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QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

COMPLETION OF ISSUE OF CONVERTIBLE BONDS AND SUPPLEMENTAL INFORMATION TO THE SUBSCRIPTION

References are made to the announcement of QPL International Holdings Limited (the “Company”) dated 16 October 2020 in relation to the proposed issue of convertible bonds (the “Announcement”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the Announcement.

COMPLETION OF ISSUE OF CONVERTIBLE BONDS

The Board is pleased to announce that all the conditions precedent under the Subscription Agreement have been fulfilled in accordance with the Subscription Agreement and Completion took place on 3 November 2020, upon which the Convertible Bonds in the principal amount of HK\$9,400,000 were issued to Ms. Hui Sau King Florence (the “Subscriber”), pursuant to the terms of the Subscription Agreement. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Subscriber is an Independent Third Party.

Effects of the Full Conversion of the Convertible Bonds

For illustration purposes only, the shareholdings in the Company as at the date of this announcement and immediately after conversion in full of the Convertible Bonds (assuming that there is no other change in the issued share capital of the Company) at the initial Conversion Price are summarised as follows:

	As at the date of this announcement		Immediately upon full conversion of the Convertible Bonds at the initial Conversion Price (for illustration purpose only)	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Mr. Li Tung Lok (<i>note</i>)	5,755,271	3.06	5,755,271	2.55
The Subscriber	–	–	37,600,000	16.67
Public Shareholders	182,266,839	96.94	182,266,839	80.78
Total	<u>188,022,110</u>	<u>100.00</u>	<u>225,622,110</u>	<u>100.00</u>

Note:

Mr. Li Tung Lok, an executive Director, had personal interests in 5,292,960 Shares, family interests in 75,000 Shares and corporate interests in 387,311 Shares

SUPPLEMENTAL INFORMATION TO THE SUBSCRIPTION

Further to the information disclosed in the Announcement, the Company wishes to provide supplemental information regarding the Subscription as follows:

The Subscriber, aged 55, was a founder of Han Telecom Company Limited in 1997 with its factory located in Zhongshan, the PRC, namely Zhongshan Han Yuxun Electronic Co., Limited* (“Han Telecom”).

With approximately 150 employees in the PRC, Han Telecom were principally engaged in the manufacturing and sale of electronic component, such as intermediate frequency transformers, duplexer filter, inductor, metal case for electronic products and speakers. It also manufactured mobile chargers and beauty electronics appliances in the recent years. As its products were widely used in the production of computer-related products and electronic appliances, Han Telecom had a wide clientele and a solid track record of supply of electronic components and parts to different international brand names companies, such as Samsung, Vtech, Defond and Lifetrans. As the Subscriber has over 20 years of experience in the electronic industry in the PRC and in Korea, she has deep connection and relationship with people engaged in this industry.

The Board considered under the outbreak of COVID-19, the Group’s operating environment were increasingly challenged and it was necessary to expand its market share to cope with the changes. The Board was of the view that the introduction of the Subscriber, who would introduce prospective customers to the Group, as a strategic investor would enable the Company to achieve a more diverse customer base.

In addition, although the Subscriber would become the single largest shareholder of the Company upon full conversion of the Convertible Bonds, the Subscriber undertook to the Company that she would not i) increase her shareholding in the Company (save and except for the Conversion Shares) or ii) become or nominate any director or management positions of the Company.

On behalf of the Board
QPL International Holdings Limited
Tung Siu Ching
Executive Director

Hong Kong, 3 November 2020

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Li Tung Lok (Executive Chairman and Chief Executive), Mr. Phen Hoi Ping, Patrick, Mr. Lai Sau Him and Ms. Tung Siu Ching, and three Independent Non-executive Directors, namely Ms. Chung Hoi Yan, Mr. Chu Chun On, Franco and Mr. Liu Rongrui.

* *For purpose of identification only*