



寶聯控股有限公司

PPS International (Holdings) Ltd.

9 February 2018

To the Independent Shareholders,

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER  
BY AMASSE CAPITAL LIMITED FOR AND ON BEHALF OF  
MR. YU SHAOHENG TO ACQUIRE ALL THE ISSUED SHARES OF  
PPS INTERNATIONAL (HOLDINGS) LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY MR. YU SHAOHENG  
AND PARTIES ACTING IN CONCERT WITH HIM)**

**1. INTRODUCTION**

Reference is made to the Joint Announcement pursuant to which the Offeror and the Company jointly announced on 28 December 2017 that Amasse Capital would, on behalf of the Offeror, make a mandatory unconditional cash offer to acquire all of the Shares other than those already owned or agreed to be acquired by the Offeror and his Concert Parties.

The purpose of the Composite Document is to provide you with, among other things: (i) information relating to the Group, the Offeror and the Offer; (ii) a letter from Amasse Capital containing, among other things, details of the Offer; (iii) a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in relation to the Offer; and (iv) a letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Board Committee in relation to the Offer.

**2. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee of the Company, comprising all the independent non-executive Directors, namely Mr. Chui Chi Yun, Robert and Mr. Kwong Tsz Ching, Jack, has been established by the Board to make recommendation to the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to acceptance of the Offer.

In addition, Messie Capital Limited, with the approval of the Independent Board Committee, has been appointed as the Independent Financial Adviser, to advise the Independent Board Committee as to the fairness and reasonableness of the Offer and as to acceptance of the Offer.



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : www.hkpps.com.hk



寶聯控股有限公司

PPS International (Holdings) Ltd.

### 3. THE IRREVOCABLE UNDERTAKING

Pursuant to the Vendor A Irrevocable Undertaking dated 18 December 2017, Vendor A has irrevocably undertaken to the Offeror and the Lender that from the date of the Vendor A Irrevocable Undertaking until the later of (a) the date falling the expiry of six (6) months from the closing date of the Offer; and (b) the date of the full repayment of the Facility by the Offeror, (i) it will not sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any Convertible Bonds or interest in such Convertible Bonds, or accept any other offer in respect of all or any Convertible Bonds; (ii) exercise any conversion rights attaching to the Convertible Bonds or otherwise convert any part or the whole of the Convertible Bonds into conversion shares; and (iii) enter into any agreement or arrangement or incur any obligation to do all or any of the acts referred to in paragraph (i) above or which would restrict or impede or otherwise preclude Vendor A from complying with its obligations under the Vendor A Irrevocable Undertaking.

In light of the Vendor A Irrevocable Undertaking, no offer is made for the Convertible Bonds as all the outstanding Convertible Bonds are held by Vendor A.

### 4. MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to the completion of the Bought and Sold Notes, the Offeror and his Concert Parties owned in an aggregate of 97,221,150 Shares, representing approximately 36.01% of the entire issued share capital of the Company as at the Latest Practicable Date, and the Convertible Bonds. Immediately after completion of the Bought and Sold Notes and as at the Latest Practicable Date, the Offeror and his Concert Parties owned in an aggregate of 150,676,650 Shares, representing approximately 55.81% of the entire issued share capital of the Company, and the Convertible Bonds. Accordingly, the Offeror and his Concert Parties are required to make a mandatory unconditional cash offer to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and his Concert Parties) pursuant to Rule 26.1 of the Takeovers Code.

As at the Latest Practicable Date, the Company had 270,000,000 Shares in issue.

Save for the Convertible Bonds, the Company did not have any outstanding options, warrants, derivatives or other securities that are convertible or exchangeable into the Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the Latest Practicable Date.



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : www.hkpps.com.hk



寶聯控股有限公司

PPS International (Holdings) Ltd.

Amasse Capital is, for and on behalf of the Offeror, making the Offer to acquire all the Offer Shares on the following basis:

**The Offer**

For each Offer Share . . . . . **HK\$0.355 in cash**

The Offer Price of HK\$0.355 for each Offer Share is the same as the purchase price per Share under each of the Bought and Sold Notes.

The Offer is extended to all Independent Shareholders in accordance with the Takeovers Code. The Shares to be acquired under the Offer shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including, without limitation, the right to receive in full all dividends and other distributions, if any, recommended, declared, made or paid on or after the date of despatch of the Composite Document.

**Effect of accepting the Offer**

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including, without limitation, the right to receive in full all dividends and other distributions, if any, recommended, declared, made or paid on or after the date of despatch of the Composite Document.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : www.hkpps.com.hk



寶聯控股有限公司

PPS International (Holdings) Ltd.

Shareholding structure of the Company

The following table sets out the shareholding structure of the Company (i) immediately prior to the completion of the Bought and Sold Notes; and (ii) immediately after the completion of the Bought and Sold Notes and as at the Latest Practicable Date:

	Immediately prior to the completion of the Bought and Sold Notes		Immediately after the completion of the Bought and Sold Notes and as at the Latest Practicable Date	
	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>The Offeror and his Concert Parties</b>				
The Offeror	–	–	96,245,250	35.65
Mr. Yu Weiye ( <i>Note</i> )	54,431,400	20.16	54,431,400	20.16
Vendor A ( <i>Note</i> )	42,789,750	15.85	–	–
<i>Sub-total</i>	<i>97,221,150</i>	<i>36.01</i>	<i>150,676,650</i>	<i>55.81</i>
Vendor B	26,730,000	9.90	–	–
Vendor C	26,725,500	9.90	–	–
Other public Shareholders	119,323,350	44.19	119,323,350	44.19
<b>TOTAL</b>	<b>270,000,000</b>	<b>100.00</b>	<b>270,000,000</b>	<b>100.00</b>

*Note:* Mr. Yu Weiye is the father of the Offeror and Vendor A is wholly owned by Mr. Yu Weiye.



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : www.hkpps.com.hk



寶聯控股有限公司

PPS International (Holdings) Ltd.

## 5. INFORMATION OF THE GROUP

The Group is principally engaged in the provision of (i) environmental cleaning services and office cleaning services; and (ii) money lending services.

Further information of the Group has been set out in “Appendix II – Financial information of the Group” and “Appendix III – General information of the Group” to the Composite Document.

## 6. INFORMATION OF THE OFFEROR

Your attention is drawn to the section headed “5. Information of the Offeror” in the “Letter from Amasse Capital” and “Appendix IV – General information of the Offeror” to the Composite Document.

## 7. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed “6. Intention of the Offeror in relation to the Group” in the “Letter from Amasse Capital” to the Composite Document. The Board is pleased with the Offeror’s intention in respect of the Group that the Offeror has no intention to (i) discontinue the employment of any employees of the Group (save for his intention regarding the Board composition of the Company in the section headed “7. Board composition of the Company” in the “Letter from Amasse Capital”); or (ii) redeploy the assets of the Group other than those in its ordinary and usual course of business.

## 8. TAXATION ADVICE

Your attention is drawn to the paragraph headed “3. Mandatory Unconditional Cash Offer – Taxation advice” in the “Letter from Amasse Capital” to the Composite Document.

Independent Shareholders are recommended to consult their own professional advisers as to the tax implications that may arise from accepting the Offer.

None of the Offeror, his Concert Parties, the Company, Amasse Capital and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : www.hkpps.com.hk



寶聯控股有限公司

PPS International (Holdings) Ltd.

## 9. BOARD COMPOSITION OF THE COMPANY

Your attention is drawn to the section headed “7. Board Composition of the Company” in the “Letter from Amasse Capital” to the Composite Document.

## 10. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The Offeror, Mr. Yeung, as the new Director to be appointed to the Board and the Board have jointly and severally undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

## 11. RECOMMENDATION AND ADDITIONAL INFORMATION

Your attention is drawn to (i) the “Letter from the Independent Board Committee” on pages 22 to 23 of the Composite Document, which sets out its recommendation to the Independent Shareholders as to whether the Offer is fair and reasonable and as to acceptance of the Offer and (ii) the “Letter from the Independent Financial Adviser” on pages 24 to 42 of the Composite Document, which sets out its advice and recommendation to the Independent Board Committee in relation to the Offer and the principal factors considered by it in arriving at its recommendation.

You are also advised to read the “Letter from Amasse Capital” on pages 6 to 15 of the Composite Document, the further terms of the Offer and procedures of acceptance and settlement set out in Appendix I of the Composite Document and the accompanying Form of Acceptance in respect of the terms and acceptance and settlement procedures of the Offer.



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : www.hkpps.com.hk



寶聯控股有限公司

PPS International (Holdings) Ltd.

Yours faithfully,  
By order of the Board of  
PPS International (Holdings) Limited

Yu Shaoheng  
*Chief Executive Officer and Executive Director*



FS 589564



24/F, SUP Tower, 75 - 83 King's Road,  
North Point, Hong Kong  
香港北角英皇道75-83號聯合出版大廈24樓  
Tel : (852) 2831 9918 Fax : (852) 2838 0990  
Website : [www.hkpps.com.hk](http://www.hkpps.com.hk)