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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)

CONNECTED TRANSACTION LOAN AGREEMENT

THE LOAN AGREEMENT

The Board wishes to announce that on 12 July 2018, Xiangkang Information, an indirect wholly-owned Subsidiary of the Company, as lender and YMCI as borrower entered into the Loan Agreement, pursuant to which Xiangkang Information agreed to provide YMCI with a short-term Loan in the amount of RMB150,000,000 (equivalent to HK\$177,000,000) for the period between 12 July 2018 and 12 September 2018.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, YMCI is a substantial Shareholder holding approximately 28.94% of the entire issued share capital of the Company and is therefore a connected person of the Company.

As one or more of the applicable percentage ratio(s) under Rule 14.07 of the Listing Rules in respect of the financial assistance granted to YMCI exceed(s) 0.1% but less than 5%, the Loan granted under the Loan Agreement constitutes a connected transaction of the Company under the Listing Rules, which is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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The principal terms of the Loan Agreement are summarised as follows:

Date	12 July 2018
Parties	Xiangkang Information (as lender) YMCI (as borrower)
Principal amount	RMB150,000,000 (equivalent to HK\$177,000,000) The Loan will be paid by Xiangkang Information to a designated bank account of YMCI on or after the date of the Loan Agreement.
Interest rate	9.5% per annum, which shall be calculated on the actual number of days elapsed on the basis of 360-day year commencing from the date of the drawdown of the Loan.
Term	For a period from 12 July 2018 to 12 September 2018
Repayment	YMCI shall repay the Loan together with the interest accrued thereon in one lump sum on 12 September 2018.

The Group will finance the Loan from its internal resources.

REASONS FOR AND BENEFITS OF THE LOAN AGREEMENT

The Group is a real estate property developer in the PRC and is principally engaged in real estate investment, property development and property management in the PRC and Hong Kong. Besides, the Group is actively exploring the “real estate plus” business opportunities such as education in Hong Kong and the PRC which will be an integral part of its principal business in the future.

The Loan Agreement was negotiated on an arm’s length basis between YMCI and Xiangkang Information. Taking into account the cash inflow and revenue to be generated from the expected interest income in connection with the Loan, the Directors are of the view that the terms of the Loan Agreement are fair and reasonable having considered the current market norm in relation to similar transactions and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES TO THE LOAN AGREEMENT

Xiangkang Information is a limited liability company established in the PRC and an indirect wholly-owned Subsidiary of the Company. Xiangkang Information is principally engaged in investment holding in the PRC.

YMCI is a limited liability company established in the PRC and a substantial Shareholder. YMCI is principally engaged in asset investment and management.

IMPLICATIONS UNDER THE LISTING RULES

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DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	a day (other than Sunday) on which banks in Hong Kong are open for business in Hong Kong generally throughout their normal business hours
“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 Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of People's Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan with a principal amount of RMB150,000,000 (equivalent to HK\$177,000,000) agreed to be provided by Xiangkang Information to YMCI under the Loan Agreement
“Loan Agreement”	the loan agreement dated 12 July 2018 between Xiangkang Information and YMCI

“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Xiangkang Information”	Xiangkang Information Consulting (Shenzhen) Company Limited, a limited liability company established in the PRC and an indirect wholly-owned Subsidiary of the Company
“YMCI”	YMCI Construction Investment Co., Ltd., a company with limited liability established in the PRC and a substantial shareholder (holding 28.94% interest in the Company) and connected person of the Company
“%”	per cent

For the purpose of this announcement, the exchange rate of RMB1 = HK\$1.18 has been used which is an approximate and for illustration only. It does not constitute any representation that any amount has been, could have been or may be exchanged at that rate or at any other rate.

In this announcement, the English names of the PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

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

Hong Kong, 12 July 2018

As at the date of this announcement, the executive Directors are Mr. WONG Chun Hong, Mr. YUAN Zhi Wei, Mr. CHEN Zhi Xiang and Ms. LAM Mei Ka, Shirley; the non-executive Directors are Mr. XU Lei and Mr. YIP Hoong Mun; and the independent non-executive Directors are Mr. CHENG Yuk Wo, Professor WU Si Zong and Mr. CHEN Yee, Herman.