

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



PPS INTERNATIONAL (HOLDINGS) LIMITED

寶聯控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8201)

PROFIT WARNING

This announcement is made by PPS international (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) 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 the inside information provisions under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**Inside Information Provisions**”).

Reference is made to the joint announcement dated 28 December 2017 (the “**Joint Announcement**”) jointly issued by the Company and Mr. Yu Shaoheng (the “**Offeror**”) in relation to, among other things, the mandatory unconditional cash offer by Amasse Capital Limited for and on behalf of the Offeror to acquire all the issued shares of the Company (other than those already owned by the Offeror and parties acting in concert with him). Capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

The Board would like to inform the Shareholders and potential investors that based on information currently available to the Board and a preliminary review of the latest unaudited consolidated management accounts of the Group for the six months ended 31 December 2017, the Group is expected to record an increase in net loss for the six months ended 31 December 2017 as compared to the net loss of approximately HK\$4.6 million recorded for the corresponding period in 2016 (the “**Profit Warning**”). The Board believes that such increase in the net loss was mainly attributable to additional expenses of approximately HK\$11 million incurred for development of the new businesses of provision of financial regulated activities under the Securities and Futures Ordinance and provision of forex brokerage services in New Zealand as disclosed in the Company’s announcement dated 5 June 2017, which were ceased to be developed by the Group in December 2017 in view of the unsatisfactory development progress, in particular the difficulties encountered on obtaining the relevant licences and/or approvals.

As the Group is still in the process of preparing its interim results for the six months 31 December 2017 (the “**2017 Interim Results**”), the information contained in this announcement is only a preliminary assessment based on the information currently available to the Board and the latest unaudited consolidated management accounts of the Group for the six months 31 December 2017, which have not been audited or reviewed by the auditors of the Company. Finalised 2017 Interim Results will be disclosed in the interim results announcement for the 2017 Interim Results (the “**2017 Interim Results Announcement**”) to be published by the Company in compliance with the GEM Listing Rules, which is scheduled to be published on 5 February 2018.

TAKEOVERS CODE IMPLICATIONS

The Profit Warning constitutes a profit forecast for the purposes of Rule 10 of the Takeovers Code and the Company is required to comply with the requirements under Rule 10 of the Takeovers Code with respect to profit forecasts.

In view of the requirements of timely disclosure of the inside information under Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions, the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the requirements set out in Rule 10.4 of the Takeovers Code. The Profit Warning does not meet the standard required by Rule 10 of the Takeovers Code and the Shareholders and potential investors should exercise caution in placing reliance on the forecast in assessing the merits and demerits of the Offer.

According to Practice Note 2 of the Takeovers Code, the Profit Warning is required to be reported on in accordance with Rule 10 of the Takeovers Code and such report is required to be included in the next document to be sent to the Shareholders unless the 2017 Interim Results Announcement has been published prior to the despatch of the next document to be sent to the Shareholders and the relevant results together with the notes to financial statement are included in such next document.

As stated in the Joint Announcement, the Composite Document will be despatched to the Independent Shareholders within 21 days of the date of the Joint Announcement (i.e. 18 January 2018), the Company and the Offeror will jointly seek the consent of the Executive for an extension of the time limit for the despatch of the Composite Document to a date after the publication of the 2017 Interim Results. The 2017 Interim Results (together with the notes to the financial statements) will be set out in the Composite Document and accordingly, the Profit Warning will not be reported on, given the published 2017 Interim Results will fall under the ambit of Rule 10.9 of the Takeovers Code.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the board of
PPS International (Holdings) Limited
Yu Shaoheng
Chief Executive Officer and Executive Director

Hong Kong, 9 January 2018

As at the date of this announcement, the Board comprises two executive Directors, Mr. Yang Yifan and Mr. Yu Shaoheng, and two independent non-executive Directors, Mr. Chui Chi Yun Robert and Mr. Kwong Tsz Ching Jack.

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

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the internet website operated by the Stock Exchange for the purposes of the 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.ppsinholdings.com.