PPS International (Holdings) Limited
寶聯控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8201)

INSIDE INFORMATION
UPDATES ON THE LEGAL PROCEEDINGS IN THE CAYMAN ISLANDS

This announcement is made by PPS International (Holdings) Limited (the "**Company**") pursuant to Rule 17.10 of The Rules Governing the Listing of Securities (the "**GEM Listing Rules**") on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company's announcement dated 9 December 2015 ("**Announcement**") relating to the complaint from a shareholder. Terms used herein shall have the same meanings as defined in the Announcement.

On 14 December 2015 Cayman Islands time, the Company was served with (i) a petition for the winding-up of the Company (the "**Petition**"); (ii) a summons for the appointment of joint provisional liquidators over the Company; (iii) an ex-parte summons for an injunction to restrain the Company from taking any further steps in relation to, or continuing with, or implementing the Open Offer; and (iv) related affidavits, issued from the Grand Court of the Cayman Islands (the "**Court**") in which Mr. Zhou Han is the petitioner and applicant.

Mr. Zhou Han has alleged in the affidavits filed with the Court that, among others, (i) the Open Offer was made for the improper purpose of diluting his shareholdings in the Company; and (ii) the Company together with the Underwriter, CNEP and Kingston Securities Limited were acting in collusion to dilute his shareholdings.

A court hearing was fixed before the Court on 18 December 2015 and the Company attended the court hearing by its legal advisers in the Cayman Islands. The injunction application was withdrawn by the applicant prior to the said hearing. At the hearing the Court made the following orders, among others:

(a) the application for appointment of the joint provisional liquidators be adjourned generally;

(b) a validation order be granted in respect of payments made into or out of the bank accounts of the Company in the ordinary course of business of the Company and dispositions of the property of the Company made in the ordinary course of its business for proper value between the date of presentation of the Petition and the date of judgment on the Petition or further order;

(c) the Petition be against the Company;

(d) trading of shares in the Company shall remain suspended until further Court order;

(e) the proceeds of the Open Offer be segregated and preserved until further Court order;

(f) the Company shall not convene a meeting of the shareholders without the leave of the Court, save for the annual general meeting already convened which shall be only in respect of members on the share register prior to 5 November 2015; and

(g) the Company may publicise the winding up petition as it chooses.

The parties have been discussing as to the wordings of the draft Court order and the formal order is yet to be finalized.

The Company is currently taking legal advice regarding the Court order and the case generally. The Company considers that the allegations made by the applicant and his grounds for the Petition are unsustainable and will continue to contest the proceedings vigorously. The Company will publish announcements to update the shareholders of the Company of the progress of the legal proceedings as and when appropriate.

In view of the validation order being granted by the Court, the Company is of the view that, save and except matters as set out in the Court order, the daily operation of the Company will not be adversely affected.

CONTINUED SUSPENSION OF TRADING

At the Company's request, trading in the Shares has been suspended with effect from 9:00 a.m. on 15 December 2015. By reason of, among others, the Court order, trading in the shares of the Company will continue to be suspended until further notice.

By order of the Board
PPS International (Holdings) Limited
Chan Wai Kit
Chairman and Executive Director

Hong Kong, 24 December 2015

*As at the date of this announcement, the board of directors of the Company (the "**Directors**") comprises four executive Directors, Mr. Chan Wai Kit, Mr. Zhang Xiaozheng, Ms. Wang Jun and Ms. Wong Chi Yan, two non-executive Directors, Mr. Xu Xiaoping and Ms. Li Qingchen and four independent non-executive Directors, Mr. Chui Chi Yun, Robert, Mr. Chan Chi Tong, Kenny, Mr. Chen Kwok Wang and Mr. Chow Chun Hin, Leslie.*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the internet website operated by the Stock Exchange for the purposes of the Growth Enterprise Market at www.hkgem.com for at least seven days from the day of its posting and will be published on the website of the Company at www.hkpps.com.hk.