net return) are negotiated on an arm's length basis between the Beneficiary and the Trustee with reference to the normal prevailing commercial practice and the Entrusted Amount. The Directors consider that the Entrusted Fund and the Entrusted Fund Agreement are on normal commercial terms entered into based on the Board's assessment towards the Entrusted Fund and the underlying

Securities of the Loan. Taking into account the above-mentioned assessments on the Entrusted Fund and the expected rate of net return to be generated from the investment in the Entrusted Fund, the Directors consider that the entering into of the Entrusted Fund Agreement by the Beneficiary are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

The investment in the Entrusted Fund constitutes a transaction within the meaning of Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the investment in the Entrusted Fund is more than 5% but less than 25%, such investment constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements set out in Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Beneficiary”	至卓飛高企業管理諮詢服務(韶關)有限公司, a company established in the PRC with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Board”	the board of Directors
“Borrower”	南京文景建築設計有限公司, a company established in the PRC with limited liability, which is owned as to 52% by Liu Lan (劉蘭) and 48% by Liu Wei (劉薇), both of whom are PRC citizens
“Company”	Topsearch International (Holdings) Limited (stock code: 2323), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Entrusted Amount”	an amount of RMB39,200,000 (equivalent to HK\$43,904,000) entrusted by the Beneficiary to the Trustee pursuant to the Entrusted Fund Agreement
“Entrusted Fund”	the entrusted fund established under the Entrusted Fund Agreement
“Entrusted Fund Agreement”	the entrusted fund agreement dated 18 November 2016 and entered into between the Beneficiary and the Trustee in relation to, among other things, the establishment of the Entrusted Fund
“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 People’s Republic of China
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and its subsidiaries and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Reminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	國民信託有限公司, a corporate trustee established in the PRC and authorised by the China Banking Regulatory Commission to conduct trust businesses
“%”	per cent

Unless otherwise specified in this announcement, amounts denominated in Renminbi have been converted, for the purpose of illustration only, into Hong Kong dollars at the rate of RMB1:HK\$1.12. No representation is made that any amounts in Hong Kong dollars and Renminbi were or could have been or could be converted into each other at such rates or any other exchange rates on the date of this announcement or any other date.

By order of the Board of
Topsearch International (Holdings) Limited
Liu Tingan
Chairman and Chief Executive Officer

Hong Kong, 18 November 2016

As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Tingan, Mr. Cheok Ho Fung and Mr. Zhou Huorong being executive Directors; and Mr. Ng Man Kung, Dr. Ngai Wai Fung and Mr. Lau Fai Lawrence being independent non-executive Directors.