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**PEAK SPORT PRODUCTS CO., LIMITED**

**匹克體育用品有限公司**

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

**(Stock code: 1968)**

**ANNOUNCEMENT**

**PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE**

**AND INSIDE INFORMATION**

**IN RELATION TO**

**A POSSIBLE PRIVATISATION OFFER FOR**

**THE COMPANY BY WAY OF**

**A SCHEME OF ARRANGEMENT**

**AND**

**RESUMPTION OF TRADING**

This announcement is made by Peak Sport Products Co., Limited (the “**Company**”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the “**SFO**”).

**Possible scheme of arrangement which, if proceeded with, could result in the privatisation and delisting of the Company from the Stock Exchange**

Ever Sound Development Limited, the Company’s controlling shareholder (the “**Controlling Shareholder**”) has informed the Company that it is in the preliminary phase of considering proposing a scheme of arrangement with respect to the ordinary shares of the Company subject to such scheme (the “**Scheme Shares**”) which, if proceeded with, could result in the privatisation and delisting of the Company from the Stock Exchange. Since such preliminary

consideration is still in progress at the date of this announcement, there is no certainty that the said proposed scheme of arrangement, privatisation and delisting will proceed.

### **Shares in issue**

As at the date of this announcement, the Company has a total issued share capital of 2,389,150,394 shares (shares of the Company shall be referred to as “**Shares**”) and certain share options pursuant to which an aggregate of 13,833,000 new Shares may be issued. Other than the said Shares and share options, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement. As at the date of this announcement, the Controlling Shareholder and its concert parties are interested in 1,461,824,246 Shares, representing approximately 61.19% of the Company’s total issued Shares.

### **Disclosure of dealings in Shares**

Associates (having the meaning given to it under the Takeovers Code, including persons holding 5% or more of the relevant securities of the Company) of the Company are reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

### **Updates**

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the possible scheme of arrangement for the Scheme Shares which may result in the privatisation and delisting of the Company from the Stock Exchange will be made by the Company until an announcement is made of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with such a transaction. Further

announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and/or the Takeovers Code (as the case may be).

**WARNING: The possible scheme of arrangement with respect to the Scheme Shares which may result in the privatisation and delisting of the Company from the Stock Exchange may or may not proceed and so there is no assurance that the possible transactions mentioned in this announcement will materialise or eventually be consummated. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the Shares.**

### **Trading halt and resumption**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 23 May 2016 pending the release of this announcement.

Application has been made to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:00 a.m. on 25 May 2016.

By order of the Board  
**Peak Sport Products Co., Limited**  
**Xu Jingnan**  
*Chairman*

Hong Kong, 24 May 2016

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Xu Jingnan, Mr. Xu Zhihua and Mr. Xu Zhida; one non-executive director, namely Ms. Wu Tigao; and three independent non-executive directors, namely Dr. Xiang Bing, Mr. Feng Lisheng and Mr. Zhu Haibin.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquires, 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.*