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TOP SPRING INTERNATIONAL HOLDINGS LIMITED

萊蒙國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03688)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE DISPOSAL OF THE TARGET COMPANIES

THE SALE AND PURCHASE AGREEMENT

On 15 August 2017 (after trading hours), the Company entered into the Sale and Purchase Agreement with H-Change, pursuant to which (i) the Company (or its designated companies) conditionally agreed to sell, and H-Change (or its designated companies) conditionally agreed to purchase, the Sale Shares in the Target Companies; and (ii) H-Change (or its designated companies) shall settle the Intercompany Loans.

The Sale Shares represent (i) the entire equity interest in Tai Xiang owned by Prosperous Properties Holdings; (ii) 79% equity interest in Changzhou Top Spring owned by Prosperous Property Development; (iii) 25% equity interest in Shenzhen Water Flower owned by Xiang Kang; and (iv) 19% equity interest in Nanchang Top Spring owned by Top Spring Insite. The Target Companies, directly or indirectly, own eight property projects at various stages of development in six cities in the PRC with a total estimated net saleable/leasable GFA of approximately 1,970,000 sq.m.

Subject to adjustments, the aggregate value of the Consideration and the Intercompany Loans shall be RMB13,325,903,636 (equivalent to approximately HK\$15,324,789,000), comprising (i) the aggregate value of the Consideration in the amount of RMB10,672,084,432 (equivalent to approximately HK\$12,272,897,000); and (ii) the aggregate value of the Intercompany Loans in the amount of RMB2,653,819,204 (equivalent to approximately HK\$3,051,892,000).

Upon the Completion, each of the Target Companies will cease to be a subsidiary of the Company and the financial results of the Target Companies Group will no longer be consolidated into the consolidated financial statements of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratio(s) under the Listing Rules in respect of the transactions contemplated under the Sale and Purchase Agreement exceeds 75%, the entering into of the Sale and Purchase Agreement constitutes a very substantial disposal of the Company under the Listing Rules. Therefore, the Sale and Purchase Agreement and the transactions contemplated under it are subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE EGM

The EGM will be convened as soon as practicable at which ordinary resolution(s) will be proposed for the Shareholders to consider and, if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated under it.

DESPATCH OF THE CIRCULAR

The Circular containing, among other things, (i) further details about the Sale and Purchase Agreement and the transactions contemplated under it; and (ii) a notice of the EGM and a proxy form for the EGM, is expected to be despatched to the Shareholders on or before 26 October 2017 so as to allow sufficient time for the preparation of the relevant information for inclusion in the Circular.

The transactions contemplated under the Sale and Purchase Agreement may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

1. Date

15 August 2017 (after trading hours)

2. Parties

- (1) the Company
- (2) H-Change

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, H-Change and its ultimate beneficial owners are Independent Third Parties of the Company.

3. Subject Matter

Pursuant to the Sale and Purchase Agreement, (i) the Company (or its designated companies) conditionally agreed to sell, and H-Change (or its designated companies) conditionally agreed to purchase, the Sale Shares in the Target Companies; and (ii) H-Change (or its designated companies) shall settle the Intercompany Loans.

The Sale Shares represent (i) the entire equity interest in Tai Xiang owned by Prosperous Properties Holdings; (ii) 79% equity interest in Changzhou Top Spring owned by Prosperous Property Development; (iii) 25% equity interest in Shenzhen Water Flower owned by Xiang Kang; and (iv) 19% equity interest in Nanchang Top Spring owned by Top Spring Insite.

As at the date of the Sale and Purchase Agreement, the remaining 21% equity interest in Changzhou Top Spring, the remaining 75% equity interest in Shenzhen Water Flower and 51% equity interest in Nanchang Top Spring are indirectly owned by Tai Xiang. Such equity interests will be sold to H-Change (or its designated companies) through the sale of the entire equity interest in Tai Xiang pursuant to the Sale and Purchase Agreement.

The Target Companies, directly or indirectly, own a total of eight property projects (excluding the Excluded Properties) in six cities in the PRC with details as follows:

Target Company	Number of property projects owned	Location of property projects owned	Estimated total net saleable/leasable GFA attributable by property projects owned (sq.m.)
Tai Xiang	3	Shenzhen, Hangzhou	287,000
Changzhou Top Spring	2	Changzhou, Nanjing	172,000
Shenzhen Water Flower	2	Shenzhen, Guangzhou	1,139,000
Nanchang Top Spring	1	Nanchang	372,000
Total	8		1,970,000

The following Excluded Properties owned by the Target Companies Group as at the date of the Sale and Purchase Agreement will be transferred out of the Target Companies Group and will not be the subject matter under the Sale and Purchase Agreement:

- (i) the shops with total GFA of approximately 25,748 sq.m. owned by Shenzhen Water Flower located at Phases 1-3 of The Spring Land (水榭春天) in Longhua District, Shenzhen;
- (ii) the car parking spaces located at The Spring Land (水榭春天) in Longhua District, Shenzhen and the car parking spaces of the club house of Shenzhen Hidden Valley (深圳水榭山) owned by Shenzhen Water Flower;
- (iii) the car parking spaces of Hu Jing Garden (湖景花園), Xin Tuo Garden (信托花園) and Ju Long Ju (聚龍居), the shops with total GFA of approximately 315 sq.m. at B1 of Hu Qing Court and the top floor of Hu Jing Court with total GFA of approximately 82 sq.m. located in Shenzhen indirectly owned by Tai Xiang;
- (iv) the four villas and the club house of Shenzhen Hidden Valley (深圳水榭山) owned by Shenzhen Water Flower;
- (v) the shops with total GFA of approximately 4,992 sq.m. indirectly owned by Tai Xiang located at Xiangmei Road, Futian District, Shenzhen; and
- (vi) the car parking spaces of Shenzhen Water Flower Garden (深圳水榭花都), the recreational centre with total GFA of approximately 1,916 sq.m. and the green overhead storey with total GFA of approximately 2,423 sq.m. of Shenzhen Water Flower Garden Phase I (深圳水榭花都一期) indirectly owned by Tai Xiang.

4. Consideration and the Intercompany Loans

Subject to adjustments, (i) the aggregate value of the Consideration shall be RMB10,672,084,432 (equivalent to approximately HK\$12,272,897,000); and (ii) the aggregate value of the Intercompany Loans shall be RMB2,653,819,204 (equivalent to approximately HK\$3,051,892,000).

The Consideration was arrived at after arm's length negotiations between the Company and H-Change, and was determined with reference to the unaudited net asset value of the Target Companies Group (excluding the Excluded Properties) as at 31 May 2017 and the prevailing market value of the property projects (excluding the Excluded Properties) owned by the Target Companies Group as at 31 May 2017.

Subject to adjustments, the aggregate value of the Consideration and the Intercompany Loans shall be RMB13,325,903,636 (equivalent to approximately HK\$15,324,789,000), comprising (i) the aggregate value of the Consideration in the amount of RMB10,672,084,432 (equivalent to approximately HK\$12,272,897,000); and (ii) the aggregate value of the Intercompany Loans in the amount of RMB2,653,819,204 (equivalent to approximately HK\$3,051,892,000).

5. Adjustments

Pursuant to the Sale and Purchase Agreement, the amounts of the Consideration and the Intercompany Loans shall be adjusted in the following circumstances:

- (i) if there is any difference between the audited net asset value of the Target Companies Group (excluding the Excluded Properties) as at 31 May 2017 (which shall be made available within 60 days after the entering into of the Sale and Purchase Agreement) and the unaudited net asset value of the Target Companies Group (excluding the Excluded Properties) as at 31 May 2017, the Consideration shall be adjusted accordingly;
- (ii) if there is any difference between the audited amount of the Intercompany Loans as at 31 May 2017 (which shall be made available within 60 days after the entering into of the Sale and Purchase Agreement) and the Intercompany Loans, the Intercompany Loans shall be adjusted accordingly; and
- (iii) within 60 days after the entering into of the Sale and Purchase Agreement, H-Change is entitled to conduct due diligence on the Target Companies Group. If there are any discrepancies between the actual circumstances and the information disclosed by the Company about the Target Companies Group, the Consideration and the Intercompany Loans shall be adjusted subject to mutual negotiations between the parties.

Further announcement(s) will be made by the Company as and when necessary in accordance with the requirements of the Listing Rules in the event that there is any adjustment on the Consideration and the Intercompany Loans.

6. Settlement of the Consideration and the Intercompany Loans

The Consideration and the Intercompany Loans shall be payable and settled by H-Change (or its designated companies) in cash (via bank transfer) in the following manner:

- (i) RMB1.5 billion (equivalent to approximately HK\$1.73 billion) shall be paid by H-Change to the Company as deposit on the same date as the date of the Sale and Purchase Agreement;
- (ii) within five business days after (a) the parties having reached a consensus on the final amounts of the Consideration and the Intercompany Loans following the completion of due diligence on the Target Companies Group by H-Change and (b) the obtaining of the Shareholders' approval on the Sale and Purchase Agreement and the transactions contemplated under it, whichever is later, the Selling Shareholders and H-Change (or its designated companies) shall enter into separate equity transfer agreements to (x) transfer 80% of the Sale Shares and (y) 20% of the Sale Shares, respectively, and on the same date of the signing of the equity transfer agreements, H-Change shall pay (A) the balance of RMB6,808,067,545.60

(equivalent to approximately HK\$7,829,278,000) (subject to adjustments) less the Deposit and (B) the final amount of the Intercompany Loans (collectively, the “**First Payment**”), to an escrow bank account opened in the name of the Company, which shall be released to bank account(s) designated by the Company upon the First Completion, which shall take place within two months (or any other period as agreed by H-Change, but in any event not more than three months) after the signing of the equity transfer agreements in respect of the transfer of 80% of the Sale Shares; and

- (iii) the balance of the final amount of the Consideration shall be paid by H-Change to an escrow bank account opened in the name of the Company before the end of the first day subsequent to the end of the six calendar months following the date of the First Completion, which shall be released to bank account(s) designated by the Company upon completion of the transfer of the 20% of the Sale Shares, which shall take place within two months (or any other period as agreed by H-Change, but in any event, no more than three months) after the payment of the balance of the final amount of the Consideration (the “**Deferred Payment Arrangement**”).

The Deferred Payment Arrangement is put in place due to (i) the fact that some of the property projects held by the Target Companies are redevelopment projects (舊改項目) which are currently in the process of application for redevelopment (立項), specific planning approval (專項規劃批准) and approval for the applicant to be the sole re-developer of the respective project (實施主體批准), and the arrangement is to allow adequate time such that the relevant approvals can be obtained, with the assistance of the Group, before the Group completely disposes of its interests in the Target Companies; and (ii) the need to ensure a smooth transition of the management and operations of the Target Companies.

7. Conditions precedent

The First Completion is conditional upon the following conditions precedent:

- (i) the Company having obtained the necessary approvals as required under the Listing Rules, including the approval of the Shareholders on the Sale and Purchase Agreement and the transactions contemplated under it;
- (ii) the Selling Shareholders and H-Change (or its designated companies) having entered into equity transfer agreement(s) to transfer 80% of the Sale Shares and such equity transfer agreement(s) being legally binding and remaining in full force and effect;
- (iii) H-Change (and its designated companies which shall be the transferees of the Sale Shares) having obtained all the necessary approvals and consents for the execution, delivery and fulfilment of the Sale and Purchase Agreement and the transactions contemplated under it;

- (iv) there having been no material adverse changes on the laws, regulations and policies of the relevant governmental authorities which are applicable to (a) the Sale and Purchase Agreement; and (b) the transactions contemplated under it, or such material adverse changes (if any) have not caused the transactions contemplated under the Sale and Purchase Agreement not being able to be completed;
- (v) H-Change having paid the Deposit in the amount of RMB1.5 billion (equivalent to approximately HK\$1.73 billion) to the Company pursuant to the Sale and Purchase Agreement; and
- (vi) H-Change (or its designated companies which shall be the transferees of the Sale Shares) having paid the First Payment to the escrow bank account opened in the name of the Company.

8. Arrangements on the Excluded Properties

The Company and the Selling Shareholders shall within eight months from the date of the Sale and Purchase Agreement (or any other period as agreed by H-Change) transfer the Excluded Properties out of the Target Companies Group.

9. Arrangements during the transition period

The Company and the Selling Shareholders have undertaken that, during the period from the date of the Sale and Purchase Agreement until the First Completion, H-Change's prior written consent shall be obtained for the implementation of any material operation and business decisions of the Target Companies Group, such as deconsolidation, creation of encumbrance, incurrence of debts, provision of financial assistance to third parties, entering into contracts with value more than RMB10,000,000 (equivalent to approximately HK\$11,500,000) and profits distribution.

10. Arrangements upon the First Completion

Upon the First Completion, the Company will remain indirectly holding 20% equity interest in each of Tai Xiang, Changzhou Top Spring and Shenzhen Water Flower and 14% equity interest in Nanchang Top Spring and the Target Companies Group will cease to be subsidiaries of the Company. During the period from the First Completion until H-Change has duly settled the balance of the final amounts of the Consideration, the Company shall be entitled to retain one board seat in each member of the Target Companies Group. The director nominated by the Company in each member of the Target Companies Group shall have the right to request for inspection of the financial information of such company, and any sale or disposal of the equity interest in such company shall require the unanimous consent of the board of directors.

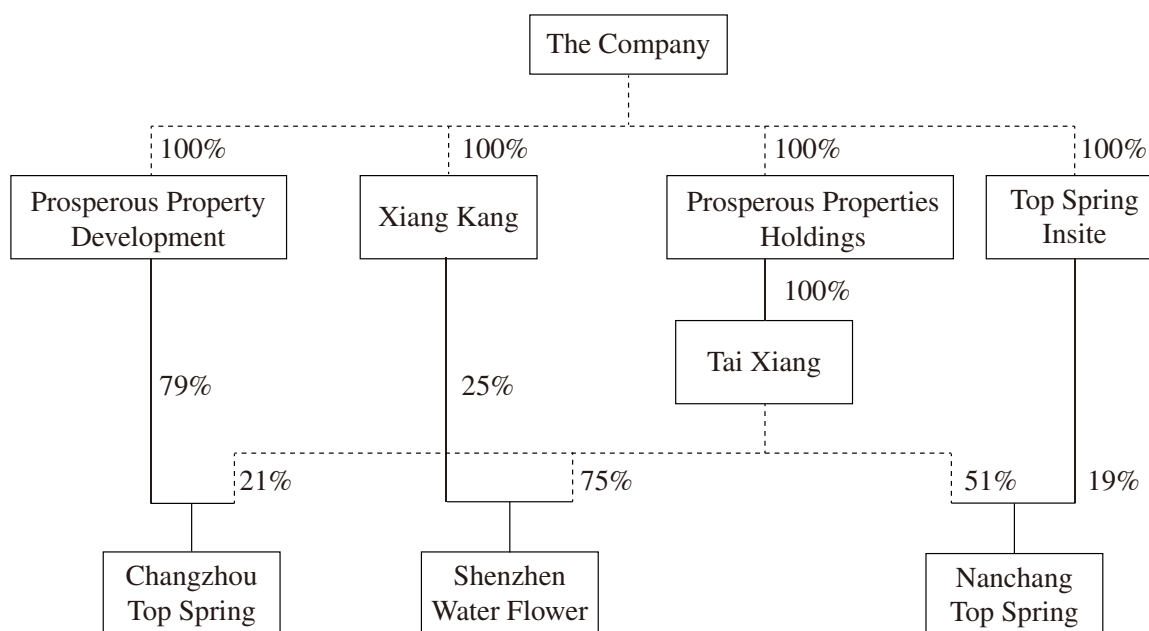
11. EGM and Shareholders' approval

The Company has undertaken to convene the EGM within three months from the date of the Sale and Purchase Agreement for the Shareholders to approve the Sale and Purchase Agreement and the transactions contemplated under it.

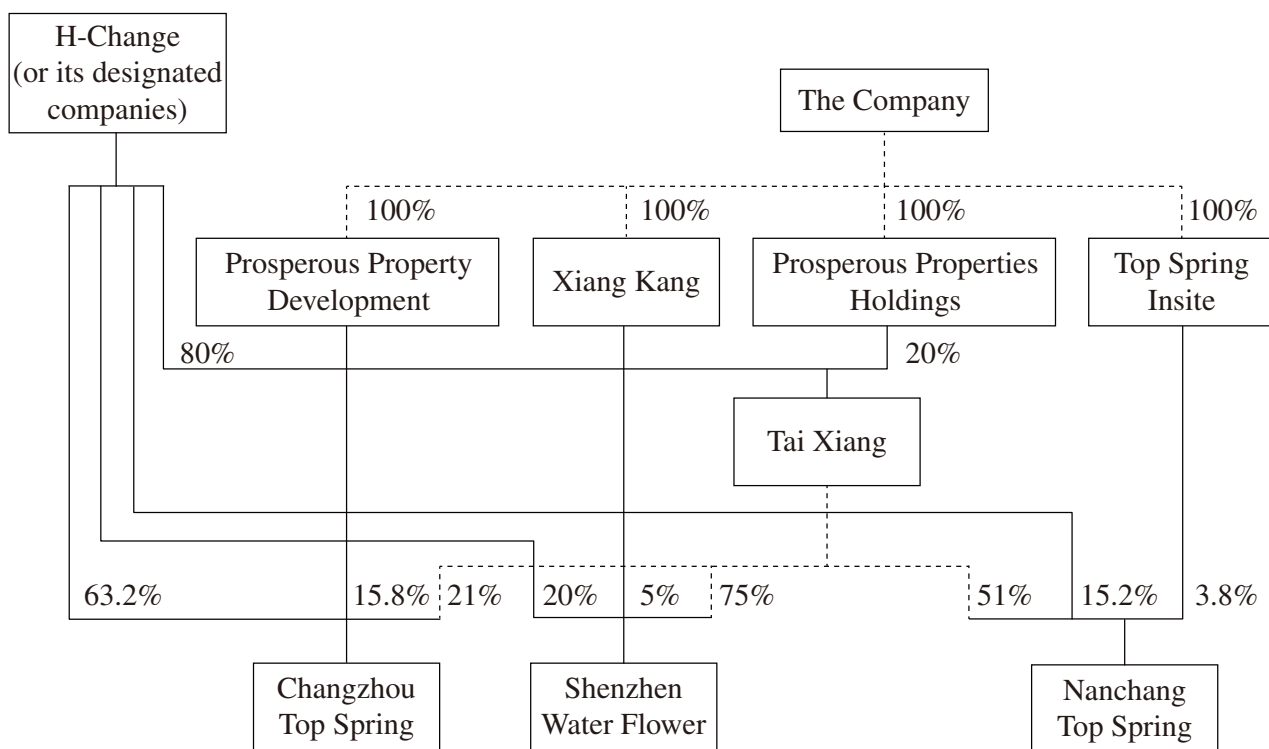
If the Company fails to (i) convene the EGM within the above timeframe (or any other period as agreed by H-Change) and/or (ii) obtain the Shareholders' approval for the entering into of the Sale and Purchase Agreement and the transactions contemplated under it so that the transactions under the Sale and Purchase Agreement cannot be completed, H-Change is entitled to terminate the Sale and Purchase Agreement and request the Company to refund all sums paid by H-Change to the Company (including the Deposit) within five business days from the date of the written notice served by H-Change. In addition, the Company is required to pay H-Change a penalty based on an annualised return of 12% on all sums paid by H-Change to the Company pursuant to the Sale and Purchase Agreement.

GROUP STRUCTURE

The following diagram sets forth the group structure of the Target Companies immediately before the First Completion:



The following diagram sets forth the group structure of the Target Companies immediately after the First Completion:



REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE SALE AND PURCHASE AGREEMENT

The Directors believe that the transactions under the Sale and Purchase Agreement will enable the Group to better align its business strategy and represent a good opportunity for the Group to immediately cash in and realise a considerable return on its investments in property projects which have a long-term development cycle. Furthermore, the Directors believe that the transactions will enhance the net asset value of the Company by unlocking the value of such assets, which has not been fully reflected in the price of the Shares in recent years, thereby creating value and maximizing return for the Shareholders. The transactions will also improve the Group's cash position, lower the overall borrowing level of the Group and enable the Group to free up capital for its operations and explore potential new investment opportunities that may arise in the future.

The Directors, including the independent non-executive Directors, consider that the terms of the Sale and Purchase Agreement (and the transactions contemplated under it) have been made on normal commercial terms and are fair and reasonable and that the entering into of the Sale and Purchase Agreement and the transactions contemplated under it are in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS BY THE COMPANY

Based on the aggregate value of the Consideration and the Intercompany Loans in the amount of RMB13,325,903,636 (equivalent to approximately HK\$15,324,789,000) (subject to adjustments) to be payable to the Company and settled by H-Change, the proceeds from the transactions under the Sale and Purchase Agreement are estimated to be approximately HK\$15.32 billion. The Company intends to apply such net proceeds for the following purposes:

- (i) approximately 20% of the net proceeds (approximately HK\$2.99 billion) for the repayment of existing borrowings of the Group, which include a facility in the principal amount of approximately HK\$1.11 billion with a financial institution and certain other indebtedness which are subject to relatively high interest rates;
- (ii) approximately 55% of the net proceeds (approximately HK\$8.48 billion) for property and other investments, including investments in eight existing and new property projects undertaken by the Group in the PRC, Hong Kong and Sydney of Australia; and
- (iii) approximately 25% of the net proceeds (approximately HK\$3.85 billion) for general working capital.

As the final Consideration and Intercompany Loans are subject to adjustments, the Company intends to use the final net proceeds on a pro-rata basis to the proposed usage set forth above. If the Company decides not to utilise the proceeds to repay the Group's existing borrowings, it will use the portion currently earmarked for such purpose as the Group's general working capital.

FINANCIAL EFFECT OF THE TRANSACTIONS UNDER THE SALE AND PURCHASE AGREEMENT ON THE COMPANY

It is estimated that the Group will record an unaudited net gain before taxation of approximately HK\$7.93 billion from the transactions contemplated under the Sale and Purchase Agreement, which is calculated with reference to the gross proceeds from the Consideration to be payable to the Company by H-Change, subject to adjustments, of RMB10,672,084,432 (equivalent to approximately HK\$12.27 billion) less the unaudited net asset value of the project companies owned by the Target Companies Group as at 31 May 2017.

The Shareholders and investors should note that the exact amount of gain is to be determined with reference to the fair value attributable to the consolidated net asset value of the project companies owned by the Target Companies Group and the Intercompany Loans as at the date of the Completion.

Upon the Completion, the Group is expected to have 14 property projects over 11 cities in the PRC, Hong Kong and Sydney of Australia. Out of these 14 property projects, a total estimated net saleable/ leasable GFA of 171,000 sq.m. will be properties held for sale, and a total estimated net saleable/ leasable GFA of 200,000 sq.m. will be properties held for investment.

INFORMATION ON THE GROUP

The Group is a real estate property developer in the PRC specialised in the development and operation of urban mixed-use communities, and the development and sale of residential properties in the Pearl River Delta, the Yangtze River Delta, the Central China, the Beijing-Tianjin and the Chengdu-Chongqing regions in the PRC.

INFORMATION ON THE TARGET COMPANIES

(i) Tai Xiang

Tai Xiang is a limited liability company established in the PRC, and an indirect wholly-owned subsidiary of the Company. The principal business activities of Tai Xiang include investment holding and business advisory.

(ii) Changzhou Top Spring

Changzhou Top Spring a limited liability company established in the PRC, and an indirect wholly-owned subsidiary of the Company. The principal business activity of Changzhou Top Spring is property development.

(iii) Shenzhen Water Flower

Shenzhen Water Flower is a limited liability company established in the PRC, and an indirect wholly-owned subsidiary of the Company. The principal business activity of Shenzhen Water Flower is property development and leasing of self-owned properties.

(iv) Nanchang Top Spring

Nanchang Top Spring is a limited liability company established in the PRC, and an indirect non-wholly owned subsidiary of the Company. As at the date of this announcement, Nanchang Top Spring is 19% directly owned by Top Spring Insite, and 51% and 30% indirectly owned by Tai Xiang and Metro Holdings, respectively. The principal business activities of Nanchang Top Spring include project investment and management consultancy services, and property development and management.

INFORMATION ON H-CHANGE

H-Change is a limited liability company established in the PRC in 2007. The principal business activities of H-Change and its subsidiaries are property development and provision of capital financing and properties services. Based in Beijing, the group has presence in 13 cities in the PRC, including Zhengzhou, Hefei, Wuhan, Hangzhou, Nanjing, Suzhou, Jinan, Guangzhou, Dongguan, Yangzhou, Luoyang, Zhenjiang and Yantai.

FINANCIAL INFORMATION OF THE TARGET COMPANIES GROUP

Set out below is the unaudited combined financial information of the Target Companies Group prepared in accordance with Hong Kong Financial Reporting Standards for each of the two years ended 31 December 2015 and 2016:

	For the year ended	
	31 December	
	2016	2015
	(HK\$'000)	(HK\$'000)
	(unaudited)	(unaudited)
Net profit before tax	683,871	1,931,396
Net profit after tax	1,258,219	1,117,038
	As at 31 December	
	2016	2015
	(HK\$'000)	(HK\$'000)
	(unaudited)	(unaudited)
Net asset value	4,506,714	3,584,361

Upon the Completion, each of the Target Companies will cease to be a subsidiary of the Company and the financial results of the Target Companies Group will no longer be consolidated into the consolidated financial statements of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratio(s) under the Listing Rules in respect of the transactions contemplated under the Sale and Purchase Agreement exceeds 75%, the entering into of the Sale and Purchase Agreement constitutes a very substantial disposal of the Company under the Listing Rules. Therefore, the Sale and Purchase Agreement and the transactions contemplated under it are subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE EGM

The EGM will be convened as soon as practicable at which ordinary resolution(s) will be proposed for the Shareholders to consider and, if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated under it.

DESPATCH OF THE CIRCULAR

The Circular containing, among other things, (i) further details about the Sale and Purchase Agreement and the transactions contemplated under it; and (ii) a notice of the EGM and a proxy form for the EGM, is expected to be despatched to the Shareholders on or before 26 October 2017 so as to allow sufficient time for the preparation of the relevant information for inclusion in the Circular.

The transactions contemplated under the Sale and Purchase Agreement may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of directors of the Company
“business day”	a day (not being a Saturday, Sunday or public holiday) on which banks are open for general banking business in Hong Kong and the PRC
“Changzhou Top Spring”	Changzhou Top Spring Water Flower Property Development Co., Ltd.* (常州萊蒙水榭花都房地產開發有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Circular”	a circular of the Company containing, among other things, (i) further details about the Sale and Purchase Agreement and the transactions contemplated under it, and (ii) a notice of the EGM and a proxy form for the EGM
“Company”	Top Spring International Holdings Limited (萊蒙國際集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 03688)
“Completion”	the completion of the sale and purchase of the Sale Shares and settlement of the Intercompany Loans
“Consideration”	the consideration for the sale and purchase of the Sale Shares in the amount of RMB10,672,084,432 (equivalent to approximately HK\$12,272,897,000) (subject to adjustments)
“Deposit”	the deposit in the amount of RMB1.5 billion (equivalent to approximately HK\$1.73 billion) to be paid by H-Change to the Company in accordance with the Sale and Purchase Agreement
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting to be held by the Company for the Shareholders to approve the entering into of the Sale and Purchase Agreement and the transactions contemplated under it

“Excluded Properties”	the properties or assets that are owned by the Target Companies Group as at the date of the Sale and Purchase Agreement and excluded from the subject matter under the Sale and Purchase Agreement
“First Completion”	the completion of the transfer of the 80% of the Sale Shares, which shall be the date on which both the following conditions are satisfied: (i) H-Change (or its designated companies) is stated as the owner of such shares in the articles of association of the Target Companies to be registered with the relevant government authority; and (ii) the new business licences of the Target Companies (if required) are duly obtained
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“H-Change”	H-Change Real Estate Group Ltd.* (和昌地產集團有限公司), a company established in the PRC and an Independent Third Party
“Independent Third Party/ Parties”	a person or persons which is or are independent of, and not connected with, any directors, chief executive or substantial shareholders (within the meaning under the Listing Rules) of the Company or any of its subsidiaries or any of their respective associate(s) (within the meaning under the Listing Rules)
“Intercompany Loans”	the loans (which are interest-free) owed by the Target Companies and/or their subsidiaries to the Group in the aggregate principal amount of RMB2,653,819,204 (equivalent to approximately HK\$3,051,892,000) as at 31 May 2017 (unaudited) (subject to adjustments)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Metro Holdings”	Metro Holdings Limited, a company incorporated in Singapore, the shares of which are listed on the Singapore Stock Exchange, and a substantial shareholder of the Company
“Nanchang Top Spring”	Nanchang Top Spring Real Estate Co., Ltd.* (南昌萊蒙置業有限公司), a limited liability company established in the PRC and an indirect non-wholly owned subsidiary of the Company

“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China
“Prosperous Properties Holdings”	Prosperous Properties Holdings Limited (盛興地產控股有限公司), a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Prosperous Property Development”	Prosperous Property Development (Holdings) Limited (盛興地產發展(集團)有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the agreement in relation to the sale and purchase of the Sale Shares and settlement of the Intercompany Loans dated 15 August 2017 entered into between the Company and H-Change
“Sale Shares”	(i) the entire equity interest in Tai Xiang; (ii) 79% equity interest in Changzhou Top Spring; (iii) 25% equity interest in Shenzhen Water Flower; and (iv) 19% equity interest in Nanchang Top Spring
“Selling Shareholders”	Prosperous Properties Holdings, Prosperous Property Development, Xiang Kang and Top Spring Insite
“Share(s)”	the ordinary share(s) of HK\$0.1 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Water Flower”	Shenzhen Water Flower Property Development Co., Ltd.* (深圳市水榭花都房地產有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules

“Tai Xiang”	Tai Xiang Information Consulting (Shenzhen) Co., Ltd.* (泰祥信息諮詢(深圳)有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Target Companies”	Tai Xiang, Changzhou Top Spring, Shenzhen Water Flower and Nanchang Top Spring
“Target Companies Group”	the Target Companies and their respective subsidiaries, where applicable
“Top Spring Insite”	Top Spring Insite Commercial Property Holdings Limited (萊盈商業集團有限公司), a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Xiang Kang”	Xiang Kang Information Consultancy (Shenzhen) Co., Ltd.* (祥康信息諮詢(深圳)有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“%”	per cent

For the purposes of this announcement, the exchange rate of RMB1.00 = HK\$1.15 has been used, where applicable, for illustrative purposes only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rate or any other rate or at all on the date or dates in question or any other date.

By Order of the Board
Top Spring International Holdings Limited
WONG Chun Hong
Chairman

Hong Kong, 15 August 2017

As at the date of this announcement, the executive Directors are Mr WONG Chun Hong, Mr CHEN Feng Yang and Mr WANG Tian Ye; the non-executive Directors are Mr XU Lei and Mr CHIANG Kok Sung Lawrence; and the independent non-executive Directors are Mr CHENG Yuk Wo, Professor WU Si Zong and Mr LEUNG Kwong Choi.

* For identification purposes only