

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in PPS International (Holdings) Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**(1) PROPOSED SHARE SUBDIVISION  
(2) CHANGE OF BOARD LOT SIZE  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting of the Company to be held at Leighton Room, 1/F, Clubhouse Building, Craigengower Cricket Club, 188 Wong Nai Chung Road, Happy Valley, Hong Kong on Friday, 20 December 2013 at 10:00 a.m. is set out on pages 8 to 9 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed with this circular.

Whether or not you are able to attend the extraordinary general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for seven days from the date of its publication and on the website of the Company at [www.hkpps.com.hk](http://www.hkpps.com.hk).

4 December 2013

## CHARACTERISTICS OF GEM

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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## EXPECTED TIMETABLE FOR THE SHARE SUBDIVISION

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:

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

Date of the 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 “The Share Subdivision” in the letter from the Board contained in this circular.**

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

Dealings in the Subdivided Share commence . . . 9:00 a.m. on Monday, 23 December 2013

Original counter for trading 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 lots 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 this circular.

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any substantial changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

## DEFINITIONS

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

“Announcement”	the announcement made by the Company on 2 December 2013 in respect of the Share Subdivision
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change of Board Lot Size”	the change of the board lot size from 4,000 existing Shares to 10,000 Subdivided Shares upon the Share Subdivision becoming effective
“Company”	PPS International Holdings Limited (stock code: 8201), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held on Friday, 20 December 2013 at 10:00 a.m. to approve, if thought fit, the Share Subdivision, the notice of which is set out on pages 8 to 9 of this circular
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	2 December 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular

## DEFINITIONS

“Share(s)”	existing ordinary share(s) of HK\$0.01 each in the share capital of the Company before the Share Subdivision becoming effective
“Share Option(s)”	share option(s) granted by the Company to the eligible participant(s) under the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company adopted by the Shareholders on 28 May 2013
“Share Subdivision”	the proposed subdivision of each issued and unissued Share into ten (10) Subdivided Shares
“Shareholder(s)”	holder(s) of the Share(s) or the Subdivided Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company upon the Share Subdivision becoming effective
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



**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. Fan Shek Cheong, Allan  
Mr. Wong Yin Jun, Samuel  
Ms. Hung Sui Hing, Lilian

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

*Non-executive Director:*

Ms. Fan Sheung Ting, Maria

*Independent Non-executive Directors:*

Mr. Ho King Man, Kenneth  
Mr. Tong Kin Ping, Patrick  
Mr. Yu Tat Kong, Petrus

*Principal place of business in Hong Kong:*

Unit No. 503C, Block B, Sea View Estate,  
2-8 Watson Road, North Point, Hong Kong

4 December 2013

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED SHARE SUBDIVISION  
(2) CHANGE OF BOARD LOT SIZE  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the Announcement in which the Board proposes to subdivide each existing issued and unissued Share of HK\$0.01 in the capital of the Company into ten (10) Subdivided Shares of HK\$0.001 each.

The purpose of this circular is to provide you with information relating to the Share Subdivision, the Change of Board Lot Size and to give you notice of the EGM at which an ordinary resolution will be proposed to approve, among other matters, the Share Subdivision.

## LETTER FROM THE BOARD

### THE SHARE SUBDIVISION

The Board proposes to subdivide each existing issued and unissued Share of HK\$0.01 in the capital of the Company into ten (10) Subdivided Shares of HK\$0.001 each.

#### Conditions of the Share Subdivision

The Share Subdivision is conditional upon:

- (a) the passing by the Shareholders at the 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 and any new Subdivided Shares which may fall to be allotted and issued pursuant to the exercise of Share Options granted under the Share Option Scheme.

The Share Subdivision will become effective after the conditions of the Share Subdivision above are fulfilled.

#### Effect of the Share Subdivision

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each, of which 100,000,000 Shares have been issued and are fully paid or credited as fully paid. 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 prior to the Share Subdivision becoming effective.

All Subdivided Shares will rank pari passu with each other in all respects with the Shares in issue prior to the Share Subdivision and the rights attached to the Subdivided Share will not be affected by the Share Subdivision.

As at the Latest Practicable Date, the Company has no outstanding derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

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

## LETTER FROM THE BOARD

### **Listing and Dealing**

An application will be made to the Stock Exchange for the listing of and permission to deal in the Subdivided Shares arising from the Share Subdivision. All necessary arrangements have been made and subject to the granting of the listing of, and permission to deal in, the Subdivided Shares on the Stock Exchange, the Subdivided Shares will be accepted as eligible securities by the HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as may be 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.

No part of the equity or debt securities of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing permission to deal in is being or is currently proposed to be sought from any other stock exchange.

### **CHANGE OF BOARD LOT SIZE**

The Shares are currently traded on 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.

### **Reasons for the Share Subdivision and Change of Board Lot Size**

The proposed Share Subdivision will decrease the nominal value and increase the total number of Shares in issue. The Share Subdivision will result in downward adjustment to the trading price of the Shares. The Board believes that the Share Subdivision will decrease the trading spread as well as the volatility of the trading price of the Shares and thus result in the improved liquidity in trading of the Company's Subdivided Shares. Therefore, the Board considers that the Share Subdivision will enable the Company to attract more investors and broaden its Shareholder base. The Board also considers that the Change of Board Lot Size will result in Subdivided Shares being traded in more reasonable board lot size and value.

## LETTER FROM THE BOARD

### **Free Exchange of Share Certificates**

Upon 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, 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 days 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 existing share certificate cancelled or new share certificate issued (whichever number of share certificates involved is higher).

After Wednesday, 29 January 2014, existing 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 (1) Share for ten (10) Subdivided Shares.

It is expected that the new share certificates will be available for collection within ten business days after the submission of the existing share certificates.

The new share certificates for the Subdivided Shares will be issued in light green colour to distinguish from the existing share certificates for the Shares, which are in white colour.

### **Trading Arrangement for Subdivided Shares**

Subject to the Share Subdivision being effective, dealings in the Subdivided Shares are expected to commence on Monday, 23 December 2013. Parallel trading in the Shares and Subdivided Shares (in the form of existing share certificates and new share certificates) will be operated from Thursday, 9 January 2014 to Wednesday, 29 January 2014 (both days inclusive). Full details of the expected timetable and trading arrangement of the Shares are set out on page iii of this circular.

### **THE EGM**

Set out on pages 8 to 9 of this circular is a notice convening the EGM to be held at Leighton Room, 1/F, Clubhouse Building, Craigengower Cricket Club, 188 Wong Nai Chung Road, Happy Valley, Hong Kong on Friday, 20 December 2013 at 10:00 a.m..

The ordinary resolution proposed to be approved at the EGM will be taken by poll. As no Shareholder has a material interest in the Share Subdivision which is different from that of the other Shareholders, no Shareholder is required to abstain from voting at the EGM to approve the Share Subdivision.

## LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at 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 as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

### RECOMMENDATION

The Directors consider that the Share Subdivision is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution at the EGM to approve the Share Subdivision.

Yours faithfully  
For and on behalf of  
**PPS International (Holdings) Limited**  
**Fan Shek Cheong, Allan**  
*Executive Director*

NOTICE OF EGM



**PPS INTERNATIONAL (HOLDINGS) LIMITED**

**寶聯控股有限公司**

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

**(Stock Code: 8201)**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting (“EGM”) of PPS International (Holdings) Limited (the “Company”) will be held at 10:00 a.m., on Friday, 20 December 2013, at Leighton Room, 1/F, Clubhouse Building, Craigengower Cricket Club, 188 Wong Nai Chung Road, Happy Valley, Hong Kong for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution:

**ORDINARY RESOLUTION**

“**THAT** conditional on the GEM Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares of HK\$0.01 each in the issued share capital of the Company, with effect from the business day next following the day on which this resolution is passed by the shareholders of the Company, each of the issued and unissued share of HK\$0.01 in the share capital of the Company be subdivided into ten (10) shares of HK\$0.001 each (“Share Subdivision”) so that the authorised share capital of the Company will be HK\$100,000,000 divided into 100,000,000,000 shares of HK\$0.001 each immediately following the Share Subdivision, and any director of the Company be and is hereby authorised to sign and execute such documents and do all such acts and things incidental to any of the foregoing as he considers necessary, desirable or expedient in connection with the implementation of or giving effect to any of the foregoing and the transactions contemplated thereunder.”

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

Hong Kong, 4 December 2013

## NOTICE OF EGM

*Registered address:*

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

*Principal place of business in Hong Kong:*

Unit No. 503C, Block B,  
Sea View Estate,  
2-8 Watson Road,  
North Point,  
Hong Kong

*Notes:*

- (1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
- (2) In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or certified copy of that power or authority, at 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 not less than 48 hours before the time for holding the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the meeting or any adjournment thereof, should he/she/it so wish.

*As at the date of this circular, 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.*