

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.



PT INTERNATIONAL DEVELOPMENT CORPORATION LIMITED

保 德 國 際 發 展 企 業 有 限 公 司 *

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

**POSSIBLE DISCLOSEABLE TRANSACTION AND
CONNECTED TRANSACTION
IN RELATION TO
PROPOSED ACCEPTANCE AND SUBSCRIPTION OF TV OFFER
SHARES**

BACKGROUND

Reference is made to the Rights Issue Announcements and the Rights Issue Prospectus. As disclosed in the Rights Issue Announcements and the Rights Issue Prospectus, the Company intends to utilize the net proceeds of the Rights Issue for the settlement of the payables in relation to the acquisition of property, plant and equipment, involving the outstanding payment of balance of approximately RMB59.9 million together with the corresponding interest in relation to the fee for the construction of port infrastructure owed by Guangming, a non-wholly owned subsidiary of Thousand Vantage and the Company.

PROPOSED TV OFFER

Thousand Vantage proposes to raise gross proceeds of up to approximately HK\$51.0 million by way of the issue of up to 8,228,571,432 TV Offer Shares (assuming no change in the number of TV Shares in issue on or before the record date), at the Subscription Price of HK\$0.0062 per TV Offer Share on the basis of eight (8) TV Offer Shares for every one (1) existing TV Share held on the record date. No TV shareholders is entitled to apply for TV Offer Shares in excess of his/its entitlements.

Assuming the TV Offer Shares are subscribed in full, the net proceeds from the TV Offer after deducting the expenses are estimated to be approximately HK\$50.5 million (assuming no change in the number of TV Shares in issue on or before the record date).

Assuming the TV Offer Shares are subscribed in full, Thousand Vantage intends to apply the net proceeds from the TV Offer (i) as to RMB30 million for the repayment of RMB30 million due on 30 June 2023 under the Settlement Agreement; (ii) as to RMB12.3 million for settlement payments, which includes expenses related to an expansion project of petroleum facilities (汽車發油設施改擴建項目) and oil and petroleum recycling facilities (油汽回收設備) of the Thousand Vantage Group; (iii) as to HK\$3.5 million for repayment to the Company; and (iv) as to the remaining balance for general working capital of Thousand Vantage Group (the actual amount of which will be subject to the HK\$ to RMB exchange rate at the time of exchanging HK\$ to make the RMB payment as set out above).

PROPOSED ACCEPTANCE AND SUBSCRIPTION

The Group intends to accept and subscribe for the PT Entitlement is full (i.e. 5,348,571,432 TV Shares).

Irrespective of whether Mr. Zhu will or will not take up his entitlement under the TV Offer, Thousand Vantage will continue to be a non-wholly owned subsidiary of the Company, and its financial results will continue to be consolidated with the financial results of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) Thousand Vantage is ultimately owned as to approximately 65% by the Company and as to approximately 35% by Mr. Zhu; and (ii) Mr. Zhu is interested in 315,222,769 Shares (representing approximately 10.4% of the issued share capital of the Company), and as such, a connected person of the Company at the issuer level. Accordingly, Thousand Vantage is a connected subsidiary of the Company under Chapter 14A of the Listing Rules. The Acceptance and Subscription on the part of the Company would constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules. As the highest percentage ratio as defined in the Listing Rules in respect of the Acceptance and Subscription is more than 5% but is less than 25% and the amount is more than HK\$10,000,000, the Acceptance and Subscription is subject to the reporting, announcement, and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In the event that Mr. Zhu does not accept and subscribe for his entitlement under the TV Offer in full, the equity interest of the Group in Thousand Vantage will increase. As such, depends on the level of acceptance of the TV Offer on the part of Mr. Zhu, the Acceptance and Subscription may also constitute a discloseable transaction on the part of the Company under the Chapter 14 of the Listing Rules. Assuming Mr. Zhu does not accept and subscribe for any of his entitlement under the TV Offer, the equity interest of the Group in Thousand Vantage will increase from approximately 65% to approximately 94.35% and the highest percentage ratio as defined in the Listing Rules in respect of the Acceptance and Subscription will be more than 5% but less than 25%, the Acceptance and Subscription is subject to the reporting and announcement requirements, and is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

For the avoidance of doubt, as Mr. Zhu will receive a pro rata entitlement to the TV Offer as a shareholder of Thousand Vantage, the acceptance and subscription for his entitlement under the TV Offer on the part of Mr. Zhu (if any) is fully exempt under Rule 14A.92 of the Listing Rules.

SGM

An SGM will be convened and held by the Company to consider and, if thought fit, approve the proposed Acceptance and Subscription and the transactions contemplated thereunder. The voting at the SGM will be taken by poll.

At the SGM, any Shareholders with a material interest in the Acceptance and Subscription and the transactions contemplated thereunder are required to abstain from voting on the proposed resolution(s) to be put forwarded to the Independent Shareholders at the SGM for approving the Acceptance and Subscription and the transactions contemplated thereunder. As Mr. Zhu is interested in 315,222,769 Shares (representing approximately 10.4% of the issued share capital of the Company) and holds approximately 35% issued share capital of Thousand Vantage, Mr. Zhu and his associates shall therefore be required to abstain from voting on the resolution(s) approving the Acceptance and Subscription and the transactions contemplated thereunder at the SGM. Save as aforementioned, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholders are materially interested in the Acceptance and Subscription and the transactions contemplated thereunder who are required to abstain from voting at the SGM on the resolution(s) approving the Acceptance and Subscription and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the Acceptance and Subscription and the transactions contemplated thereunder; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders; (iv) other information as required under the Listing Rules; and (v) a notice convening the SGM, is expected to be despatched to the Shareholders on or before 20 October 2023.

BACKGROUND

Reference is made to the Rights Issue Announcements and the Rights Issue Prospectus. As disclosed in the Rights Issue Announcements and the Rights Issue Prospectus, the Company intends to utilize the net proceeds of the Rights Issue for the settlement of the payables in relation to the acquisition of property, plant and equipment, involving the outstanding payment of balance of approximately RMB59.9 million together with the corresponding interest in relation to the fee for the construction of port infrastructure owed by Guangming, a non-wholly owned subsidiary of Thousand Vantage and the Company.

PROPOSED TV OFFER

Thousand Vantage proposes to raise gross proceeds of up to approximately HK\$51.0 million by way of the issue of up to 8,228,571,432 TV Offer Shares (assuming no change in the number of TV Shares in issue on or before the record date), at the Subscription Price of HK\$0.0062 per TV Offer Share on the basis of eight (8) TV Offer Shares for every one (1) existing TV Share held on the record date. No TV shareholders is entitled to apply for TV Offer Shares in excess of his/its entitlements.

Further details of the TV Offer are set out below:

Issue statistics

Basis of the TV Offer:	Eight (8) TV Offer Shares for every one (1) existing TV Share held by the TV Shareholders on the record date
Subscription Price:	HK\$0.0062 per TV Offer Share
Number of TV Shares in issue as at the date of this announcement:	1,028,571,429 TV Shares
Number of TV Offer Shares to be issued under the TV Offer:	up to 8,228,571,432 TV Offer Shares (assuming no change in the number of TV Shares in issue on or before the record date)

Number of issued TV Shares upon completion of the TV Offer (assuming the TV Offer is fully subscribed):	9,257,142,861 Shares (assuming no change in the number of TV Shares in issue on or before the record date and that no new TV Shares (other than the TV Offer Shares) will be allotted and issued on or before completion of the TV Offer)
---	---

Amount to be raised before expenses:	Approximately HK\$51 million
--------------------------------------	------------------------------

Assuming no change in the number of TV Shares in issue on or before the record date and that no new Shares (other than the TV Offer Shares) will be allotted and issued on or before completion of the Rights Issue, up to 8,228,571,432 TV Offer Shares proposed to be issued pursuant to the TV Offer represent approximately 88.9% of the issued share capital of Thousand Vantage as enlarged by the allotment and issue of the TV Offer Shares.

Subscription Price

The Subscription Price is HK\$0.0062 per TV Offer Share, payable in full by a TV Shareholder upon acceptance of the relevant entitlement of the TV Offer Shares.

The Subscription Price represents a discount of approximately 64.97% to the latest audited consolidated net asset value per TV Share as at 31 March 2023 of approximately HK\$0.0177 (calculated based on the consolidated net assets of Thousand Vantage HK\$18,199,000 (“**Thousand Vantage NAV**”) and 1,028,571,429 TV Shares in issued).

The Subscription Price and the basis of the TV Offer were suggested by the financial adviser to Thousand Vantage. The Subscription Price with discount of approximately 64.97% to Thousand Vantage NAV per share falls within the range and is close to the average discount represented by 31 rights issue comparables which are all companies listed on the Stock Exchange or GEM operated by the Stock Exchange from 1 January 2023 up to 14 September 2023 selected by the financial adviser to Thousand Vantage.

As the TV Offer will be offered to the shareholders of Thousand Vantage on a pro-rata basis, the Board considers that the TV Offer and the transactions contemplated thereunder (including the Subscription Price) are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

PROPOSED ACCEPTANCE AND SUBSCRIPTION

Subject to the approval by the Independent Shareholders, the Group intends to accept and subscribe for the PT Entitlement (i.e. 5,348,571,432 TV Shares). Approximately HK\$33,161,142.88 will be payable by the Group in cash upon acceptance of the PT Entitlement.

Irrespective of whether Mr. Zhu will or will not take up his entitlement under the TV Offer, Thousand Vantage will continue to be a non-wholly owned subsidiary of the Company, and its financial results will continue to be consolidated with the financial results of the Company.

EFFECT OF THE TV OFFER ON SHAREHOLDINGS IN THOUSAND VANTAGE

For illustration purposes only, set out below is the shareholding structure of Thousand Vantage (i) as at the date of this announcement; (ii) immediately after completion of the TV Offer assuming only the Group has taken up its entitlement under the TV Offer; and (iii) immediately after completion of the TV Offer assuming all the TV Shareholders have taken up his/its entitlements of the TV Offer:

Assuming there is no other change in the shareholding structure of Thousand Vantage before the completion of the TV Offer:

	As at the date of this announcement		Immediately after completion of the TV Offer assuming only the Group has taken up its entitlement under the TV Offer		Immediately after completion of the TV Offer assuming all the TV Shareholders have taken up his/its entitlements of the TV Offer	
	<i>Number of issued Shares</i>	<i>Approximate %</i>	<i>Number of issued Shares</i>	<i>Approximate %</i>	<i>Number of issued Shares</i>	<i>Approximate %</i>
PT OBOR	668,571,428	65.00	6,017,142,852	94.35	6,017,142,852	65.00
Mr. Zhu	360,000,000	35.00	360,000,000	5.65	3,240,000,000	35.00
HK United (Note)	<u>1</u>	<u>0.00</u>	<u>9</u>	<u>0.00</u>	<u>9</u>	<u>0.00</u>
Total	<u>1,028,571,429</u>	<u>100.00</u>	<u>6,377,142,861</u>	<u>100.00</u>	<u>9,257,142,861</u>	<u>100.00</u>

Note: HK United holds 1 TV Share on trust for PT OBOR.

INFORMATION OF THE GROUP

The Group, pursuant to its long-term strategy of exploring potential investments and enhancing the value of its strategic investments by active participation in or close liaisons with the management of the Group's invested companies, continued to strategically invest or hold significant interests, both directly or indirectly, in a portfolio of listed companies in Hong Kong and Korea and also high-potential private companies and funds, through equity instruments and debt financing, financial assets and securities. The Group is also principally engaged in trading of commodities (including copper, nickel, aluminium and chemical and energy products), petrochemical port and chemical storage business as well as port-related services, provision of management services, financial institute business and loan financing services.

INFORMATION OF THOUSAND VANTAGE

As at the date of this announcement, Thousand Vantage is a non-wholly owned subsidiary of the Company. Thousand Vantage and its subsidiaries, including but not limited to Guangming, is principally engaged in the provision of petrochemical port and storage services as well as port-related services through operation of a terminal at Yingling Terminal Operation Area of Qinzhou Port, Guangxi, the PRC.

As at the date of this announcement, the directors of Thousand Vantage consist of Mr. Ching Man Chun Louis, Mr. Heinrich Grabner, Mr. Ching Man Ho Paul and Mr. Tsang Hin Man Terence nominated by the Group, and Mr. Zhu nominated by Mr. Zhu.

The tables below set forth the consolidated financial information of Thousand Vantage for the two years ended 31 March 2023.

	For the year ended 31 March	
	2023	2022
	HK\$'000	HK\$'000
	(audited)	(unaudited)
Revenue	50,001	63,360
Net loss before taxation	(317,001)	(44,059)
Net loss after taxation	(317,001)	(46,698)
	As at 31 March	
	2023	2022
	HK\$'000	HK\$'000
	(audited)	(audited)
Net assets	18,199	368,899

REASONS FOR THE PROPOSED ACCEPTANCE AND SUBSCRIPTION

As disclosed in the Rights Issue Announcements and the Rights Issue Prospectus, under the Settlement Agreement, in which the enforcement order previously issued by the court was set aside as agreed upon by both parties to the proceedings, repayments of RMB30 million are due and payable by Guangming on or before 30 June 2023 and the remaining balance of approximately RMB29.9 million together with the corresponding interest are due and payable by Guangming on or before 31 December 2023.

Further, the Thousand Vantage Group has to settle payments, which includes expenses related to an expansion project of petroleum facilities and oil and petroleum recycling facilities of the Thousand Vantage Group amounting to approximately RMB12.3 million and repayment to the Company amounting to approximately HK\$3.5 million (the “**Other Expenses**”).

Assuming the TV Offer Shares are subscribed in full, Thousand Vantage intends to apply the net proceeds from the TV Offer (i) as to RMB30 million for the repayment of RMB30 million due on 30 June 2023 under the Settlement Agreement; (ii) as to RMB12.3 million for settlement of payments, which includes expenses related to an expansion project of petroleum facilities (汽車發油設施改擴建項目) and oil and petroleum recycling facilities (油汽回收設備) of the Thousand Vantage Group; (iii) as to HK\$3.5 million for repayment to the Company; and (iv) as to the remaining balance for general working capital of Thousand Vantage Group (the actual amount of which will be subject to the HK\$ to RMB exchange rate at the time of exchanging HK\$ to make the RMB payment as set out above).

The Directors (excluding the independent non-executive Directors who will form their views after considering the opinion of the independent financial adviser) believe that the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) are fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) Thousand Vantage is ultimately owned as to approximately 65% by the Company and as to approximately 35% by Mr. Zhu; and (ii) Mr. Zhu is interested in 315,222,769 Shares (representing approximately 10.4% of the issued share capital of the Company), and as such, a connected person of the Company at the issuer level. Accordingly, Thousand Vantage is a connected subsidiary of the Company under Chapter 14A of the Listing Rules. The Acceptance and Subscription on the part of the Company would constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules. As the highest percentage ratio as defined in the Listing Rules in respect of the Acceptance and Subscription is more than 5% but is less than 25% and the amount is more than HK\$10,000,000, the Acceptance and Subscription is subject to the reporting, announcement, and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In the event that Mr. Zhu does not accept and subscribe for his entitlement under the TV Offer in full, the equity interest of the Group in Thousand Vantage will increase. As such, depends on the level of acceptance of the TV Offer on the part of Mr. Zhu, the Acceptance and Subscription may also constitute a discloseable transaction on the part of the Company under the Chapter 14 of the Listing Rules. Assuming Mr. Zhu does not accept and subscribe for any of his entitlement under the TV Offer, the equity interest of the Group in Thousand Vantage will increase from approximately 65% to approximately 94.35% and the highest percentage ratio as defined in the Listing Rules in respect of the Acceptance and Subscription will be more than 5% but less than 25%, the Acceptance and Subscription is subject to the reporting and announcement requirements, and is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

For the avoidance of doubt, as Mr. Zhu receives a pro rata entitlement to the TV Offer as a shareholder of Thousand Vantage, the acceptance and subscription for his entitlement under the TV Offer on the part of Mr. Zhu (if any) is fully exempt under Rule 14A.92 of the Listing Rules.

SGM

An SGM will be convened and held by the Company to consider and, if thought fit, approve the proposed Acceptance and Subscription and the transactions contemplated thereunder. The voting at the SGM will be taken by poll.

At the SGM, any Shareholders with a material interest in the Acceptance and Subscription and the transactions contemplated thereunder are required to abstain from voting on the proposed resolution(s) to be put forwarded to the Independent Shareholders at the SGM for approving the Acceptance and Subscription and the transactions contemplated thereunder. As Mr. Zhu is interested in 315,222,769 Shares (representing approximately 10.4% of the issue share capital of the Company) and holds approximately 35% issued share capital of Thousand Vantage. Mr. Zhu and his associates shall therefore be required to abstain from voting on the resolution(s) approving the Acceptance and Subscription and the transactions contemplated thereunder at the SGM. Save as aforementioned, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholders are materially interested in the Acceptance and Subscription and the transactions contemplated thereunder who are required to abstain from voting at the SGM on the resolution(s) approving the Acceptance and Subscription and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the Acceptance and Subscription and the transactions contemplated thereunder; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders; (iv) other information as required under the Listing Rules; and (v) a notice convening the SGM, is expected to be despatched to the Shareholders on or before 20 October 2023.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Acceptance and Subscription”	the intended acceptance of and subscription by the Company for the PT Entitlement;
“associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day (other than a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by a super typhoon or a “black” rainstorm warning signal is hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which commercial banks in Hong Kong are open for general business;

“Company”	PT International Development Corporation Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 372);
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiary;
“Guangming”	Guangxi Guangming Warehouse Storage Limited* (廣西廣明碼頭倉儲有限公司), a non-wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“HK United”	HK United Investment Holdings Limited, a wholly-owned subsidiary of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	Shareholders other than those who are required under the Listing Rules to abstain from voting on the relevant resolution(s) at the SGM to approve the Acceptance and Subscription and the transactions contemplated thereunder;
“Mr. Zhu”	Mr. Zhu Bin who is interested in 315,222,769 Shares (representing approximately 10.4% of the issued share capital of the Company) and approximately 35% of the issued share capital of Thousand Vantage and a director of Thousand Vantage;
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

“PT Entitlement”	the entitlement of the Group to subscribe for up to 5,348,571,432 TV Shares under the TV Offer;
“PT OBOR”	PT OBOR Financial Holdings Limited, a wholly-owned subsidiary of the Company;
“Rights Issue”	the issue by way of rights on the basis of one (1) rights share for every two (2) existing Shares held by the qualifying shareholders on the record date at the subscription price of HK\$0.036 per rights share by the Company, details of which are disclosed in the Rights Issue Announcements and the Rights Issue Prospectus;
“Right Issue Announcements”	the announcements of the Company dated 30 May 2023, 2 June 2023, 16 June 2023, 30 June 2023 and 21 September 2023 in relation to the Rights Issue;
“Right Issue Prospectus”	the prospectus of the Company dated 23 May 2023 in relation to the Rights Issue;
“Settlement Agreement”	the settlement agreement dated 6 March 2023 between No. 5 Engineering Co., Ltd. of CCCC First Harbor Engineering Co., Ltd.* (中交一航局第五工程有限公司) and Guangming, in which the enforcement order previously issued by the court was set aside as agreed upon by both parties to the proceedings, repayment of RMB30 million was due on or before 30 June 2023 and the remaining balance of approximately RMB29.9 million together with the corresponding interest are due on or before 31 December 2023;
“SGM”	the special general meeting of the Company to be convened and held to consider and approve, among others, the proposed Acceptance and Subscription and the transactions contemplated thereunder;
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder of issued Share(s);

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the subscription price of HK\$0.0062 for each TV Offer Share under the TV Offer;
“Thousand Vantage”	Thousand Vantage Investment Limited, a non-wholly owned subsidiary of the Company;
“Thousand Vantage Group”	Thousand Vantage and its subsidiaries;
“TV Offer”	the proposed offer on the basis of eight (8) TV Offer Shares for every one (1) existing TV Share held by the TV Shareholders on the record date at the Subscription Price, payable in full on acceptance and on the terms and subject to the conditions of the offer letter;
“TV Offer Share(s)”	up to 8,228,571,432 new TV Shares to be allotted and issued pursuant to the TV Offer;
“TV Share(s)”	ordinary share(s) of Thousand Vantage;
“TV Shareholder(s)”	holder(s) of TV Share(s); and
“%”	per cent.

By order of the Board
PT International Development Corporation Limited
Ching Man Chun, Louis
Chairman and Managing Director

Hong Kong, 28 September 2023

As at the date of this announcement, the Board comprises three Executive Directors, namely, Mr. Ching Man Chun, Louis (Chairman and Managing Director), Mr. Heinrich Grabner (Deputy Chairman) and Mr. Yeung Kim Ting; and three Independent Non-executive Directors, namely, Mr. Yam Kwong Chun, Mr. Wong Yee Shuen, Wilson and Mr. Lam Yik Tung.

* *for identification purposes only*