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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)

POSITIVE PROFIT ALERT

This announcement is made by Top Spring International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2021 (the “**Year**”), it is expected that the Group will record a net profit in the range of approximately HK\$30 million to HK\$60 million for the Year as compared with a net loss of approximately HK\$367,536,000 for the year ended 31 December 2020.

Based on the information currently available to the Company, the Board considers that the turnaround of the Group’s performance for the Year was mainly attributable to (i) the net gain after tax of approximately HK\$250 million as a result of the disposal of 50% of the issued share capital of each of the two subsidiaries holding the land use rights of land parcels located at Shap Pat Heung Road and Tai Tong Road, Yuen Long, New Territories (the “**Disposals**”), and fair value gain of the remaining 50% equity; and (ii) the recovery of certain impaired receivables and compensation fee of approximately HK\$190 million. For further information relating to the Disposals, please refer to the announcements of the Company dated 5 May 2021 and 28 June 2021 and the circular of the Company dated 8 June 2021. The net profit for the Year will however be partially offset by the impairment provision of approximately HK\$310 million for the resumption of the land parcel located at Yuen Long Tong Yan San Tsuen by the HKSAR Government. The exact amount of impairment provision to be recorded in the financial statements of the Group for the Year is subject to further negotiations on the terms of the land resumption between the Group and the HKSAR Government and may be different from the figure provided herein.

As the Company is still in the course of finalising its annual results for the Year, the information contained in this announcement is only a preliminary assessment by the Board based on the information currently available and the unaudited consolidated management accounts of the Group, which have not been reviewed or audited by the Company's auditors nor confirmed by the Company's audit committee. The overall financial results of the Group for the Year will only be ascertained when all the relevant results and corresponding treatments are finalized, which may be different from those disclosed in this announcement. Detailed financial information of the Group will be disclosed in the annual results announcement for the Year which will be published by the Company on 25 March 2022.

Shareholders of the Company and potential investors are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company. If in doubt, investors are advised to seek professional advice from professional or financial advisers.

By order of the Board
Top Spring International Holdings Limited
WONG Tak Chun
Company Secretary

Hong Kong, 11 March 2022

As at the date of this announcement, the executive Directors are Mr. WONG Chun Hong, Ms. LAM Mei Ka, Shirley and Mr. LIANG Rui Chi; the non-executive Directors are Mr. YIP Hoong Mun and Mr. KUI Qiang; and the independent non-executive Directors are Mr. CHENG Yuk Wo, Professor WU Si Zong and Mr. CHAN Yee Herman.