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PPS INTERNATIONAL (HOLDINGS) LIMITED

寶聯控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8201)

**PROPOSED SHARE SUBDIVISION
AND
CHANGE OF BOARD LOT SIZE**

The Board proposes to subdivide each existing issued and unissued shares of HK\$0.01 each in the share capital of the Company into ten (10) Subdivided Shares of HK\$0.001 each. The Shares are currently traded in board lots of 4,000 Shares. Upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 10,000 Subdivided Shares.

A circular containing information regarding, among other things, details of the Share Subdivision, the trading arrangements in respect of the Subdivided Shares and the procedure for the free exchange of existing share certificates, and the notice of the EGM will be despatched to the Shareholders as soon as practicable. The EGM will be convened and held to consider and, if thought fit, to approve the Share Subdivision and the matters contemplated thereunder.

PROPOSED SHARE SUBDIVISION

The Board of Directors (“**Board**”) of PPS International (Holdings) Limited (“**Company**”) proposes to subdivide each existing issued and unissued ordinary share of HK\$0.01 (“**Share(s)**”) in the capital of the Company into ten (10) subdivided shares of HK\$0.001 each (“**Subdivided Shares**”) (“**Share Subdivision**”). Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK\$100,000,000 divided into 100,000,000,000 Subdivided Shares, of which 1,000,000,000 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares are issued or repurchased after the date of this announcement and prior to the Share Subdivision becoming effective.

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares, of which 100,000,000 shares have been issued and are fully paid or credited as fully paid.

The Shares are currently traded in the board lots of 4,000 Shares. Upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 10,000 Subdivided Shares (“**Board Lot Change**”). The Share Subdivision will not result in any odd board lots other than those which already exist.

The Subdivided Shares will rank pari passu in all respects with each other. An application will be made to The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) for the listing of, and permission to deal in, the Subdivided Shares arising from the Subdivision. All necessary

arrangements will be made for the Subdivided Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

The Share Subdivision is conditional on:

- (a) the passing by the shareholders of the Company (“**Shareholders**”) at the extraordinary general meeting (“**EGM**”) of an ordinary resolution approving the Share Subdivision; and
- (b) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares.

BOARD LOT CHANGE

Currently, the Shares are traded on the GEM in board lot size of 4,000 Shares. The Board proposes that subject to and upon the Share Subdivision becoming effective, the board lot size be changed from 4,000 Shares to 10,000 Subdivided Shares. The change of board lot size ensures that the value of each board lot of the Subdivided Shares would be more than HK\$2,000. The Board considers the Board Lot Change to be in the interests of the Company and its shareholders as a whole.

REASONS FOR THE SHARE SUBDIVISION AND CHANGE OF BOARD LOT SIZE

The proposed Share Subdivision will decrease the nominal value and trading price of the shares and increase the total number of shares in issue. The directors are of the view that the increase in number of the shares of the Company as a result of the Share Subdivision will improve the liquidity in the trading of the Subdivided Shares, thereby enabling the Company to attract more investors and broaden its Shareholders’ base.

The Board also considers that the change of board lot size will result in subdivided Shares being traded in a more reasonable board lot size and value.

Other than the expenses incurred by the Company in relation to the Share Subdivision, the Share Subdivision will not, by itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interest of the Shareholders. The Board considers the Share Subdivision to be in the interests of the Company and the Shareholders as a whole.

SHARE OPTIONS

As at the date of this announcement, the Company has not granted any share options.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Share Subdivision and the parallel trading of the new certificate and the existing certificate:

Despatch of the Circular (including the notice of the EGM)
and the related form of proxy to the Shareholders On or around Wednesday, 4 December 2013

Latest time for lodging proxy forms for the EGM ... 10:00 a.m. on Wednesday, 18 December 2013

Date and time of the EGM 10:00 a.m. on Friday, 20 December 2013

Publication of the results of the EGM Friday, 20 December 2013

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Proposed Share Subdivision” above.

Effective date of the Share Subdivision.....Monday, 23 December 2013

Dealings in the Subdivided Shares commence9:00 a.m. on Monday, 23 December 2013

Original counter for trading in Shares in board
lots of 4,000 Shares temporarily closes 9:00 a.m. on Monday, 23 December 2013

Temporary counter for trading in Subdivided
Shares in board lot size of 40,000 Subdivided Shares
(in the form of existing share certificate) opens.....9:00 a.m. on Monday, 23 December 2013

Free exchange of existing white colour certificates
for the Shares for new light green colour certificates
for the Subdivided Shares commences.....9:00 a.m. on Monday, 23 December 2013

Original counter for trading in Subdivided Shares
in board lots of 10,000 Subdivided Shares
(in the form of new share certificate) reopens.....9:00 a.m. on Thursday, 9 January 2014

Parallel trading in the Shares and Subdivided
Shares (in the form of existing share certificates
and new share certificates) commences 9:00 a.m. on Thursday, 9 January 2014

Temporary counter for trading in board
lots of 40,000 Subdivided Shares (in the
form of existing share certificate) closes 4:00 p.m. on Wednesday, 29 January 2014

Parallel trading ends 4:00 p.m. on Wednesday, 29 January 2014

Free exchange of existing white colour certificates
for the Shares for new light green colour certificates
for the Subdivided Shares ends 4:00 p.m. on Tuesday, 4 February 2014

Note: All times refer to Hong Kong local times and dates in the announcement. Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

FREE EXCHANGE OF SHARE CERTIFICATES

Arrangements will be made so that subject to the Share Subdivision becoming effective, Shareholders can submit their existing share certificates for the Shares to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong ("**Share Registrars**"), in exchange for new share certificates for the Subdivided Shares free of charge during the business hours from Monday, 23 December 2013 to Tuesday, 4 February 2014 (both dates inclusive). After the expiry of such period, existing certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificates for the Subdivided Share issued or each existing share certificate cancelled (whichever number of share certificates involved is higher). The new share certificates will be issued in light green colour in order to distinguish them from existing share certificates which are in white colour.

After Wednesday, 29 January 2014, existing share certificates for the Shares will cease to be valid for delivery, trading and settlement purpose, but will continue to be good evidence of legal title to the Subdivided Shares on the basis of one Share for 10 Subdivided Shares.

GENERAL

A circular containing information regarding, among other things, details of the Share Subdivision, the trading arrangements in respect of the Subdivided Shares and the notice convening the EGM will be despatched to the Shareholders as soon as practicable.

The EGM will be convened and held to consider and, if thought fit, to approve the Share Subdivision. As no Shareholder has an interest in the Share Subdivision which is different from other Shareholders, no Shareholder is required to abstain from voting at the EGM.

By Order of the Board
PPS International (Holdings) Limited
Fan Shek Cheong, Allan
Executive Director

Hong Kong, 2 December 2013

As at the date of this announcement, the board of directors of the Company (the "Directors") comprises (i) Mr. Fan Shek Cheong, Allan, Mr. Wong Yin Jun, Samuel and Ms. Hung Sui Hing, Lilian as executive Directors; (ii) Ms. Fan Sheung Ting, Maria as non-executive Director; and (iii) Mr. Ho King Man, Kenneth, Mr. Tong Kin Ping, Patrick and Mr. Yu Tat Kong, Petrus as independent non-executive Directors.

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

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