

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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: SUBSCRIPTION OF LISTED SECURITIES**

#### **SUBSCRIPTION**

The Board is pleased to announce that on 8 December 2016, the Subscriber (an indirect wholly-owned subsidiary of the Company) and the Issuer entered into the Subscription Agreement pursuant to which, subject to the terms and conditions therein, the Issuer conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for the Subscription Shares.

Upon completion of the Subscription, the Subscriber will hold a total number of 1,654,929,577 North Mining Shares, representing a total of approximately 7.68% of the enlarged total issued share capital of North Mining Group. The total consideration for the Subscription would be HK\$235,000,000 (exclusive of stamp duty and other transaction costs).

#### **IMPLICATIONS UNDER THE LISTING RULES**

The Subscription constitutes a notifiable transaction within the meaning of Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Subscription are more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

\* *For identification purpose only*

## **THE SUBSCRIPTION**

The Board is pleased to announce that on 8 December 2016, the Subscriber (an indirect wholly-owned subsidiary of the Company) and the Issuer entered into the Subscription Agreement pursuant to which, subject to the terms and conditions therein, the Issuer conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for the Subscription Shares at a subscription price of HK\$0.142 per North Mining Share. The Subscriber shall pay the stamp duty and the relevant transaction costs in respect of the Subscription.

Upon Completion, the Subscriber will hold a total number of 1,654,929,577 North Mining Shares, representing a total of approximately 7.68% of the enlarged total issued share capital of North Mining Group.

## **SUBSCRIPTION PRICE AND CONSIDERATION**

The total consideration for the Subscription would be HK\$235,000,000 (exclusive of stamp duty and other transaction costs). The total consideration for the Subscription was determined on arm's length basis with reference to the performance and the prevailing market price of the North Mining Shares and the (future) prospect of the North Mining Group. The subscription price represents an approximately 18.5% discount to the average closing price of the North Mining Group as quoted on the Main Board of the Stock Exchange for the last five consecutive trading days immediately preceding the date of entering into the Subscription Agreement. The Subscription will be mainly financed by the Group's internal resources or the proceeds received from previous placing exercise.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, saved for the shareholding of the Group in North Mining Group after the Subscription, each of North Mining Group and its ultimate beneficial owners (including, but not limited to , its controlling and substantial shareholders) are Independent Third Parties and are not connected with the Group.

## **INFORMATION RELATING TO NORTH MINING GROUP**

The Issuer is an investment holding company incorporated in Bermuda with limited liability. Its shares are listed on the Main Board of the Stock Exchange (Stock Code: 433). The principal activities of North Mining Group are mining operations, which include exploitation and exploration, trading of mineral resources, property leasing operations and property management operations.

The following information is extracted from the 2015 annual report and 2016 interim report of North Mining Group:

|                        | For the year<br>ended<br>31 December<br>2014<br><i>HK\$'000</i><br>(Audited) | For the year<br>ended<br>31 December<br>2015<br><i>HK\$'000</i><br>(Audited) | <b>For the<br/>six months<br/>ended<br/>30 June<br/>2016<br/><i>HK\$'000</i><br/>(Unaudited)</b> |
|------------------------|--|--|--|
| Turnover               | 454,948  | 245,969  | <b>118,527</b>   |
| Loss before income tax | 252,322  | 835,652  | <b>13,201</b>  |
|                        | 31 December<br>2014<br><i>HK\$'000</i><br>(Audited)                          | 31 December<br>2015<br><i>HK\$'000</i><br>(Audited)                          | <b>30 June<br/>2016<br/><i>HK\$'000</i><br/>(Unaudited)</b>                                      |
| Total assets           | 5,369,011  | 4,462,382  | <b>4,485,358</b>   |
| Total equity           | 4,323,974  | 3,675,230  | <b>3,568,452</b>   |

## INFORMATION OF THE GROUP AND THE SUBSCRIBER

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, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong 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 Subscriber is principally engaged in investment holding.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION**

Given the Subscription is in alignment with the Group's expansion plan on carrying out financial investments by investing in high yield equity and debt products, the Subscription can enable the Group to maximise the long term return of funds of the Company by capitalising on the opportunities arising from our investment in North Mining Group.

The Board is of the view that the terms of the Subscription Agreement were arrived at after arm's length negotiations between the Issuer and the Subscriber, and considers that the terms of the Subscription Agreement are fair and reasonable and on normal commercial terms and the Subscription is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The Subscription constitutes a notifiable transaction within the meaning of Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Subscription are more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **TERMS USED IN THIS ANNOUNCEMENT**

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

|                       |   |
|-----------------------|---|
| “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 (Stock Code: 2323) |
| “Completion”          | the completion of the Subscription Agreement  |
| “connected person(s)” | has the same meaning as ascribed to it under the Listing Rules  |
| “Director(s)”         | the director(s) of the Company  |
| “Group”               | the Company and its subsidiaries  |
| “HK\$”                | Hong Kong Dollar, the lawful currency of Hong Kong  |
| “Hong Kong”           | the Hong Kong Special Administrative Region of the PRC  |

|                                 |  |
|---------------------------------|--|
| “Independent Third Party(ies)”  | a third party independent of and not connected with the Company and its subsidiaries and its connected persons   |
| “Issuer/<br>North Mining Group” | North Mining Shares Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 433)                        |
| “Listing Rules”                 | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “North Mining Share(s)”         | ordinary shares of par value of HK\$0.016 each in the share capital of the Issuer  |
| “Subscriber”                    | Hong Kong Bridge Investments Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company  |
| “Shareholder(s)”                | shareholder(s) or member(s) of the Company   |
| “Stock Exchange”                | The Stock Exchange of Hong Kong Limited  |
| “Subscription Share(s)”         | the subscription for a total number of 1,654,929,577 North Mining Shares to be subscribed by the Subscriber at a subscription price of HK\$0.142 per North Mining Share pursuant to the Subscription Agreement |
| “Subscription”                  | the Subscription of the Subscription Shares by the Subscriber  |
| “Subscription Agreement”        | the subscription agreement dated 8 December 2016 and entered into between the Subscriber and the Issuer in relation to the Subscription  |
| “%”                             | per cent   |

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

Hong Kong, 8 December 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.*