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

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8201)**

**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



On 21 May 2016, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent has agreed to place, on a best effort basis, to independent Placees for up to 300,000,000 new Shares at a price of HK\$0.085 per Placing Share, for and on behalf of the Company.

The Placing is conditional upon the GEM Listing Committee of the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Placing Shares. If such condition is not fulfilled, the Placing will not proceed.

The maximum number of 300,000,000 Placing Shares represents 20% of the entire issued share capital of the Company of 1,500,000,000 Shares as at the date of this announcement and approximately 16.67% of the Company's entire issued share capital as enlarged by the Placing. The net proceeds from the Placing of approximately HK\$24.75 million (assuming the Placing Shares are fully placed and after all relevant expenses) will be used for general working capital of the Group and/or financing the potential acquisition as disclosed in the Company's announcement dated 2 March 2016 or other future investment opportunities as and when think fit.

## THE PLACING AGREEMENT

- Date: 21 May 2016.
- Placing Agent: Aurora Borealis Investment Services Limited. To the best of the Company's knowledge, information and belief, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.
- Placees: The Placing Shares will be placed to not less than six Placees (who will be independent individual, corporate and/or other investors). The Placees and their respective ultimate beneficial owners will be Independent Third Parties. It is expected that no Placee will become a substantial Shareholder (as defined in the GEM Listing Rules) immediately following completion of the Placing. The Company will make further announcement in accordance with the GEM Listing Rules if the number of Placees shall be less than six.
- Number of Placing Shares: Up to 300,000,000 new Shares, to be placed by the Placing Agent on a best effort basis. Assuming the Placing Shares are fully placed, the Placing Shares represents 20% of the entire issued share capital of the Company of 1,500,000,000 Shares as at the date of this announcement and approximately 16.67% of the Company's entire issued share capital as enlarged by the Placing. The nominal value of the Placing Shares is HK\$300,000.
- Placing Price: HK\$0.085 per Placing Share. The Placing Price was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on GEM. The Placing Price represents:
- (a) a discount of approximately 15.84% to the closing price of HK\$0.101 per Share as quoted on the GEM on 20 May 2016, being the last trading prior to the date of the Placing Agreement;

- (b) a discount of approximately 16.01% to the average closing price of approximately HK\$0.1012 per Share as quoted on the GEM for the last 5 full trading days of the Shares immediately prior to 20 May 2016, being the last trading date prior to the date of the Placing Agreement.

The Company will bear the costs and expenses in connection with the Placing and the net proceeds from the Placing is estimated to be approximately HK\$24.75 million (assuming the Placing Shares are fully placed). As a result, the net price per Placing Share will be approximately HK\$0.0825.

**Placing Commission:** The Placing Agent will receive a placing commission of 2% on the gross proceeds of the Placing.

**General Mandate:** The Placing Shares will be issued pursuant to the general mandate granted to the Directors by resolution of the Shareholders passed at the Company's annual general meeting held on 30 December 2015 to allot, issue and deal with up to 300,000,000 Shares. No Share has been issued pursuant to the general mandate prior to the date of this announcement.

**Ranking of Placing Shares:** The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue an allotment of the Placing Shares.

**Conditions to the Placing:** The Placing is conditional upon the listing of and permission to deal in all the Placing Shares being granted by the GEM Listing Committee of the Stock Exchange.

If the above condition is not fulfilled on or prior to 10 June 2016 or such later date as may be agreed between the Company and the Placing Agent, the Placing Agreement shall terminate and none of the Parties shall have any claim against the others for costs, damages, compensation or otherwise (save in respect of any antecedent breach).

Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares.

No Shareholders approval is required for the Placing.

Completion of the Placing: The Placing will be completed on the third business day after fulfillment of the conditions above or such other date as the Placing Agent and the Company may agree.

Termination: The Placing Agent may terminate the Placing Agreement prior to completion of the Placing Agreement if in the opinion of the Placing Agent the success of the Placing or the business or financial prospects of the Group would or is likely to be materially and adversely affected by :

- (a) any material breach of any of the representations and warranties set out in the Placing Agreement; or
- (b) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than 5 trading days (other than in connection with the Placing); or
- (c) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (d) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or

- (e) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (f) a change or development involving a prospective change in taxation in Hong Kong, Cayman Islands, or the People's Republic of China or the implementation of exchange controls which shall or might materially and adversely affect the Group or its present or prospective shareholders in their capacity as such; or
- (g) any change or deterioration in the conditions of local, national or international securities markets.

## **EFFECT OF THE PLACING ON SHAREHOLDING**

The shareholdings in the Company as at the date of this announcement and immediately after completion of the Placing is and will be as follows:

<b>Shareholders</b>	<b>As at the date of this announcement</b>		<b>Immediately upon completion of the Placing and assuming that there is no change in the issued share capital of the Company from the date of this announcement to the date of completion of the Placing</b>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
China New Energy Power Group Ltd.	192,190,000	12.81	192,190,000	10.68
<b>Public Shareholders</b>				
Placees	0	0.00	300,000,000	16.67
Public shareholders	<u>1,307,810,000</u>	<u>87.19</u>	<u>1,307,810,000</u>	<u>72.65</u>
<b>Total</b>	<u><b>1,500,000,000</b></u>	<u><b>100.00</b></u>	<u><b>1,800,000,000</b></u>	<u><b>100.00</b></u>

## **REASONS FOR AND BENEFITS OF THE PLACING AND USE OF THE PROCEEDS**

The Group is principally engaged in the provision of environmental services which include the provision of cleaning and related services for (i) public area and office cleaning services which involve cleaning of public areas, carpets, floors, toilets, changing rooms, lifts and escalators and emptying of garbage bins at commercial buildings, residential complexes, shopping arcades, hotels and their tenants and public transport facilities such as airport, ferries, ferry terminal, cargo and logistics centre and depots; (ii) overnight kitchen cleaning services mainly at private club and hotels; (iii) external wall and window cleaning services; (iv) stone floor maintenance and restoration services; (v) pest control and fumigation services; (vi) waste management and disposal solutions which mainly involve collection, transportation and disposal of household waste, construction waste and trade waste and sales of recyclable waste such as paper, metal and plastic waste collected during our operations; (vii) housekeeping services where we provide housekeeping services to carry out professional daily housekeeping and cleaning services at local boutique hotels, hostels and serviced apartments; (viii) secure and confidential waste destruction for commercial clients; (ix) sanitation solution for yacht; and (x) cleaning and waste management solution for renovated apartment. From April 2015, the Group is also engaged in the auto beauty service.

In view of the current market conditions, the Directors consider that the Placing represents a good opportunity to broaden the shareholders base and capital base of the Company and to raise capital for the Company for its future business developments. The Directors consider the terms of the Placing Agreement to be fair and reasonable and in the interest of the Group and the Shareholders as a whole.

The Company will bear all costs and expenses of approximately HK\$0.75 million in connection with the Placing. The net proceeds of approximately HK\$24.75 million from the Placing will be used for general working capital of the Group and/or financing the potential acquisition as disclosed in the Company's announcement dated 2 March 2016 or other future investment opportunities as and when think fit.

## EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activities for the 12 months immediately before the date of this announcement :

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
6 November 2015	Open offer	Approximately HK\$62.5 million	(i) approximately HK\$28 million, for the expansion of the cleaning and auto beauty services in the PRC region; (ii) approximately HK\$15.5 million for the expansion of the operation in Hong Kong including but not limited to expanding the contracting department; (iii) approximately HK\$9.5 million, for the renewal and purchase of new machinery; and (iv) approximately HK\$9.5 million, for general working capital of the Company.	As to (i) approximately HK\$28 million was fully utilized for the acquisition of a property and car park management and cleaning services related company in the PRC as announced by the Company on 11 April 2016, (ii) approximately HK\$2 million was utilized for the expansion in Hong Kong; (iii) approximately HK\$8 million assigned for purchase and renewal of machinery was reallocated and utilized for the legal and professional fees in relation to the legal proceedings in Cayman Islands; and (iv) approximately HK\$4 million in general working capital was utilized for the acquisition as mentioned in (i) above.  The unutilized proceeds of approximately HK\$20.5 million, it is considered to reallocate (i) HK\$10 million for the investment in Shanghai joint venture as announced by the Company on 7 March 2016; and (ii) HK\$10.5 million for the general working capital of the Company and/or other potential investments as and when think fit.

## DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	board of Directors
“Business Day”	a day (excluding Saturday and other general holidays in Hong Kong) on which banks in Hong Kong are generally open for business
“Company”	PPS International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“connected person (s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	an independent third party, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons (as defined under the GEM Listing Rules)
“Placee”	any individual, corporate or other investor procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agreement

“Placing”	the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement
“Placing Agent”	Aurora Borealis Investment Services Limited, a company licensed to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 21 May 2016 in relation to the Placing
“Placing Price”	HK\$0.085 per Placing Share
“Placing Shares”	a maximum of 300,000,000 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 21 May 2016

*As at the date of this announcement, the Board comprises three executive Directors, Mr. Chan Wai Kit, Ms. Wang Jun and Ms. Wong Chi Yan, two non-executive Directors, Ms. Li Qingchen and Mr. Xu Xiaoping, and three independent non-executive Directors, Mr. Chui Chi Yun, Robert, Mr. Huang Ke and Mr. Kwong Tsz Ching Jack.*

*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](http://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](http://www.hkpps.com.hk).*