THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of these documents.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

PPS INTERNATIONAL (HOLDINGS) LIMITED
寶聯控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8201)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE BY QUALIFYING SHAREHOLDERS

Financial adviser of the Company

Shinco Capital Limited

Underwriter of the Rights Issue

LAMTEX Securities Ltd.
林達證券有限公司

Terms used in this cover page have the same meanings as defined in this Prospectus.

The Rights Issue is conditional upon the fulfillment of the conditions set out under the paragraph headed "Conditions of the Rights Issue" in the section headed "Letter from the Board" of this Prospectus.

The Underwriting Agreement contains provisions granting the Underwriter, by notice in writing, given to the Company at any time prior to the Latest Time for Termination, the right to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as more particularly described in the section headed "Termination of the Underwriting Agreement" in this Prospectus. **The Rights Issue is therefore subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.**

The Shares have been dealt with on an ex-rights basis from Wednesday, 11 January 2017. Dealings in the Rights Shares in the nil-paid form are expected to take place from 9:00 a.m. on Tuesday, 24 January 2017 to 4:00 p.m. on Thursday, 2 February 2017 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter at or before 4:00 p.m. on Monday, 13 February, 2017 or such later time and/or date as may be agreed between the Company and the Underwriter, the Rights Issue will not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases), and any dealings in the nil-paid Rights Shares from 9:00 a.m. on Tuesday, 24 January 2017 to 4:00 p.m. on Thursday, 2 February 2017 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

The latest time for acceptance of, and payment for, the Rights Shares is 4:00 p.m. on Tuesday, 7 February 2017. The procedures for acceptance of and payment for or transfer of the Rights Shares are set out from pages 14 to 16 of this Prospectus.

20 January 2017

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GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

"acting in concert"	has the meaning ascribed to it in the Takeovers Code
"associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Announcement"	the announcement of the Company dated 21 December 2016 in relation to the Rights Issue
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday or Sunday or any day on which either a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal at any time between 9:00 a.m. and 4:00 p.m.) on which banks in Hong Kong are open for business
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"close associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Companies (WUMP) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), as amended and supplemented from time to time
"Company"	PPS International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (Stock Code: 8201)
"connected person"	has the meaning ascribed to it under the GEM Listing Rules
"Director(s)"	the director(s) of the Company
"EAF(s)"	the form of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM

"Group"	the Company and its subsidiaries
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party"	a third party independent of the Company and its connected persons
"Last Trading Day"	21 December 2016, being the date of the Underwriting Agreement
"Latest Practicable Date"	17 January 2017, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
"Latest Time for Acceptance"	4:00 p.m. on Tuesday, 7 February 2017, or such other time as may be agreed between the Company and the Underwriter, being the latest time for acceptance by the Qualifying Shareholders of the offer of Rights Shares as described in this Prospectus and if there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at anytime before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.
"Latest Time for Termination"	4:00 p.m. on Monday, 13 February 2017, being the fourth Business Day following the acceptance date or such later date as the Company and the Underwriter may agree
"Mr. Yu"	Mr. Yu Weiye, the controlling Shareholder as defined under the GEM Listing Rules

"Non-Qualifying Shareholder(s)"	the Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that those place(s)
"Overseas Letters"	letters from the Company to the Non-Qualifying Shareholders explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue
"Overseas Shareholder(s)"	Shareholder(s) with registered address(es) (as shown in the register of members of the Company as at the close of business on the Record Date) which is/are outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) issued to the Qualifying Shareholders under the Rights Issue
"PRC"	the People's Republic of China and for the purpose of this Prospectus, excluding Hong Kong, Macau Special Administrative Region of the People's Republic of China and Taiwan
"Prospectus"	this prospectus
"Prospectus Documents"	this Prospectus, the PAL and the EAF
"Prospectus Posting Date"	20 January 2017, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus for information only to the Non-Qualifying Shareholders
"Qualifying Shareholder(s)"	Shareholder(s) whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
"Record Date"	18 January 2017, being the date by reference to which entitlements to the Rights Issue was determined
"Registrar"	the branch share registrar of the Company in Hong Kong, being Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong

"Rights Issue"	the issue by way of rights on the basis of one (1) Rights Share for every two (2) existing Shares in issue held on the Record Date at the Subscription Price pursuant to the Prospectus Documents and as contemplated under the Underwriting Agreement
"Rights Share(s)"	900,000,000 Shares to be issued pursuant to the Rights Issue
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share Option(s)"	37,500,000 option(s) to subscribe for 37,500,000 Shares granted by the Company in accordance with the share option scheme adopted by the Company on 28 May 2013 which had been lapsed before the Record Date
"Share(s)"	ordinary share(s) of HK$0.001 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.054 per Rights Share
"substantial Shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC as amended, supplemented or otherwise modified from time to time
"Undertakings"	the conditional irrevocable undertakings dated 21 December 2016 from Mr. Yu and Wui Wo respectively to the Company and the Underwriter as described in the section headed "Undertakings from Mr. Yu and Wui Wo" in the Letter from the Board
"Undertaken Shares"	the 324,070,500 Rights Shares undertaken to be subscribed by Mr. Yu and Wui Wo subject to the Undertakings

"Underwriter"	Lamtex Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
"Underwriting Agreement"	the underwriting agreement dated 21 December 2016 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
"Underwritten Shares"	575,929,500 Rights Shares being underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
"Wui Wo"	Wui Wo Enterprise Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Yu
"%" or "per cent"	percentage or per centum

Set out below is an indicative timetable for the implementation of the Rights Issue.

	Time and date 2017
First day of dealings in nil-paid Rights Shares	9:00 a.m. on Tuesday, 24 January
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Thursday, 26 January
Last day of dealings in nil-paid Rights Shares	4:00 p.m. on Thursday, 2 February
Latest time for acceptance of, and payment for the Rights Shares *(Note)*	4:00 p.m. on Tuesday, 7 February
Latest Time for Termination of the Underwriting Agreement	4:00 p.m. on Monday, 13 February
Announcement of results of the Rights Issue	Wednesday, 15 February
Despatch of certificates for the fully-paid Rights Shares or refund cheques if the Rights Issue is terminated/ unsuccessful applications for excess Rights Shares	Thursday, 16 February
Expected first day of dealings in the fully-paid Rights Shares	9:00 a.m. on Friday, 17 February

Note: If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

All times and dates specified in this Prospectus refer to Hong Kong local times and dates. Dates stated in this Prospectus for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Rights Issue will be announced as and when appropriate in accordance with the GEM Listing Rules.

The Underwriter may terminate the Underwriting Agreement by notice in writing given by it to the Company at any time prior to the Latest Time for Termination if:

1) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:

   a. the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or

   b. the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

   c. any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

2) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, and a change in currency conditions for the purpose of the Underwriting Agreement includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue; or

3) this Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the GEM Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter be material to the Group as a whole upon completion of the Rights Issue and is likely to affect materially and adversely the success of the Rights Issue; or

4) there comes to the notice of the Underwriter:

   a. any matter or event showing any of the warranties given in the Underwriting Agreement was, when given, untrue or misleading or as having been breached in any respect; or

   b. any breach by the Company of any of its respective obligations or undertaking under the Underwriting Agreement.

The Underwriter is also entitled by a notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination any material breach of any of the warranties contained in the Underwriting Agreement comes to the knowledge of the Underwriter.

PPS INTERNATIONAL (HOLDINGS) LIMITED
寶聯控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8201)

Executive Directors:
Mr. Ye Jingyuan *(Chief Executive Officer)*
Mr. Yu Shaoheng
Ms. Mui Fong

Independent Non-Executive Directors:
Mr. Chui Chi Yun Robert
Mr. Yu Xiufeng
Mr. Kwong Tsz Ching Jack

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Headquarter and principal place of business in Hong Kong:
24/F., SUP Tower
75-83 King's Road
North Point
Hong Kong

20 January 2017

To the Qualifying Shareholders

Dear Sir or Madam,

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE BY QUALIFYING SHAREHOLDERS

INTRODUCTION

Reference is made to the Announcement in relation to the Rights Issue. The Board announced that the Company proposed to raise not less than HK$48,600,000 and not more than HK$49,612,500 (before expenses) by issuing not less than 900,000,000 and not more than 918,750,000 Rights Shares at the Subscription Price of HK$0.054 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares in issue held by the Qualifying Shareholders on the Record Date.

The purpose of this Prospectus is to provide you with details regarding the Rights Issue, including information on dealing in, transfer and acceptance of the Rights Shares and other information in respect of the Group.

TERMS OF THE RIGHTS ISSUE

Details of the Rights Issue are set out as below:

Issue statistics

Basis of the Rights Issue:	one (1) Rights Share for every two (2) existing Shares held on the Record Date
Subscription Price:	HK$0.054 per Rights Share
Number of Shares in issue as at the Record Date:	1,800,000,000 Shares
Number of Rights Shares:	900,000,000
Aggregate nominal value of the Rights Shares:	HK$900,000
Number of Rights Shares underwritten by the Underwriter:	575,929,500, on a fully underwritten basis, being all Rights Shares other than the Undertaken Shares
Number of Shares expected to be in issue immediately upon completion of the Rights Issue:	2,700,000,000
Funds to be raised before expenses:	HK$48,600,000

As at the Latest Practicable Date, the Company had no outstanding derivatives, outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

As at the Latest Practicable Date, save for the Undertakings provided by Mr. Yu and Wui Wo, the Board had not received any information or other undertakings from any substantial Shareholders (as defined in the GEM Listing Rules) of their intention to take up or not to take up the Rights Shares to be provisionally allotted or offer to them under the Rights Issue.

The Rights Shares

As at the Record Date, the Company had 1,800,000,000 Shares in issue and accordingly 900,000,000 Rights Shares will be allotted and issued under the Rights Issue, which represent 50.00% of the issued share capital of the Company as at the Latest Practicable Date and approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

The Rights Issue (other than the Undertaken Shares) is fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement.

Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders and the Prospectus (without the PAL and the EAF) to the Non-Qualifying Shareholders for information only.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and must be a Qualifying Shareholder.

In order to be registered as a member of the Company on the Record Date, Shareholders must lodge any transfers of the Shares (together with the relevant share certificates) with the Registrar for registration by no later than 4:30 p.m. on Thursday, 12 January 2017.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

If at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, that Shareholder may or may not be eligible to take part in the Rights Issue.

According to the register of members of the Company as at the Record Date, there were 2 Shareholders whose addresses were located in the PRC.

In compliance with Rule 17.41 of the GEM Listing Rules, the Company has sought legal advice as to whether the offer of Rights Shares to such Overseas Shareholders may contravene the applicable securities legislation of the PRC or the requirements of the relevant regulatory body or stock exchange. The Company has been advised by its legal advisers on the laws of the PRC that (i) the Prospectus Documents may be required to be registered or filed with or subject to approval by the relevant PRC regulatory authorities, or (ii) the Company would need to take additional steps to comply with the regulatory requirements of the relevant PRC regulatory authorities. The Company, therefore, would be required to comply with the relevant PRC laws and regulations if the Rights Issue is to be extended to the Overseas Shareholders with registered addresses in the PRC. Having considered the circumstances, the Directors are of the view that it is not expedient to extend the Rights Issue to such Overseas Shareholders taking into consideration that the time and costs involved in complying with the PRC legal requirements will outweigh the possible benefits to the Overseas Shareholders and the Company. Thus, the Rights Issue would not be extended to the Overseas Shareholders in the PRC. Such Overseas Shareholders with registered addresses in the PRC are Non-Qualifying Shareholders. The Company will send Overseas Letters together with the Prospectus (without the PAL and EAF) to the Non-Qualifying Shareholders for information only.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event before dealings in nil-paid Rights Shares end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK$100 will be paid pro rata to the Non-Qualifying Shareholders. The Company will retain individual amounts of HK$100 or less for its own benefit. Any unsold entitlement of Non-Qualifying Shareholders, together with any nil-paid Rights Shares provisionally allotted but not accepted, will be made available for excess application on EAFs by Qualifying Shareholders.

Subscription Price

The Subscription Price of HK$0.054 per Rights Share will be payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares or application for the excess Rights Shares. The Subscription Price represents:

a. a discount of 40% to the closing price of approximately HK$0.09 per Share as quoted on the Stock Exchange on the Last Trading Day;

b. a discount of approximately 40.27% to the average closing price of approximately HK$0.0904 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including the Last Trading Day;

c. a discount of approximately 41.37% to the average closing price of approximately HK$0.0921 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day;

d. a discount of approximately 30.77% to the theoretical ex-entitlement price (assuming there is no new Shares issued by the Company and there is no Shares being repurchased by the Company from the Last Trading Day up to the Record Date) of approximately HK$0.078 per Share based on the closing price of approximately HK$0.09 per Share as quoted on the Stock Exchange on the Last Trading Day; and

e. a discount of approximately 28.95% to the closing price of HK$0.076 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to, among other things, the market price of the Shares under the prevailing market conditions, the trading liquidity and the financial position of the Group. As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date, the Directors consider that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements so as to maintain their shareholdings in the Company and participate in the future growth of the Group. The Directors consider the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net price per Rights Share after deducting the related expenses of the Rights Issue will be approximately HK$0.052.

Basis of provisional allotment

The basis of the provisional allotment will be one (1) Rights Share (in nil-paid form) for every two (2) existing Shares in issue held by the Qualifying Shareholders at the close of business on the Record Date. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Fractional entitlements to the Rights Shares

Fractional Rights Shares will be disregarded and not be issued to the Shareholders. Any fractional entitlements of the Rights Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Rights Shares will only arise in respect of the entire shareholding of a Shareholder regardless of the number of share certificates held by such Shareholder.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully-paid, shall rank pari passu with the Shares then in issue in all respects. Holders of such Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid with a record date which falls on or after the date of allotment and issue of the Rights Shares. Dealings in the Rights Shares, which are registered in the register of members of the Company in Hong Kong, will be subject to payment of stamp duty and other applicable fees and charges in Hong Kong.

Share certificates for the Rights Issue and refund cheques

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on Thursday, 16 February 2017. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares are also expected to be posted by ordinary post at their own risk on Thursday, 16 February 2017.

Procedures for acceptance and payment or transfer

PAL – Acceptance, payment and transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by no later than the Latest Time for Acceptance. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**PPS International (Holdings) Limited – PAL**" and crossed "**Account Payee Only**". It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by the Latest Time for Acceptance, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole and absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Share provisionally allotted to them under the PAL or to transfer part of their rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Thursday, 26 January 2017 with the Registrar, who will cancel the original PAL and issue new PALs in the denomination required which will be available for collection from the Registrar after 9:00 a.m. on the second Business Day after the surrender of the original PAL. The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders accompanying completed PALs will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event, the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

No action has been taken by the Company to obtain permission of the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory or jurisdiction outside Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for Rights Shares, unless in the relevant territory or jurisdiction where such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the Rights Shares to satisfy itself/himself/herself, before acquiring any rights to subscribe for the provisionally allotted Rights Shares, as to the observance of the laws and regulations of all relevant territories and jurisdictions, including the obtaining of any governmental or other consents and to pay taxes and duties required to be paid in such territory or jurisdiction in connection therewith. Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been or will be fully complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation or warranty. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws and regulations of any territory or jurisdiction.

If the Underwriter exercises the right to terminate the Underwriting Agreement prior to the Latest Time for Termination and/or if any of the conditions of the Rights Issue are not fulfilled, the remittance received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in the nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on Thursday, 16 February 2017.

EAF – Application for excess Rights Shares

Qualifying Shareholders shall be entitled to apply for, (i) any Rights Shares representing the entitlement of the Non-Qualifying Shareholders and/or fractional entitlement of the Rights Shares and which cannot be sold at a net premium; and (ii) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders. If a Qualifying Shareholder wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it must complete and sign the enclosed EAF in accordance with the instructions printed thereon and lodge the same with a separate remittance for the amount payable on application in respect of the excess Rights Shares being applied for with the Registrar no later than the Latest Time for Acceptance. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**PPS International (Holdings) Limited – EAF**" and crossed "**Account Payee Only**". No receipt will be given for such remittances.

The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of excess Rights Shares applied for, but no reference will be made to the number of Rights Shares applied for under a PAL or the existing number of Shares held by such Qualifying Shareholders. No preference will be given to applications made for topping up odd lot holdings to whole board lot holdings.

In applying the above principles, reference will only be made to the number of excess Rights Shares being applied for.

The Company will notify the relevant Qualifying Shareholders of any allotment of excess Rights Shares made to them by way of announcement. An announcement of results of acceptance of and excess applications for the Rights Issue will be published on Wednesday, 15 February 2017.

Where the number of excess Rights Shares applied for under one EAF is larger than the total number of Rights Shares being offered under the Rights Issue, being not less than 900,000,000, such application (other than from a nominee company) would be treated as invalid and be rejected. For the avoidance of doubt, this restriction will not be applied to all nominees companies including HKSCC Nominees Limited. If no excess Rights Shares are allotted to a Qualifying Shareholder, a refund cheque for the full amount tendered on application without interest will be posted by the Registrar to that Qualifying Shareholder by ordinary post at his/her/its own risk on Thursday, 16 February 2017. If the number of excess Rights Shares allotted to a Qualifying Shareholder is less than that applied for, a refund cheque for the surplus application monies without interest will also be posted by the Registrar to that Qualifying Shareholder by ordinary post at his/her/its own risk on Thursday, 16 February 2017.

The EAF is for use only by the Qualifying Shareholder(s) to whom it is addressed and is not transferable. All documents, including refund cheques (if any), will be despatched by ordinary post at the risk of the persons entitled thereto to their respective registered addresses as stated on the Company's register of members on the Record Date.

Any Rights Shares not taken up by the Qualifying Shareholders and not taken by excess applications will be taken up by the Underwriter pursuant to the terms and conditions of the Underwriting Agreement.

Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company under the allocation of excess Rights Shares. Shareholders with their Shares held by a nominee company (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Excess application from Qualifying Shareholders (including registered nominee company) will be accepted by the Company even if their assured entitlement of the Rights Shares is not subscribed for in full.

Application for listing

The Company has made application to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Both nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 20,000 Shares.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty and applicable fees and charges in Hong Kong.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or disposal of, or dealing in the Rights Shares. It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accept responsibility for any tax effects or liability of holders of the Rights Shares resulting from application for, purchase, holding or disposal of, or dealing in the Rights Shares.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfillment of the following conditions:

i. the filing and registration of the Prospectus Documents (with all the documents required to be attached thereto all having been duly authorised for registration by the Stock Exchange and signed by or on behalf of two Directors (or by their agents duly authorised in writing)), with the Registrar of Companies in Hong Kong in accordance with the Companies (WUMP) Ordinance on or before the Prospectus Posting Date;

ii. the posting of copies of the Prospectus Documents to the Qualifying Shareholders on or before the Prospectus Posting Date;

iii. the compliance with and performance by the Company of the undertakings and obligations under the terms of the Underwriting Agreement by the Latest Time for Termination;

iv. the Stock Exchange granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms and such listings and permission to deal not having been withdrawn or revoked by the Latest Time for Termination;

v. the Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the listing of the Shares on the Stock Exchange not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 5 trading days at any time prior to the Latest Time for Termination (excluding any suspension in connection with the clearance of the announcement, the Prospectus Documents or other announcements or documents in connection with the Rights Issue);

vi. the delivery by the Company to the Underwriter of the Undertakings duly executed by Mr. Yu and Wui Wo on the date of the Underwriting Agreement and fulfilment of their respective obligations under the Undertakings by the Latest Time for Termination; and

vii. the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms thereof by the Latest Time for Termination.

None of the above conditions is capable of being waived (other than conditions (i), (ii) (iii), (vi) and (vii) which are capable of being waived by the Underwriter in whole or in part) by any party to the Underwriting Agreement.

If the above conditions are not satisfied and/or waived in whole or in part by the respective dates specified above (or such later date or dates as the Underwriter and the Company may agree in writing), the Underwriting Agreement shall terminate and all liabilities of the parties to the Underwriting Agreement shall cease and neither party shall have any claim against the other. The Undertakings will lapse and the Rights Issue will not proceed.

As at the Latest Practicable Date, condition (vi) above has been fulfilled.

Approval of the Rights Issue

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% and the Rights Issue is fully underwritten by the Underwriter, who is not a Director, chief executive of the Company or substantial Shareholder (or a close associate of any of them), the Rights Issue is not subject to the approval of the Shareholders at the general meeting of the Company.

UNDERWRITING AGREEMENT

Undertakings from Mr. Yu and Wui Wo

As at the date of the Underwriting Agreement, Mr. Yu and Wui Wo, were interested in an aggregate of 648,141,000 Shares, representing approximately 36.01% of the total issued share capital of the Company. Pursuant to the Underwriting Agreement, each of Mr. Yu and Wui Wo signed the Undertakings in favour of the Company and the Underwriter pursuant to which each of them has conditionally undertaken, inter alia, that the Shares held by them on the date of the Undertakings will remain registered in their name at the close of business on the Record Date and that the Rights Shares to be provisionally allotted to them representing 324,070,500 Rights Shares will be taken up and paid for in full by them. The obligations of Mr. Yu and Wui Wo under the Undertakings are conditional upon the Underwriting Agreement becoming unconditional (except for the fulfilment of their respective obligations under the Undertakings) in accordance with its terms. If the conditions are not fulfilled, all liabilities of Mr. Yu and Wui Wo thereunder shall cease and the Undertakings shall lapse, and no party shall have any claims against the other for matters referred to in the Undertakings. Mr. Yu and Wui Wo will not apply for any excess Rights Shares.

Underwriting

Pursuant to the Underwriting Agreement, the Underwriter has agreed to fully underwrite not less than 575,929,500 (being all the 900,000,000 Rights Shares less the 324,070,500 Rights Shares which are provisional allotted to Mr. Yu and Wui Wo) and not more than 594,679,500 Shares (being all the 918,750,000 Rights Shares assuming the Share Options are fully exercised less the Undertaken Shares of 324,070,500 Rights Shares which are provisionally allotted to Mr. Yu and Wui Wo). As the 37,500,000 Share Options has been lapsed prior to the Record Date and based on the shareholding of the Company on the Record Date, the Underwritten Shares are 575,929,500 Shares.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Underwriter and its ultimate beneficial owner are third parties independent of the Company and connected persons of the Company. As at the Latest Practicable Date, the Underwriter is not interested in any Shares.

Commission

The Company will pay the Underwriter an underwriting commission of 2% of the aggregate Subscription Price of the Underwritten Shares as determined on the Record Date. The Directors consider that the underwriting commission accords with market rates.

Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of certain events. For details, please refer to the section headed "Termination of the Underwriting Agreement" in this Prospectus.

WARNING OF THE RISKS OF DEALING IN SHARES AND THE NIL-PAID RIGHTS SHARES

The Shares have been dealt with on an ex-rights basis from Wednesday, 11 January 2017. Dealings in the Rights Shares in the nil-paid form are expected to take place from 9:00 a.m. on Tuesday, 24 January 2017 to 4:00 p.m. on Thursday, 2 February 2017 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter on or before 4:00 p.m. on Monday, 13 February 2017 or such later time and/or date as may be agreed between the Company and the Underwriter, the Rights Issue will not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases), and any dealings in the nil-paid Rights Shares from Tuesday, 24 January 2017 to Thursday, 2 February 2017 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons dealing or contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming no Share will be issued from the Latest Practicable Date up to completion of the Rights Issue, set out below are the shareholding structures of the Company (for illustration purpose only):

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue: Assuming all the Rights Shares are subscribed for by the Qualifying Shareholders		Immediately after completion of the Rights Issue: Assuming none of the Rights Shares are subscribed for by the Qualifying Shareholders (other than Mr. Yu and Wui Wo)	
	Number of Shares	*%*	*Number of Shares*	*%*	*Number of Shares*	*%*
Mr. Yu *(note 1)*	378,976,000	21.05	568,464,000	21.05	568,464,000	21.05
Wui Wo	269,165,000	14.96	403,747,500	14.96	403,747,500	14.96
Sub-total	*648,141,000*	*36.01*	*972,211,500*	*36.01*	*972,211,500*	*36.01*
Other public Shareholders	1,151,859,000	63.99	1,727,788,500	63.99	1,151,859,000	42.66
Underwriter *(note 2)*	–	–	–	–	575,929,500	21.33
Total	1,800,000,000	100.00	2,700,000,000	100.00	2,700,000,000	100.00

Notes:

1. Mr. Yu beneficially owned 648,141,000 Shares, of which 269,165,000 Shares were owned by Wui Wo which in turn was wholly owned by Mr. Yu.

2. This scenario is for illustrative purpose only. As set out in the Underwriting Agreement, in the event the Underwriter being called upon to subscribe for or procure subscribers for the Rights Shares not taken up under the Rights Issue (the "Untaken Shares"):

   (i) the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 19.9% of the voting rights of the Company upon the completion of the Rights Issue; and

   (ii) the Underwriter shall use its best endeavours to ensure that (1) each of the subscribers of the Untaken Shares procured by it shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors or chief executive or substantial shareholders of the Company or their respective associates; and (2) the public float requirements under Rule 11.23 of the GEM Listing Rules be fulfilled by the Company upon completion of the Rights Issue.

As illustrated in the shareholding table above, more than 25% of the Shares will be held by public Shareholders immediately after completion of the Rights Issue, the public float requirements under the GEM Listing Rules will remain to be complied with immediately upon completion of the Rights Issue.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Directors consider that the Rights Issue, which is on a fully underwritten basis, will provide funding for the Group to expand its principal businesses, to make acquisition and to capture suitable investment opportunities as and when opportunities arise. In order to expand its cleaning and environmental services in the PRC, the Company is (i) searching for potential acquisition targets in the PRC with the similar principal business of the Company; and (ii) considering to establish its wholly owned subsidiaries in the PRC region including but not limited to Chengdu and Beijing to achieve organic growth and gain more market presence. The Directors will assess the best ways to expand its business in the PRC region in order to generate additional value to the Shareholders.

As at the Latest Practicable Date, the remaining proceeds of approximately HK$4.75 million from the previous placing had already been utilized as the pledged bank deposits for the performance bonds of the Group for its existing business. As at 31 December 2016, based on the latest available management accounts of the Group, the bank and cash position of the Group (excluding the pledged and fixed deposits of approximately HK$11.3 million) was approximately HK$47.3 million. On 12 January 2017, the Company lent HK$10 million under the money lending business, the cash further reduced to approximately HK$37.3 million. In general, a significant portion of receipts of the services income of the Group are made in the second half of each month while the average monthly salary payments to its office and site staff of the Group roughly amounting to approximately HK$13.5 million and the average monthly settlements of outsource manpower services fees roughly amounting to approximately HK$4 million are paid in the early beginning of each month, as such the Group needs to reserve HK$17.5 million in the early beginning of each month. Accordingly, the readily available bank and cash balances of the Group as at 31 December 2016 was considered as approximately HK$19.8 million. If any acquisition or expansion opportunities arise, it is expected that the current cash level (after reserving for the monthly salary payments) is not sufficient for the Group to achieve its expansion, as such, the Board proposes the Rights Issue to raise additional cash reserve in order to prepare for its future expansion.

The Company will receive gross proceeds of approximately HK$48,600,000. The estimated net proceeds of the Rights Issue will be approximately HK$47 million. The Company intends to apply net proceeds from the Rights Issue in the following manner:

i. approximately HK$25.5 million will be utilized for the set up of the head office in Shenzhen and the expansion of the cleaning business in the PRC region, it is expected that the setting up of the head office will be finished by June 2017;

ii. approximately HK$15 million will be utilized for the expansion of money lending services in order to bring in additional income to the Group, the Company is actively negotiating with some potential borrowers; and

iii. the remaining balance of approximately HK$6.5 million will be utilized as the pledged bank deposits as banks' guarantees on the performance bonds issued for due performance of any new environmental service contracts, expected to be awarded and the working capital of the Group.

Having considered that (i) the Rights Issue would give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interest in the Company at a discounted price as compared with the recent market prices and provide an opportunity to all Qualifying Shareholders to participate in the future development of the Company in proportion to their Shareholdings; (ii) the Qualifying Shareholders who elect not to participate in the Rights Issue are able to sell the nil-paid Rights Shares in the market, while the Qualifying Shareholders who wish to increase their shareholding in the Company through the Rights Issue are able to acquire additional nil-paid Rights Shares in the market and/or through the EAF; (iii) the latest cash position of the Group aforementioned; (iv) the Rights Issue would increase the capital base of the Company to finance the business expansion of the Group; and (v) the expected utilization of the net proceeds from the Rights Issue will be applied mainly for the expansion of the Company's principal businesses including the cleaning and environmental business and the money lending business, the Directors (including the independent non-executive Directors) consider that the Rights Issue and the terms of the Rights Issue are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

RISK FACTORS

In compliance with the GEM Listing Rules, the Company sets out below the risk factors of the Group for the Shareholders' attention. The Directors believe that there are certain risks involved in the operations of the Group which includes, but does not limit to, the following:

The Group's service contracts contain fixed service terms that range from one to three years and part of them are granted to the Group by way of tendering. There is no assurance of the grant of new contracts nor renewal of the existing contracts and these uncertainties may have negative impact on the financial results

The Group's service contracts contain fixed service terms that range from one to three years and part of them are granted to the Group by way of tendering and their renewals may require re-tendering. The Group may be required to submit new tenders detailing the pricing and service proposals to the customers before the expiry of the existing contract to secure a renewal. The Group may also be required to fulfill certain pre-qualifications such as having the relevant technical experience and financial track record for submitting tenders for environmental services. There is no assurance that (i) the Group will maintain or expand the business with existing or potential customers or the Group could meet the pre-qualifications as required by them; (ii) the Group would be invited by the potential and existing customers to submit tenders for environmental services; (iii) the terms of the tenders would be comparable with the existing contracts; and (iv) the tenders will be selected by the potential and existing customers. If the Group fails to secure business through tendering or if the terms of the new contracts are less favourable than those of the existing ones, the business and financial results may be adversely affected.

Moreover, in the competitive tendering process, the Group may have to lower the service charges in the bids in order to increase the competitiveness of the tenders and the Group may encounter great pressure on the profit margins if the Group are unable to reduce the costs accordingly. In such event, the financial results and profitability would be materially and adversely affected.

If the Group fails to accurately estimate the costs or fail to execute fixed-price contracts within the cost estimates, the results of operation would be adversely affected

All the service contracts are fixed-price contracts, under which the Group provides cleaning and related services at a pre-determined price. As a result, the Group may not be able to adjust the service fees nor recover any cost overruns.

Fixed-price contracts carry certain inherent risks, including risks of losses from under-estimating costs, difficulties and lack of flexibility in operating projects and other changes that may occur during the contract periods. The Group estimates the costs of the services before the Group submit the tenders or service proposals. However, there is no assurance that the actual execution time and costs involved in the performance of the service contracts, which may be adversely affected by many factors such as cost escalation of materials and labour, adverse weather conditions, labour disputes, accidents and unforeseen problems and circumstances, would not exceed the estimates. In such cases, the operations, financial results and profitability may be adversely affected.

Further, any of the above-mentioned adverse factors may give rise to delay in or failure of completion of works or cost overruns, which may in turn adversely affect the reputation, financial conditions, profitability or liquidity.

Reliance on the major customers

The aggregate revenue generated from the five largest customers represented approximately 60.9%, 61.4% and 48.1% of the total revenue for the years ended 30 June 2014, 2015 and 2016, respectively. The revenue generated from the largest customer represented approximately 21.8%, 21.4% and 16.11% of the total revenue for the same years, respectively. The Group has not entered into long-term service contracts with any of the customers, which the Directors believe is in line with the market practice of the environmental services industry in Hong Kong. The customers may terminate their business relationships with the Group upon expiry of the service contracts. Further, the customers, including the five largest customers, are not obligated in any way to invite the Group to participate in any tendering and/or re-tendering. If any of the key customers, including the five largest customers, substantially reduces the volume and/or value of services procured from the Group or terminates its business relationship with the Group, there is no assurance that the Group would be able to find substitute customers or to secure comparable contracts to replace any such loss of revenue. If any of the above happens, the business and performance would be materially adversely affected.

The Group is exposed to litigation claims including employees' compensation claims and common law personal injury claims and the insurance coverage may not adequately protect us against certain risk

Employees who suffer from bodily injuries or death as a result of accidents or diseases occurred during the course of their employment are entitled to claim damages and compensation against the Group under the Employees' Compensation Ordinance as well as under the common law. For some work-related accidents and injuries, even if the relevant employee has been compensated by the Group's employees' compensation insurance, the injured employee may still pursue litigation claim by way of a personal injury claim against us under common law. Furthermore, due to the nature of the business, the Group may also face other miscellaneous litigation claims from the employees or third parties from time to time, including third parties who suffer personal injuries at premises where the Group provide the services.

The Group has taken out insurance policies to cover these potential claims, including employees' compensation insurance and public liability insurance. However, the outcome of any claim is subject to the relevant parties' negotiation or the decision of the court or the relevant arbitration authorities, and the result of any of the outstanding claims may be unfavourable to the Group. There is also no assurance that the insurance company will not challenge any such claims on the ground that they fall outside the scope and/or limit of the insurance coverage or counterclaim the Group for any breach of the terms and conditions of the relevant policy. In either event, the financial conditions may be adversely affected. Regardless of the merits of the aforementioned outstanding and potential claims, the Group may need to divert management resources and incur costs to handle these claims, which may affect the corporate image and reputation in the environmental services industry, especially if they became public, and adversely affect the revenue, results of operation and financial conditions.

Furthermore, the Group only maintains limited insurance coverage and there is no assurance that all risks are adequately insured against. As a result, the Group may have to pay out of the own resources for any uninsured financial or other losses, damages and liabilities, litigation or business disruption. The occurrence of certain incidents, including earthquake, fire, severe weather, war, floods, power outages, terrorist attacks or other disruptive events and the consequences, damages and disruptions resulting from such events may not be fully covered by the insurance policies. If the business operations were disrupted or interrupted for a substantial period of time, the Group could incur costs and losses that could materially and adversely affect the business, financial conditions and results of operations.

Reliance on the third party service providers

The Group may engage third party service providers to take part in some of the projects, such as those that require special equipment or when the Group considers that it is more cost-effective to deploy third party service providers. Projects that involve third party service providers mainly include those which require periodic or infrequent services, such as external wall and window cleaning, water tank cleaning and grease trap cleaning, or projects which demand additional quantity of labour and equipment on an ad-hoc basis. For the years ended 30 June 2014, 2015 and 2016, fees charged by these third party service providers amounted to approximately HK$59.0 million, HK$48.8 million and HK$71.7 million, respectively, representing approximately 35.5%, 27.3% and 29.7% of the total cost of services. The Group expects to continue to rely on these third party service providers. However, the Group has not entered into long-term contracts with third party service providers and the third party service providers have no obligations to provide services exclusively to the Group. If the Group fails to maintain good relationship with them or retain them at costs favourable to the Group, the operations and financial results may be adversely affected.

The Group has experienced high turnover rate of the operation team and the operation could be adversely affected by difficulties in recruiting and retaining sufficient workforce to meet the needs

As the environmental services industry is a labour-intensive industry, the Group believes that success depends in part upon the ability to attract, retain and motivate a sufficient number of suitable staff for the operation team and to maintain a stable team of operational workforce to deliver consistent and quality services to the customers. There is no assurance that the supply of skilled labour and the average labour costs will remain stable. Suitable workforce in service-oriented industry, such as the cleaning industry, is in short supply and competition for workers is intense. This exacerbated after the implementation of statutory minimum wage as workers have more choices, such as security guards, which may drive workers away from the cleaning industry. If the Group is unable to maintain the stability of the staff or retain sufficient number of staff members to perform the service contracts or fill the vacancies with suitable staff or services from suitable third party service providers, the quality of services, operation and financial results would be adversely affected. In addition, some of the contracts stipulate the minimum number of staff members and/or service quality required, in the event of labour shortage and/or the service is not accepted by the customers, the customers may be entitled to deduct payment and/or terminate the service contracts. There is no assurance that the Group can provide service quality up to the customers' standard or if the Group can hire and provide the number of contracted staff under the cost estimate. If any of the above happens, the Group's operations and profitability may be adversely affected.

If the statutory minimum wage will be adjusted upwards, the increases in labour costs may adversely affect the profitability

The business operations are labour intensive and the operations in Hong Kong are required to comply with the statutory minimum wage requirements, which came into force on 1 May 2011 and subsequently increased on 1 May 2013 and 1 May 2015 to current rate of HK$32.5 per hour. The cost of services has inevitably increased which caused pressure for the Group to maintain an attractive gross profit margin. There is no assurance that the statutory minimum wage will be adjusted in line with the rate of the previous increment or at the similar time interval. If the Group fails to divert the statutory minimum wage increment to the tender price and/or if the statutory minimum wage is adjusted earlier than expected, the Group could incur costs and even losses that could materially and adversely affect the business, financial conditions and results of operations.

Risk relating to the Rights Issue

Under the Underwriting Agreement, the Underwriter is entitled to terminate its obligations by giving notice in writing to the Company upon the occurrence of any of the events stated in the section headed "Termination of the Underwriting Agreement" in this Prospectus on or before the Latest Time for Termination. Should the Rights Issue proceed as intended, the shareholding interest of the existing Shareholders in the Company will be diluted if they do not or cannot subscribe for the Rights Shares which they are entitled to.

Additional risks and uncertainties not presently known to the Directors, or not expressed or implied above, or the Directors currently deem immaterial, may also adversely affect the Group's business, operating results and financial condition in a material aspect.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

Apart from the fund raising activities mentioned below, the Company had not raised any other funds in the past 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Fund raising activity	Net proceeds raised	Proposed use of the net proceeds	Actual use of the net proceeds
21 May 2016	Placing of 300,000,000 new Shares	HK$24.75 million	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	As to (i) approximately HK$5 million for the general working capital; (ii) HK$15 million for the provision of financial assistance under the money lending business; and (iii) HK$4.75 million was utilized as fixed deposit for the performance bond under several environmental service contracts for the environmental and cleaning services business

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board
PPS International (Holdings) Limited
Ye Jingyuan
Chief Executive Officer and Executive Director

1. FINANCIAL INFORMATION OF THE COMPANY

The financial information of the Group for each of the three financial years ended 30 June 2014, 2015 and 2016 were disclosed in the annual reports of the Company for the years ended 30 June 2014 (pages 44 to 127), 30 June 2015 (pages 53 to 155) and 30 June 2016 (pages 66 to 183). The aforementioned financial information of the Group has been published on both the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.hkpps.com.hk).

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 November 2016, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the Group had the following indebtedness.

Borrowings

	As at 30 November 2016 *HK$'000*
Current liabilities	
Obligations under financial leases (Secured)	419
Other borrowings (Unsecured and unguaranteed)	2,477
	2,896
Non-current liabilities	
Obligations under financial leases (Secured)	845
Bond (Unsecured and unguaranteed)	9,382
	10,227
Total borrowings	13,123

Contingent liabilities

(i) Performance bond

As at 30 November 2016, the Group had bankers' guarantees of approximately HK$10,916,000 on performance bonds issued for due performance under several environmental service contracts.

As at 30 November 2016, the Group had fixed deposits of approximately HK$7,166,000 which were pledged to banks as security for (i) bank facilities of approximately HK$14,009,000 granted to the Group; and (ii) bankers' guarantees on performance bonds issued.

The effective period of performance bonds is based on the service period and the contract terms as specified in these several environmental service contracts. The performance bonds may be claimed by customers if services rendered by the Group fail to meet the standards as specified in these environment service contracts.

(ii) Litigations

(a) Litigations

During the reporting period, the Group may from time to time be involved in litigations concerning personal injuries by its employees or third party claimants. In the opinion of the Directors, the Group had no any significant contingent liabilities arising from these litigations as all potential claims made by these employees and third party claimants are accounted for in the consolidated financial statements and covered by insurance protection.

(b) Litigation – Shareholders complaints

Reference is made to the Company's announcements dated 9 December 2015, 24 December 2015, 30 December 2015, 4 February 2016, 16 February 2016, 1 March 2016, 12 April 2016, 10 May 2016 and 20 May 2016 (the "Announcements") relating to the updates on the legal proceedings in the Cayman Islands. Unless stated otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

On 11 April 2016 Cayman time, the Cayman Court has made the following orders:

(a.) The Petition for the winding up of the Company (the "Petition") be struck out as an abuse of the process;

(b.) The Petitioner shall pay the Company's costs of the Petition, such costs to be taxed, if not agreed, on the standard basis in respect of costs incurred up to 5 February 2016 and on the indemnity basis in respect of costs incurred thereafter.

The Cayman Court has also made an Injunction Order on 11 April 2016 Cayman time on, among others, the following terms:

(a.) The Petitioner, be restrained, by himself, his servants or agents or otherwise disposing of or dealing with his shares in the Company, whether registered in his own name or held in name of a CCASS Participant or any other nominee, and whether by means of sale, gift, mortgage, charge, loan, or otherwise howsoever, pending the payment of the full amount due to the Company under the Order for Costs.

(b.) The injunction contained in Paragraph 1 of the Injunction Order shall cease to have any effect in the event that the Petitioner has paid the sum of US$675,000 (or such lesser amount as may be agreed with the Company) into Court pending taxation of the Company's bill of costs.

(c.) The Petitioner shall have liberty to apply to vary or discharge the Injunction Order upon giving not less than 48 hours prior notice to the Company's attorneys.

On 9 May 2016 and 20 May 2016, the Company has successfully obtained an injunction order from the High Court of Hong Kong on an ex parte basis against Mr. Zhao Han, among others, that he must not remove from Hong Kong, dispose of or deal with or diminish the value of any of his assets which are within Hong Kong, up to the value of US$675,000 (HK$5,265,000). Such prohibition includes the shares in the Company held by Mr. Zhao Han in his name or through licensed securities dealers.

The Company is currently seeking legal advice and will take steps to recover the costs of the proceedings. Further announcement(s) will be made by the Company on the progress of the above matters as and when appropriate.

Disclaimer

Save as aforesaid and apart from intra-group liabilities, at the close of business on 30 November 2016, the Group had no other outstanding mortgages, charges, debentures or other loan capital or bank overdrafts or loans or other similar indebtedness, liabilities under acceptance credits, hire purchase commitments, debt securities, guarantees or other contingent liabilities.

Save as aforesaid, the Directors confirm that except for an addition of HK$4.75 million used as pledged bank deposits for the performance bonds of the Group, there has been no material change to the indebtedness and contingent liabilities of the Group since 30 November 2016 and up to the Latest Practicable Date.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account the internal financial resources presently available to the Group and the expected proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements that is for at least the next twelve months following the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As the Latest Practicable Date, the Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 30 June 2016 (being the date to which the latest published audited financial statements of the Group were made up).

5. FINANCIAL AND BUSINESS PROSPECTS

Environmental and Cleaning Services in Hong Kong

The Group was successful in renewing and securing a number of new material representative environmental services contracts, and the Group believes that these contracts shall be used as the backbone to support the Group's business growth. The Group has secured several new contracts in the transportation sector in which the Group provides 24-hour environmental and cleaning services. As such, the Group has demonstrated its ability to provide large scale environmental services, and the Group has also strengthened its reputation as one of the largest environmental services provider in Hong Kong. The Group would continue to enhance the quality of services by providing training to its front line staff.

Labor market competition has intensified with the implementation of the Statutory Minimum Wage (the "SMW") in Hong Kong. The SMW is set to be reviewed every two years and the Group expects the SMW shall be reviewed and adjusted upwards in May 2017. The Group is facing higher labor turnover rate in the environmental services industry as more labor tend to work in other less laborious industries such as the security guard service industry under the same SMW rate. To offset the increase in labor costs, the Group is striving to transfer most of the increased labor costs to its customers. The Group is closely monitoring the labor turnover rate and regularly reviews its remuneration package in order to maintain sufficient labor force and cope with the changing environment.

For the three months ended 30 September 2016, the revenue from the environmental and cleaning services business in Hong Kong was approximately HK$64 million, an increase of HK$3.9 million compared to the corresponding period in 2015, and the increase was mainly due to (i) additional contracts secured in the transportation sector including a toilet cleaning contract at the airport of Hong Kong, a bus and bus depot cleaning and fuel refilling contract, as well as the provision of cabin dressing in which the Group provides the cleaning and restocking bathroom and seat amenities for one of the largest airline operators in Hong Kong; (ii) commencement of several new contracts in the commercial and residential sector in which the Company provides public and tenanted area cleaning services; (iii) provision of overnight public area cleaning service in a hotel above Kowloon station; and (iv) regular price increment for its tenanted services contracts.

The Group has taken a more proactive approach to gain additional market share in the environmental and cleaning services industry in Hong Kong and also achieved net profit of approximately HK$2.3 million (three months ended 30 September 2015: approximately HK$1.7 million) for the three months period ended 30 September 2016.

Looking forward, the Group would strengthen its marketing effort in hope to expand its market shares in the commercial and transportation sectors and continue to consolidate its resources to focus on high value customers to bring in additional revenue by cross-selling other cleaning and waste management services to its existing customers. The Group believes this strategy may not only improve its revenue per customer but also increase its profit margin as the Group could leverage its existing manpower to perform services at location where the Group already has presence. The Group would explore other new environmental and cleaning services to expand its service scope to enable customers to use the Group as a one-stop cleaning contractor. The Group would continue to streamline our operations in order to simplify and improve its operation efficiency. The Group believes that its success in the transportation sector will further build up the confident for new clients to select the Group's cleaning services in the coming future.

Environmental and Cleaning Services in Shanghai, the PRC

During the three months ended 30 September 2016, the environmental and cleaning services in Shanghai conducted by Shanghai PPS Sheng Mao Cleaning Services Company Limited ("**PPS Shanghai**") contributed revenue of approximately HK$1.5 million. As certain selling and marketing expenses and office renovation expenses were incurred by PPS Shanghai to promote the company and set up the office, PPS Shanghai has recorded slight losses during the three months period ended 30 September 2016.

With the extensive business network and operating experience possessed by the existing management of PPS Shanghai, the additional capital injection made by the Group and the management and operating skills provided by the Group, PPS Shanghai is expanding as expected, PPS Shanghai has secured several new contracts since the completion of the acquisition. PPS Shanghai will implement the same quality control and training program as the same in Hong Kong, it is expected the quality of service provided by PPS Shanghai will further be improved. The management of PPS Shanghai will also refine its marketing strategies in order to attract more new customers to utilize its cleaning services. Through the acquisition of PPS Shanghai, it is believed that the Group would accelerate its expansion of the environmental and cleaning services into the PRC.

The Company will apply part of the proceeds from the Rights Issue in setting up a head office in Shenzhen and other branches in other PRC regions to capture the opportunity in the PRC and increase its market presence.

Auto Beauty Services

During the three months ended 30 September 2016, this business segment contributed revenue of approximately HK$1.7 million. Due to early termination by landlords of parking lots leases where the Group operated auto beauty centres and closure of the loss-making centres, the total number of auto beauty centres operated at car parking facilities under the brand name "E-Car" reduced from 8 auto beauty centres at the acquisition date on 31 March 2015 to 6 auto beauty centres as at 30 September 2016. As of 30 September 2016, the Group operated 4 car parking facilities and 2 ground floor shops. With the fierce competition from other competitors, this business still has not achieved positive results since the date of completion of the acquisition. Having considered the deteriorating performance of the business in the auto beauty services, on 11 January 2017, the Company entered into a disposal agreement with an independent third party to dispose of the entire issued share capital of Elite Car Services Limited. The completion of the disposal agreement took place on the even date and thereafter the business in the auto beauty services ceased to be a business of the Group.

Property and Car Park Management Services

During the three months ended 30 September 2016, the property and car park management services recorded revenue of approximately HK$4.2 million and contributed approximately HK$0.9 million of profit before tax to the Group's total profit before tax. The property and car park management service has not been performing as expected and its contribution is minimal, the Group will not rule out the possibility to dispose this business when opportunities arise. As at the Latest Practicable Date, the Board is in discussion with potential independent third parties for the disposal and no definite understanding or agreement has been entered into. The Company will make announcement in compliance with the GEM Listing Rule if the transaction materialize.

It is believed the disposal of the property and car park management services business will not have significant adverse effect on the business of the Group.

Investments in Financial Assets

The Group's financial assets at fair value through profit or loss of approximately HK$11.7 million as at 30 September 2016 represented the investments in the shares of the companies listed on the Stock Exchange. At the Latest Practicable Date, all the Group's financial assets at fair value through profit or loss at 30 September 2016 were disposed of and a realised gain of approximately HK$0.1 million on such disposals was recognized by the Group during the three months ended 31 December 2016.

A cautious and prudent approach will continue to be the key direction of the Group's investment strategies that only companies listed on the Stock Exchange with valuable prospectus would be considered and invested by the Group in the future.

Money Lending Business

The Group has obtained money lender license under the Money Lenders Ordinance and has commenced to grant loans to borrowers since December 2016. The management believes the money lending business will contribute a stable source of income to the Group and benefit all the Shareholders.

As at the Latest Practicable Date, the Group is considering and assessing a number of loan applications from independent third party borrowers. The Company is confident that this business will continue to broaden the source of income of the Group, therefore part of the proceeds from the Right Issues will be applied towards developing and expanding this business segment.

As at the Latest Practicable Date, save as disclosed above, the Company has no intention to dispose of or downsize its existing principal businesses in (i) the provision of environment services; and (ii) the money lending business.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company (the "**Unaudited Pro Forma Financial Information**") which has been prepared in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effect of the Rights Issue on the consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had taken place on 30 June 2016.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2016, as extracted from the published annual report of the Company for the year ended 30 June 2016, and is adjusted for the effect of the Rights Issue.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors, and because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future dates; or be indicative of: (i) the financial position of the Group as at 30 June 2016 or any future date; or (ii) the consolidated net tangible assets per Share attributable to owners of the Company as at 30 June 2016 or any future date.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2016	**Add: Estimated net proceeds from the Rights Issue**	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2016**	**Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company after completion of the Rights Issue**
	HK$'000	*HK$'000*	*HK$'000*	*HK$*
	(Note 1)	*(Note 2)*		*(Note 3)*
Based on 900,000,000 Rights Shares to be issued at Subscription Price of HK$0.054 per Rights Share	73,721	47,004	120,725	0.0447

Notes:

1. The audited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2016 of approximately HK$73,721,000 has been arrived at based on the equity attributable to owners of the Company of approximately HK$118,683,000 as adjusted to exclude the goodwill and

intangible assets of approximately HK$43,679,000 and HK$1,283,000 respectively, as shown on the audited consolidated statement of financial position of the Group as at 30 June 2016 as extracted from the published annual report of the Company for the year ended 30 June 2016.

2. The estimated net proceeds from the Rights Issue has been arrived at as follows:

	HK$'000
Estimated gross proceeds from the Rights Issue from the issue of 900,000,000 Rights Shares at the Subscription Price of HK$0.054 per Rights Share	48,600
Less: Estimated expenses in relation to the Rights Issue	(1,596)
Estimated net proceeds from the Rights Issue for the purpose of presentation of this Unaudited Pro Forma Financial Information	47,004

3. The number of shares used for the calculation of unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company after completion of the Rights Issue is calculated based on 1,800,000,000 Shares and the 900,000,000 Rights Shares to be issued pursuant to the Rights Issue.

4. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2016.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

The following is the text of a report, prepared for the purpose of inclusion in this Prospectus, received from the Company's reporting accountants, Elite Partners CPA Limited.

開元信德會計師事務所有限公司
ELITE PARTNERS CPA LIMITED
Certified Public Accountants

The Board of Directors
PPS International (Holdings) Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of PPS International (Holdings) Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the pro forma adjusted consolidated net tangible assets as at 30 June 2016 as set out on pages II-1 to II-2 of the prospectus issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described on section A of Appendix II of this prospectus.

The unaudited pro forma financial information has been compiled by the directors to illustrate the impact of the Rights Issue on the Group's net tangible assets as at 30 June 2016 as if the transaction had been taken place at 30 June 2016. As part of this process, information about the Group's net tangible assets has been extracted by the directors from the Group's published audited consolidated financial statements as included in the annual report for the year ended 30 June 2016.

Directors' Responsibility for the unaudited Pro Forma Financial Information

The directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 13 of Appendix 1B and paragraph 31 of Chapter 7 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock exchange of Hong Kong Limited (the "GEM Listing Rules") and with reference to Accounting Guideline ("AG") 7 "Preparation of Pro Forma Financial lnformation for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 31(7) of Chapter 7 of the GEM Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the unaudited pro forma financial information in accordance with paragraph 31 of Chapter 7 of the GEM Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2016 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on tile basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information,

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the Right Issues, the application of those net proceeds, or whether such use will actually take place as described under "Reasons for the Right Issues and use of proceeds" set out on page 22 to page 23 of this prospectus.

Opinion

In our opinion:

(a) the unaudited pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Listing Rules.

Yours faithfully,

Elite Partners CPA Limited
Certified Public Accountant
Hong Kong, 20 January 2017

Siu Jimmy
Practising Certificate Number: P05898

1. RESPONSIBILITY STATEMENT

This Prospectus, 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 regarding the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus 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 prospectus misleading.

2. SHARE CAPITAL

(i) The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following the completion of the Rights Issue were/will be as follows:

(a) As at the Latest Practicable Date

Authorised:		*HK$*
100,000,000,000	Shares of HK$0.001 each	100,000,000

Issued and fully paid or credited as fully paid:		*HK$*
1,800,000,000	Shares of HK$0.001 each	1,800,000

(b) Immediately following completion of the Rights Issue

Authorised:		*HK$*
100,000,000,000	Shares of HK$0.001 each	100,000,000

Issued and fully paid or credited as fully paid:		*HK$*
1,800,000,000	Shares of HK$0.001 each in issue as at the Record Date	1,800,000
900,000,000	Rights Shares to be allotted and issued under the Rights Issue	900,000
2,700,000,000	Shares of HK$0.001 each in issue upon completion of the Rights Issue	2,700,000

All the Shares in issue rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and return of capital. The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue, including the right to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

No part of the share capital or any other securities of the Company has been listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares and rights to subscribe for, convert or exchange into Shares.

As at the Latest Practicable Date, there was no arrangement under which future dividends were waived or agreed to be waived.

3. DISCLOSURE OF INTEREST

(a) Directors' and chief executive's interests in the Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules;

Name of Shareholder	Capacity	Total number of Shares	Approximate percentage of total issued share capital of the Company as at the Latest Practicable Date
Mui Fong	Interest of spouse *(Note 1)*	648,141,000	36.01

(b) Substantial shareholders and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any other member of the Group:

Aggregate long positions in the Shares or underlying Shares

Name of Shareholder	Capacity	Total number of Shares	Approximate percentage of total issued share capital of the Company as at the Latest Practicable Date
Yu Weiye	Beneficial owner *(Note 1)*	378,976,000	21.05
	Interest of controlled corporation *(Note 1)*	269,165,000	14.95
Lamtex Securities Limited *(Note 2)*	Other	575,929,500	32.00
Chung Kam Lau	Beneficial owner	113,410,000	6.30

Notes:

1. Mr. Yu Weiye beneficially owned 648,141,000 Shares, of which 269,165,000 Shares were owned by Wui Wo Enterprise Limited, a company wholly owned by Mr. Yu Weiye. Ms. Mui Fong is the wife of Mr. Yu Weiye. Ms. Mui Fung is deemed to be interested in 648,141,000 Shares held by Mr. Yu Weiye in accordance with the SFO.

2. The 575,929,500 Shares represent the number of the Underwritten Shares that Lamtex Securities Limited has agreed to underwrite pursuant to the Underwriting Agreement.

Save as disclosed above and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

4. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors or substantial Shareholders or any of their respective close associates (as defined in the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group nor does any of them has or may have any other conflicts of interest with the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

6. INTERESTS IN CONTRACTS AND ASSETS OF THE COMPANY

As at the Latest Practicable Date, none of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to member of the Group since 30 June 2016, being the date to which the latest published audited consolidated financial statements of the Group were made up.

None of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

7. LITIGATION

(a) Litigations

During the reporting period, the Group may from time to time be involved in litigations concerning personal injuries by its employees or third party claimants. In the opinion of the Directors, the Group had no any significant contingent liabilities arising from these litigations as all potential claims made by these employees and third party claimants are accounted for in the consolidated financial statements and covered by insurance protection.

(b) Litigation – Shareholders complaints

Reference is made to the Company's announcements dated 9 December 2015, 24 December 2015, 30 December 2015, 4 February 2016, 16 February 2016, 1 March 2016, 12 April 2016, 10 May 2016 and 20 May 2016 (the "Announcements") relating to the updates on the legal proceedings in the Cayman Islands. Unless stated otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

On 11 April 2016 Cayman time, the Cayman Court has made the following orders:

(a.) The Petition for the winding up of the Company ("the Petition") be struck out as an abuse of the process;

(b.) The Petitioner shall pay the Company's costs of the Petition, such costs to be taxed, if not agreed, on the standard basis in respect of costs incurred up to 5 February 2016 and on the indemnity basis in respect of costs incurred thereafter.

The Cayman Court has also made an Injunction Order on 11 April 2016 Cayman time on, among others, the following terms:

(a.) The Petitioner, be restrained, by himself, his servants or agents or otherwise disposing of or dealing with his shares in the Company, whether registered in his own name or held in name of a CCASS Participant or any other nominee, and whether by means of sale, gift, mortgage, charge, loan, or otherwise howsoever, pending the payment of the full amount due to the Company under the Order for Costs.

(b.) The injunction contained in Paragraph 1 of the Injunction Order shall cease to have any effect in the event that the Petitioner has paid the sum of US$675,000 (or such lesser amount as may be agreed with the Company) into Court pending taxation of the Company's bill of costs.

(c.) The Petitioner shall have liberty to apply to vary or discharge the Injunction Order upon giving not less than 48 hours prior notice to the Company's attorneys.

On 9 May 2016 and 20 May 2016, the Company has successfully obtained an injunction order from the High Court of Hong Kong on an ex parte basis against Mr. Zhao Han, among others, that he must not remove from Hong Kong, dispose of or deal with or diminish the value of any of his assets which are within Hong Kong, up to the value of US$675,000 (HK$5,265,000). Such prohibition includes the shares in the Company held by Mr. Zhao Han in his name or through licensed securities dealers.

The Company is currently seeking legal advice and will take steps to recover the costs of the proceedings. Further announcement(s) will be made by the Company on the progress of the above matters as and when appropriate.

Save as disclosed above, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially and adversely affect the operations of the Company and no litigation, arbitration or claims which would materially and adversely affect the operations of the Company was known to the Directors to be pending or threatened by or against any members of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) were entered into by the members of the Group during two years preceding the date of this Prospectus which are or may be material:

(a) the agreement for sale and purchase dated 10 March 2015 entered into between Go Million Limited, a wholly owned subsidiary of the Company, and Ms. Shek Shuk Wah, Abby in relation to the acquisition of the entire issued share capital and sale loan of Elite Car Services Limited at the consideration of HK$5,000,000;

(b) the subscription agreement dated 21 May 2015 entered into between Shanghai Guangfu Cleaning Services Co., Ltd. and Viva Hero Management Limited, a wholly owned subsidiary of the Company, in relation to the subscription of 51% shareholding in 上海光富保潔服務有限公司 (Shanghai Guangfu Cleaning Services Co., Ltd.*) at the consideration of RMB10,408,163;

(c) the shareholder's loan agreement dated 21 May 2015 entered into between Shanghai Guangfu Cleaning Services Co., Ltd. and Viva Hero Management Limited, a wholly owned subsidiary of the Company, in relation to the making of a shareholder's loan of RMB9,591,837 to 上海光富保潔服務有限公司 (Shanghai Guangfu Cleaning Services Co., Ltd.*);

(d) the shareholders' agreement dated 21 May 2015 entered into among 上海光富保潔服務有限公司 (Shanghai Guangfu Cleaning Services Co., Ltd.*), 郭平 (Guo Ping*), 瞿勝 (Qu Sheng*) and Viva Hero Management Limited, a wholly owned subsidiary of the Company, in relation to regulating the rights amongst 郭平 (Guo Ping*), 瞿勝 (Qu Sheng*) and Viva Hero Management Limited in 上海光富保潔服務有限公司 (Shanghai Guangfu Cleaning Services Co., Ltd.*);

(e) the underwriting agreement dated 6 November 2015 entered into between the Company and Orient Securities Limited in relation to a proposed issue by the Company by way of open offer to the qualifying Shareholders on the basis of one (1) offer share for every two (2) existing shares of the Company (with the then nominal value of HK$0.0001 each) held by the qualifying Shareholders at a subscription price of HK$0.013 per offer share;

(f) the memorandum of undertaking dated 2 March 2016 entered into between Sharp Team Global Limited, a wholly owned subsidiary of the Company, and China Eastern Clean Energy Investment Corporation in relation to the proposed acquisition of 營口同方能源技術有限公司 (Yingkou Tongfang Energy Technology Co., Limited*);

* *for identification purpose only*

(g) the equity transfer agreement dated 7 March 2016 entered into among PPS Environmental Services Limited, a wholly owned subsidiary of the Company, 路懿 (Lu Yi*) and 顏滬玲 (Yan Huling*) in relation to the acquisition of 51% equity interest in 上海寶聯盛懋保潔服務有限公司 (Shanghai PPS Sheng Mao Cleaning Services Company Limited*) (formerly known as 上海盛懋保潔服務有限公司 (Shanghai Sheng Mao Cleaning Services Company Limited*)) at the total consideration of RMB2,500,000;

(h) the capital injection agreement dated 7 March 2016 entered into between PPS Environmental Services Limited, a wholly owned subsidiary of the Company, and 路懿 (Lu Yi*) in relation to the increase in registered capital of 上海寶聯盛懋保潔服務有限公司 (Shanghai PPS Sheng Mao Cleaning Services Company Limited*) (formerly known as 上海盛懋保潔服務有限公司 (Shanghai Sheng Mao Cleaning Services Company Limited*)) from RMB1,000,000 to RMB10,000,000 and the capital injection of an aggregate amount of RMB9,000,000 to 上海寶聯盛懋保潔服務有限公司 (Shanghai PPS Sheng Mao Cleaning Services Company Limited*) (formerly known as 上海盛懋保潔服務有限公司 (Shanghai Sheng Mao Cleaning Services Company Limited*));

(i) the shareholders agreement dated 7 March 2016 entered into between PPS Environmental Services Limited, a wholly owned subsidiary of the Company, and 路懿 (Lu Yi*) in relation to regulating the rights amongst PPS Environmental Services Limited and 路懿 (Lu Yi*) in 上海寶聯盛懋保潔服務有限公司 (Shanghai PPS Sheng Mao Cleaning Services Company Limited*) (formerly known as 上海盛懋保潔服務有限公司 (Shanghai Sheng Mao Cleaning Services Company Limited*));

(j) the agreement for sale and purchase dated 11 April 2016 entered into among the Company, Sky Hero Holdings Limited and Ms. Ding Pingying in relation to the acquisition of the entire issued share capital of Logon Clean Energy Group Limited at the consideration of HK$30,900,000;

(k) the placing agreement dated 21 May 2016 entered into between the Company and a placing agent, pursuant to which the Company agreed to place, through the placing agent, on a best effort basis, a maximum of 300,000,000 new Shares to not less than six placees at a price of HK$0.085 per Share;

(l) the acquisition agreement dated 8 June 2016 entered into among Opulent Wise Global Limited, a wholly owned subsidiary of the Company, China Eastern Clean Energy Investment Corporation, Mr. Chu Haitao and Mr. Chu Haidong in relation to the proposed acquisition of 40% equity interest of China Eastern Clean Energy Corporation at the consideration of HK$81,000,000, which was terminated on 16 August 2016;

* *for identification purpose only*

(m) the loan agreement dated 12 December 2016, entered into between Profit Management Limited as lender and China Force Enterprises Inc. as borrower, in relation to the provision of financial assistance of HK$15,000,000 for a term of 6 months;

(n) the subscription agreement dated 12 December 2016 entered into among the Company as subscriber, Billionton Technology Group Limited and Mr. Wu Shangjun, in relation to the subscription of 222,222,222 shares of Billionton Technology Group Limited, representing approximately 11.11% of the existing share capital of Billionton Technology Group Limited at the total consideration of HK$15,000,000, which was terminated on 3 January 2017;

(o) the agreement of sale and purchase dated 11 January 2017 entered into between Go Million Limited as vendor, Truth Investments Limited as purchaser and the Company as guarantor, in relation to the sale of the entire issued shares in Elite Car Services Limited and the shareholder's loan at a nominal consideration of HK$1;

(p) the loan agreement dated 12 January 2017, entered into between Profit Management Limited as lender and China Force Enterprises Inc. as borrower, in relation to the provision of financial assistance of HK$10,000,000 for a term of 6 months; and

(q) the Underwriting Agreement.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice which are contained in this prospectus:

Name	Qualification
Elite Partners CPA Limited ("**Elite Partners**")	Certified Public Accountants

Elite Partners has given, and has not withdrawn, its written consent to the issue of this prospectus with the inclusion of its report and reference to its name, as the case may be, in the form and context in which it appears.

As at the Latest Practicable Date, Elite Partners did not have any direct or indirect shareholding interest in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities of any member of the Group.

As at the Latest Practicable Date, Elite Partners did not have any direct or indirect interest in any assets which have been acquired, disposed of or leased to or which are proposed to be acquired, disposed of by or leased to any member of the Group, respectively, since 30 June 2016, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

Set out below are the information of the Directors who are also the senior management of the Group.

Name	**Business Address**
Executive Directors	
Mr. Ye Jingyuan	24/F, SUP Tower, 75-83 King's Road, North Point, Hong Kong
Mr. Yu Shaoheng	24/F, SUP Tower, 75-83 King's Road, North Point, Hong Kong
Ms. Mui Fong	24/F, SUP Tower, 75-83 King's Road, North Point, Hong Kong
Independent non-executive Directors	
Mr. Chui Chi Yun Robert	24/F, SUP Tower, 75-83 King's Road, North Point, Hong Kong
Mr. Kwong Tsz Ching Jack	24/F, SUP Tower, 75-83 King's Road, North Point, Hong Kong
Mr. Yu Xiufeng	24/F, SUP Tower, 75-83 King's Road, North Point, Hong Kong

Executive Directors

Mr. Ye Jingyuan, aged 34, was appointed as chief executive officer and executive Director on 20 June 2016. Mr. Ye holds a Bachelor's degree in Mathematics, Operational Research, Statistics and Economics from University of Warwick, United Kingdom in 2005 and a Master's degree in Applied Statistics from University of Oxford, United Kingdom in 2006. He is a chartered financial analyst of the Chartered Financial Analyst Institute. During the period from November 2007 to June 2016, he was served as a vice president at Bank of America Merrill Lynch, London. From August 2006 to October 2007, he was served as an associate accountant at Ernst & Young LLP, London. He has extensive experience in private and public equity transactions, risk and portfolio managements.

Mr. Yu Shaoheng (余紹亨), aged 32, was appointed as an executive Director on 28 October 2016. Mr. Yu served as non-executive director of China New Energy Power Group Limited (中國新能源動力集團有限公司) (now known as Lamtex Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1041) from 14 March 2016 to 30 August 2016. He is currently the chairman of 陝西亨澤實業有限公司 (Shaanxi Hengze Industrial Corporation Limited*), which is principally engaged in investment in and development of energy, mining, environmental-preservation, real estate, and tourism businesses. Furthermore, he is a supervisor of 烏蘭察布市科潔燃氣有限責任公司 (Ulaanchab Kejie Gas Limited Liability Company*), a company which China National Petroleum Corporation (中國石油天然氣集團公司) has indirect interest in it, which principally engaged in (i) construction and re-construction of city gas infrastructures; (ii) design and engineering of expansion work and related installation and development management; (iii) transportation, sale, provision of aftersale service, research and development of technologies and provision of consultancy service in relation to city gas; (iv) construction and operation of various types of gas station; (v) sale of petroleum and natural gas related equipment; and (vi) construction, operation management of compressed natural gas projects. Both Mr. Yu Shaoheng and 烏蘭察布市科潔燃氣有限公司 (Ulaanchab Kejie Gas Limited Liability Company*) have been members of the China Gas Association (中國城市燃氣協會).

Ms. Mui Fong (梅芳), aged 45, was appointed as an executive Director on 28 October 2016. Ms. Mui had served as a chief financial officer and general manager of 華宇房地產開發有限公司 (Huayu Real Estate Development Co., Ltd*) from 1 January 2008 to 1 July 2016. Furthermore, she had also served as vice executive director of 深圳市易理集團有限公司 (Shenzhen Yi Li Group Co., Ltd*) from 1 January 2008 to 1 July 2016.

Independent non-executive Directors

Mr. Chui Chi Yun Robert, aged 59, was appointed as an independent non-executive Director on 16 June 2015. Mr. Chui is a practising Certified Public Accountant in Hong Kong and has worked in the accounting industry for 35 years. He has obtained a Bachelor's degree in Commerce (Major in Accounting) from Concordia University and is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom. Mr. Chui is an independent non-executive director of each of Tse Sui Luen Jewellery (International) Limited (stock code: 417), National Arts Entertainment and Culture Group Limited (stock code: 8228), Wing Lee Property Investments Limited (Stock Code: 864), Aurum Pacific (China) Group Limited (stock code: 8148) and is a non-executive director of Addchance Holdings Limited (stock code: 3344), all of which are listed on the Stock Exchange. He is currently the Commissioner of the Hong Kong Road Safety Patrol and a member of the Road Safety Campaign Committee of the Road Safety Council. He is also a director of a number of private companies and associations.

Mr. Kwong Tsz Ching Jack, aged 33, was appointed as an independent non-executive Director with effect from 25 April 2016. Mr. Kwong received his degree of Master of Laws in commercial and corporate law from King's College London, United Kingdom in November 2006 and his Postgraduate Certificate in Laws and degree of Bachelor of Laws from City University of Hong Kong in July 2005 and November 2004 respectively. Mr. Kwong was admitted to practise as a solicitor in Hong Kong in October 2008. Mr. Kwong is practising in Hong Kong and is currently an associate of a firm of solicitors in Hong Kong.

Mr. Yu Xiufeng, aged 52, was appointed as an independent non-executive Director with effect from 16 December 2016. Mr. Yu obtained a bachelor degree in laws from Jilin University in July 1988, a master degree in laws from Jilin University in December 1994 and a doctorate degree in laws from Jilin University in August 1998. Mr. Yu served as an assistant to the general manager of 吉林省國際信託投資公司 (Jilin Province International Trust Co., Ltd.*) from January 1995 to July 1995. Mr. Yu engaged in postdoctorate research on applied economics in Jilin University from April 2003 to July 2007. Mr. Yu has been serving as a practicing lawyer of 北京德恒(深圳)律師事務所 (Beijing De Heng (Shenzhen) Law Office*) for providing legal services to certain significant projects of the government and various listed companies from May 2002 to present. He was once the author of several books relating to commerce and criminal law proceeding and served for certain governmental organisations, including the legal consultant for the fifth session of 深圳市人大常委會 (Standing Committee of the National People's Congress in Shenzhen*), a deputy to the fourth, the fifth and the sixth session of 深圳市人民代表大會 (National People's Congress in Shenzhen*), a member of the fourth, the fifth and the sixth session of 深圳市人大常委會法制委員會 (Organic Laws and Statutes Committee of National People's Congress in Shenzhen*), and an arbitrator of 中國國際經濟貿易仲裁委員會 (China International Economic and Trade Arbitration Commission*), 華南國際經濟貿易仲裁委員會 (South China International Economic and Trade Arbitration Commission*) as well as 深圳仲裁委員會 (Shenzhen Arbitration Commission*).

11. CORPORATE INFORMATION

Board of Directors	*Executive Directors* Mr. Ye Jingyuan *(Chairman)* Mr. Yu Shaoheng Ms. Mui Fong *Independent non-executive Directors* Mr. Chui Chi Yun Robert Mr. Kwong Tsz Ching Jack Mr. Yu Xiufeng *Audit Committee* Mr. Chui Chi Yun Robert *(Chairman)* Mr. Kwong Tsz Ching Jack Mr. Yu Xiufeng *Remuneration Committee* Mr. Chui Chi Yun Robert *(Chairman)* Mr. Ye Jingyuan Mr. Kwong Tsz Ching Jack Mr. Yu Xiufeng *Nomination Committee* Mr. Chui Chi Yun Robert *(Chairman)* Mr. Ye Jingyuan Mr. Kwong Tsz Ching Jack Mr. Yu Xiufeng
Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principle place of business in Hong Kong	24/F, SUP Tower, 75-83 King's Road North Point, Hong Kong
Company secretary	Mr. Chan Woon Wing, a member of the Hong Kong Institute of Certified Public Accountants *(HKICPA)*
Compliance officer	Mr. Chan Woon Wing
Authorised representatives	Mr. Ye Jingyuan Mr. Yu Shaoheng

Auditor	HLB Hodgson Impey Cheng Limited 31/F, Gloucester Tower The Landmark 11 Pedder street Central Hong Kong
Principal share registrar and transfer office	Codan Trust Company (Cayman) Limited Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Principal bankers	DBS Bank (Hong Kong) Limited G/F, The Centre 99 Queen's Road Central Central Hong Kong

12. PARTIES INVOLVED IN THE RIGHTS ISSUE

The Company	PPS International (Holdings) Limited 24/F, SUP Tower, 75-83 King's Road North Point, Hong Kong
Underwriter	Lamtex Securities Limited Room 2716 Star House 3 Salisbury Road Tsim Sha Tsui Hong Kong
Financial adviser to the Company	Shinco Capital Limited Room 1106, 11th Floor Office Plus@Sheung Wan 93-103 Wing Lok Street Sheung Wan Hong Kong
Legal adviser to the Company	Stevenson, Wong & Co. 4/F, 5/F & 1602, Central Tower 28 Queen's Road Central Hong Kong

Reporting accountants	Elite Partners CPA Limited 10/F, 8 Observatory Road, Tsim Sha Tsui Kowloon, Hong Kong
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong

13. AUDIT COMMITTEE

The Company established the audit committee of the Company on 28 May 2013 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and paragraph C.3.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 of the GEM Listing Rules. The primary duties of the audit committee of the Company are mainly to make recommendation to the Board on the appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee internal control procedures of the Company.

As at the Latest Practicable Date, the audit committee of the Company had three members comprising Mr. Chui Chi Yun Robert, Mr. Kwong Tsz Ching Jack and Mr. Yu Xiufeng, of whom Mr. Chui Chi Yun Robert, who has the appropriate professional qualification, has been appointed as the chairman of the audit committee of the Company.

14. EXPENSES

The expenses in connection with the Rights Issue, including the underwriting commission, printing, registration, legal and accounting fees, are estimated to be approximately HK$1.60 million and will be payable by the Company.

15. BINDING EFFECT

The Prospectus Documents and all acceptance of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (WUMP) Ordinance so far as applicable.

16. GENERAL

(a) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong. The Group will have sufficient foreign exchange, generated from the operation of its subsidiaries to pay forecasted or planned dividends and to meet its foreign exchange liabilities as they become due.

(b) As at the Latest Practicable Date, save and except for Renminbi, the Group has no exposure to foreign exchange liabilities.

17. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to in the paragraph headed "Expert and consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong).

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. on any Business Day at the principal place of business of the Company in Hong Kong at 24/F., SUP Tower, 75-83 King's Road, North Point, Hong Kong, from the date of this prospectus up to and including Tuesday, 7 February 2017:

(a) the memorandum and articles of association of the Company;

(b) the annual reports of the Company for the years ended 30 June 2015 and 2016;

(c) the report on the Unaudited Pro Forma Financial Information of the Group as set out in Appendix II of this prospectus;

(d) the material contracts referred to in the paragraph headed "Material Contracts" of this appendix;

(e) the written consent from the expert referred to in the paragraph headed "Expert and consent" of this appendix; and

(f) the Prospectus Documents.