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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)

DISCLOSEABLE TRANSACTION – PROVISION OF FINANCIAL ASSISTANCE

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 10 July 2019 (after trading hours of the Stock Exchange), the Lender entered into the Loan Agreement with the Borrower, pursuant to the Loan Agreement, the Lender has conditionally agreed to grant to the Borrower the Loan in the principal amount of HK\$22,200,000, which is interest bearing at a rate of 20% per annum, repayable on 11 November 2019 and is secured by the Guarantees and the Share Charge.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as calculated under Rule 19.07 of the GEM Listing Rules) in respect of the grant of the Loan are more than 5% but less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements set out in Chapter 19 of the GEM Listing Rules.

As the grant of Loan exceeds 8% under the assets ratio as calculated under Rule 19.07(1) of the GEM Listing Rules, the grant of the Loan is subject to the general disclosures obligations under Rules 17.15 and 17.18 of the GEM Listing Rules.

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 10 July 2019 (after trading hours of the Stock Exchange), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, an Independent Third Party. Pursuant to the Loan Agreement, the Lender has conditionally agreed to grant to the Borrower the Loan in the principal amount of HK\$25,000,000 which is interest bearing at a rate of 20% per annum, repayable on 11 November 2019 and is secured by the Guarantees and the Share Charge. The principal terms and conditions of the Loan Agreement are set out below.

THE LOAN AGREEMENT

Date:	10 July 2019
Lender:	Union Finance Limited, an indirect wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong under the Money Lenders Ordinance.
Borrower:	China Force Enterprises Inc., a company incorporated in the British Virgin Islands with limited liability and wholly-owned by the Chargor.
Loan amount:	HK\$22,200,000
Interest rate:	20% per annum
Term:	From the date of the Loan Agreement to 11 November 2019
Security:	The Loan is secured by (i) the Guarantees executed by the Guarantors: (ii) the Share Charge executed by the Chargor, both in favour of the Lender for the repayment of the Loan and such other sums payable by the Borrower under the Loan Agreement and related finance documents.
Repayment:	<p>The Borrower shall pay interest accrued on the Loan on a monthly basis and shall repay the total outstanding principal amount of the Loan together with any outstanding interest accrued thereon on the Maturity Date.</p> <p>The Borrower may make earlier repayment in whole or in part of the Loan if it has given a not less than 3 Business Days' prior written notice to the Lender.</p>
Condition precedent:	The making of the Loan under the Loan Agreement is conditional upon the due execution of the Guarantees by each of the Guarantor A and Guarantor B and Share Charge by the Chargor together with all documents required pursuant thereto.
Purpose:	The Loan will be drawn to repay an existing loan owing by the Borrower to the Lender

INFORMATION OF THE BORROWER, THE GUARANTORS AND THE CHARGOR

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, each of Borrower and its ultimate beneficial owners, Guarantor A, Guarantor B, the Chargor and its ultimate beneficial owners is an Independent Third Party.

The Borrower is principally engaged in investment holdings business and is indirectly wholly-owned by Chargor. The Chargor is principally engaged in investment holdings business. Guarantor A and the Guarantor B are business persons and have solid financial background. Guarantor A is the spouse of the Guarantor B.

INFORMATION OF THE GROUP AND THE LENDER

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

The Lender is an indirect wholly-owned subsidiary of the Company and is a holder of money lender license under the Money Lenders Ordinance. The grant of the Loan is carried out as part of the ordinary and usual course of business of the Lender and will bring in interest income to the Lender and the Group.

REASONS AND BENEFITS FOR ENTERING INTO THE LOAN AGREEMENT

The terms of the Loan Agreement (including the interest rate) are negotiated on an arm's length basis between the Lender and the Borrower on normal commercial terms.

The Directors consider that the terms of the Loan Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole having considered the financial background of the Borrower and the Guarantors, the security and the stable interest income to be generated to the Group.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as calculated under Rule 19.07 of the GEM Listing Rules) in respect of the grant of the Loan are more than 5% but less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements set out in Chapter 19 of the GEM Listing Rules.

As the grant of Loan exceeds 8% under the assets ratio as calculated under Rule 19.07(1) of the GEM Listing Rules, the grant of the Loan is subject to the general disclosures obligations under Rules 17.15 and 17.18 of the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors of the Company
“Borrower”	China Force Enterprises Inc., a company incorporated in the British Virgin Islands with limited liability, is wholly owned by the Chargor and an Independent Third Party
“Business Day(s)”	a day (other than a Saturday, Sunday or general holiday in Hong Kong) on which licensed banks are generally open for business in Hong Kong
“Chargor”	Ambitions Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, an Independent Third Party. The sole shareholder of the Borrower, and is owned as to 50% by Mr. Chen and 50% by Mr. Yang
“Company”	PPS International (Holdings) Limited, a company incorporated in the Caymans Islands with limited liability, the issued Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Guarantees”	the deeds of guarantee executed by each of the Guarantor A and the Guarantor B in favour of the Lender guaranteeing the obligations of the Borrower under the Loan Agreement
“Guarantor A”	Ms. Shen Jing (沈靜), an Independent Third Party and the spouse of the Guarantor B
“Guarantor B”	Mr. Wen Jialong (溫家瓏), Independent Third Party and the spouse of the Guarantor A
“Guarantors”	the Guarantor A and the Guarantor B

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	parties (including their ultimate beneficial owners, if any) which are not connected persons of the Company (as defined in the GEM Listing Rules) and are independent of and not connected with the Company and its connected persons
“Lender”	Union Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, being the lender under the Loan Agreement
“Loan”	a term loan in the principal amount of HK\$22,200,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 10 July 2019 entered into between the Lender and the Borrower in relation to the grant of the Loan
“Maturity Date”	11 November 2019
“Mr. Cheng”	Mr. Chen Weiho, an Independent Third Party
“Mr. Yang”	Mr. Yang Jingdong, an independent Third Party
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company as at the date of this announcement
“Share Charge”	the share charge executed by the Chargor to charge all the issued shares of the Borrower in favour of the Lender
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage

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

Hong Kong, 10 July 2019

As at the date of this announcement, the Board of the Company comprises two executive Directors, Mr. Yu Shaoheng and Mr. Lai Tin Ming and three independent non-executive Directors, Mr. Kwong Tsz Ching, Jack, Mr. Wong Hiu Fong and Mr. Meng Enhai.

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.

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