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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **PT International Development Corporation Limited** (the “Company”), you should at once hand this circular to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

(1) CONNECTED TRANSACTION IN RELATION TO PROPOSED ACCEPTANCE AND SUBSCRIPTION OF TV OFFER SHARES; AND (2) NOTICE OF SGM

Financial adviser to the Company



Alpha Financial Group Limited

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



Draco Capital Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “DEFINITIONS” in this circular. A letter from the Board is set out on pages 5 to 12 of this circular. A letter from the Independent Board Committee is set out on pages 13 to 14 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 29 of this circular.

A notice convening the SGM of the Company to be held at Room Soho 1, 6/F, IBIS Hong Kong Central and Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Monday, 27th November, 2023 at 10:30 a.m. is set out on pages SGM-1 to SGM-3 of this circular.

A form of proxy is enclosed with this circular. Whether or not you intend to attend and vote at the SGM, you are advised to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you subsequently so wish and in such event, the form of proxy shall be deemed to be revoked.

There will be NO distribution of corporate gifts or service of refreshments at the SGM.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	5
Letter from the Independent Board Committee	13
Letter from Draco Capital Limited	15
Appendix – General Information	I-1
Notice of SGM	SGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“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;
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“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;

DEFINITIONS

“Independent Board Committee”	the independent board committee of the Company, comprising all independent non-executive Directors, namely Mr. Yam Kwong Chun, Mr. Wong Yee Shuen, Wilson and Mr. Lam Yik Tung, which has been formed to advise the Independent Shareholders on the terms of the Acceptance and Subscription and the transactions to be contemplated thereunder;
“Independent Financial Adviser” or “Draco Capital Limited”	Draco Capital Limited, a licensed corporation under the SFO permitted to conduct type 6 (advising on corporate finance) regulated activities for the purposes of the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the terms of the Acceptance and Subscription and the transactions to be contemplated thereunder;
“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;
“Latest Practicable Date”	6 November 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“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 circular, 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;

DEFINITIONS

“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;
“Rights 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;
“Rights 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;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“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(s) of the 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;

DEFINITIONS

“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.

* *For identification purposes only*

LETTER FROM THE BOARD



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)

Board of Directors

Executive Directors:

Mr. Ching Man Chun, Louis

(Chairman and Managing Director)

Mr. Heinrich Grabner *(Deputy Chairman)*

Mr. Yeung Kim Ting

Non-executive Director:

Ms. Wong Man Ming, Melinda

Independent non-executive Directors:

Mr. Yam Kwong Chun

Mr. Wong Yee Shuen, Wilson

Mr. Lam Yik Tung

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Place of Business in Hong Kong:

11th Floor

Centre Point

181-185 Gloucester Road

Wanchai, Hong Kong

9 November 2023

To the Shareholders,

Dear Sir or Madam,

(1) CONNECTED TRANSACTION IN RELATION TO PROPOSED ACCEPTANCE AND SUBSCRIPTION OF TV OFFER SHARES; AND (2) NOTICE OF SGM

INTRODUCTION

Reference is made to the announcement of the Company dated 28 September 2023 in relation to the proposed Acceptance and Subscription of TV Offer Shares, the Rights Issue Announcements and the Rights Issue Prospectus.

* For identification purposes only

LETTER FROM THE BOARD

The purposes of this circular are to, among others, (i) provide you with the details of the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions contemplated thereunder; (ii) set out the recommendation of the Independent Board Committee in respect of the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions contemplated thereunder; and (iii) set out the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions contemplated thereunder.

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 circular:	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: (assuming the TV Offer is fully subscribed)	Approximately HK\$51 million

LETTER FROM THE BOARD

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 TV Offer, 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 of HK\$18,199,000 (“**Thousand Vantage NAV**”) and 1,028,571,429 TV Shares in issue).

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.

In determining the Subscription Price, which represents a discount of approximately 64.97% to the latest audited consolidated net asset value per TV Share as at 31 March 2023, the financial adviser to Thousand Vantage has considered that, among others, (i) Thousand Vantage is a private company which shares are illiquid unlike listed companies on the Stock Exchange; (ii) Thousand Vantage is only an investment holding company and Guangming, the only operating subsidiary carrying assets of the Thousand Vantage Group is involved in several litigations, which increases additional risks and potential financial liabilities to its shareholders and/or potential investors; (iii) the auditors have expressed their disclaimer of opinion on the consolidated financial statements of the Thousand Vantage Group for the year ended 31 March 2023 because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements on the Thousand Vantage Group due to the following conditions indicating the existence of material uncertainties that may cast significant doubt upon the Thousand Vantage Group’s ability to continue as a going concern: (a) the Thousand Vantage Group is subject to legal claims in relation to sale and leaseback arrangements and debt dispute and such claims amounted to approximately RMB553,641,000 (equivalent to approximately HK\$632,785,000) in aggregate as at 31 March 2023 and the Thousand Vantage Group has received property preservation orders to restrict the disposition of certain assets and withdrawal of bank deposits since August 2022; (b) the Thousand Vantage Group has breached certain covenants of the bank loans and certain terms of the sale and leaseback contracts due to the receipt of the property preservation orders from the court, thus the bank and the lessor may request immediate repayment of the loans with a carrying amount of approximately HK\$121,012,000 as at 31 March 2023 and the remaining lease payments, the outstanding lease liabilities of which with a carrying amount of approximately HK\$397,885,000 as at 31 March 2023, respectively; and (c) the Thousand Vantage Group recorded net current liabilities of approximately HK\$575,485,000 as at 31 March 2023 and reported a loss and net operating cash outflow of approximately HK\$317,001,000 and HK\$749,000, respectively, for the year ended 31 March 2023; (iv) the Thousand Vantage Group has

LETTER FROM THE BOARD

funding needs for the repayments under the Settlement Agreement and other expenses as discussed in the section headed “Reasons for the Proposed Acceptance and Subscription” below in this circular; (v) the Thousand Vantage Group has insufficient bank balances and cash as at 31 March 2023 for the repayments under the Settlement Agreement and of other expenses; and (vi) the TV Offer will be offered to the shareholders of Thousand Vantage on a pro-rata basis to subscribe the TV Offer Shares at the Subscription Price. The Board concurs with the view of the financial adviser to Thousand Vantage and 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 Latest Practicable Date; (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 Latest Practicable Date		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>No. of issued shares</i>	<i>Approximate %</i>	<i>No. of issued shares</i>	<i>Approximate %</i>	<i>No. 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 (<i>Note</i>)	1	0.00	9	0.00	9	0.00
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.

LETTER FROM THE BOARD

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, aluminum 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 Latest Practicable Date, 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 Latest Practicable Date, 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
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(unaudited)
		<i>(Note)</i>
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
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Net assets	18,199	368,899

Note: On 23 June 2022, the directors of Thousand Vantage passed an ordinary resolution to change the financial year end date of Thousand Vantage from 31 December to 31 March to align with the financial year end date of the Company. Accordingly, the respective period in the audit financial statements of Thousand Vantage started from 1 January 2021 to 31 March 2022. Hence, the amounts of revenue, net loss before taxation and net loss after taxation of the Thousand Vantage Group for the year ended 31 March 2022, which are extracted from the management accounts of the Thousand Vantage Group for the year ended 31 March 2022, are unaudited and for comparative purpose.

LETTER FROM THE BOARD

The Thousand Vantage Group recorded net loss after taxation of approximately HK\$317.0 million and HK\$46.7 million for the years ended 31 March 2023 and 2022, respectively. The increase in net loss was mainly attributable to an impairment loss on property, plant and equipment and right-of-use assets related to the provision of port and port-related services of approximately HK\$186.7 million and HK\$93.8 million, respectively, recognised for the year ended 31 March 2023 after the management of the Thousand Vantage Group has assessed the impact of the operational risks the Thousand Vantage Group faces from the COVID-19 pandemic, the impact from the litigation on the business operation and the impact they have on the future cash flows which impact the valuation of such assets.

The Thousand Vantage Group recorded net assets of approximately HK\$18.2 million and HK\$368.9 million as at 31 March 2023 and 2022, respectively. The decrease in net assets was mainly attributable to the impairment loss recognised as stated above for the year ended 31 March 2023.

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 (the “**1st Tranche Settlement Sum**”) 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. The revised deadline of the payment of the 1st Tranche Settlement Sum recently conveyed by 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) would fall on mid-November 2023.

Further, the Thousand Vantage Group has to settle payments, which include 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.

Assuming the TV Offer Shares are subscribed in full, Thousand Vantage intends to apply the net proceeds from the TV Offer (i) as to the 1st Tranche Settlement Sum; (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 (including the independent non-executive Directors 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.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, (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.

None of the Directors has any material interest in the proposed Acceptance and Subscription and was required to abstain from voting on the relevant resolution in accordance with the requirements 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.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 13 to 14 of this circular which contains its recommendation to the Independent Shareholders on the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions to be contemplated thereunder. Your attention is also drawn to the letter of advice received from Draco Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders as set out on pages 15 to 29 of this circular which contains, among others, its advice to the Independent Board Committee and the Independent Shareholders in relation to the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions to be contemplated thereunder, the casting of votes for or against the resolution(s) approving the proposed Acceptance and Subscription and the transactions to be contemplated thereunder as well as the principal factors and reasons considered by it in concluding its advice.

The Directors (including the independent non-executive Directors after considering the opinion of the Independent Financial Adviser) are of the view that the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions to be contemplated thereunder, while not being in the ordinary and usual course of business of the Group, are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, and they recommend the Shareholders to vote in favour of the resolution(s) at the SGM.

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee to the Independent Shareholders, the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, and additional information set out in the appendix to this circular.

Yours faithfully

By order of the Board

PT International Development Corporation Limited

Ching Man Chun, Louis

Chairman and Managing Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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)

9 November 2023

To the Independent Shareholders,

Dear Sir or Madam,

**(1) CONNECTED TRANSACTION IN RELATION TO
PROPOSED ACCEPTANCE AND SUBSCRIPTION OF
TV OFFER SHARES; AND
(2) NOTICE OF SGM**

We refer to the circular issued by the Company to the Shareholders dated 9 November 2023 (the “**Circular**”) of which this letter forms part. Terms defined in the circular shall have the same meanings in this letter unless the context otherwise requires.

Under the Listing Rules, the proposed Acceptance and Subscription on the part of the Company would constitute a connected transaction on the part of the Company.

We have been appointed as the Independent Board Committee to consider the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions to be contemplated thereunder and to advise the Independent Shareholders based on our opinion regarding the proposed Acceptance and Subscription and the transactions to be contemplated thereunder whether the proposed Acceptance and Subscription and the transactions to be contemplated thereunder are conducted on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Draco Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

We wish to draw your attention to the letter from the Board and the letter from Draco Capital Limited as set out in this circular. Having considered the principal factors and reasons considered by, and the advice of Draco Capital Limited as set out in its letter of advice, we are of the view that the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions to be contemplated thereunder, while not being in the ordinary and usual course of business of the Group, are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

* *For identification purposes only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the proposed Acceptance and Subscription and the transactions to be contemplated thereunder at the SGM.

Yours faithfully

For and on behalf of the Independent Board Committee

Mr. Yam Kwong Chun
*Independent non-executive
director*

Mr. Wong Yee Shuen, Wilson
*Independent non-executive
director*

Mr. Lam Yik Tung
*Independent non-executive
director*

LETTER FROM DRACO CAPITAL LIMITED

The following is the full text of the letter from Draco Capital Limited setting out their advice to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



Draco Capital Limited
4/F, Connaught Harbour Front House
35-36 Connaught Road West
Sheung Wan, H.K.

9 November 2023

To the Independent Board Committee and the Independent Shareholders of PT International Development Corporation Limited

Dear Sir or Madam,

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

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the terms of the proposed Acceptance and Subscription (including the Subscription Price payable under the proposed Acceptance and Subscription) and the transactions to be contemplated thereunder, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular dated 9 November 2023 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Reference is made to the announcement published by the Company on 28 September 2023 in relation to, among others, the proposed Acceptance and Subscription of TV Offer Shares which constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. The Board proposes to seek, among others, the approval of the Independent Shareholders for the Acceptance and Subscription of TV Offer Shares and the transactions contemplated thereunder.

LETTER FROM DRACO CAPITAL LIMITED

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, (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.

As advised by the Company, none of the Directors has any material interest in the proposed Acceptance and Subscription and have abstained from voting on the relevant resolution in accordance with the requirements of the Listing Rules.

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.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Mr. Yam Kwong Chun, Mr. Wong Yee Shuen, Wilson and Mr. Lam Yik Tung, all being independent non-executive Directors, has been established to advise the Independent Shareholders on whether the proposed Acceptance and Subscription and the transactions to be contemplated thereunder are conducted on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable so far as the Independent Shareholders are concerned, and to advise the Independent Shareholders as to voting. We, Draco Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

LETTER FROM DRACO CAPITAL LIMITED

OUR INDEPENDENCE

In the last two years, prior to the Latest Practicable Date, we have not acted in any capacity in relation to any transactions of the Company. As at the Latest Practicable Date, we do not have any relationship with, or have any interest in, the Group and its associates that could reasonably be regarded as relevant to our independence. Apart from the normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no other arrangement exists whereby we had received or will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence as defined under Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the Directors and the management of the Group (the “**Management**”); and (iv) our review of the relevant public information.

We have assumed that all the information provided, and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon and continue to be so up to the date of the SGM. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the Latest Practicable Date and continue to be so up to the date of the SGM and all such statements of belief, opinions and intentions of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the Management. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the Management are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the SGM. Independent Shareholders will be informed of any material change of information and the representations made or referred to in the Circular as soon as possible up to the date of the SGM.

We consider that we have reviewed the relevant information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. In formulating our recommendation regarding the proposed Acceptance and Subscription and the transactions to be contemplated thereunder and pursuant to Rule 13.80(2) of the Listing Rules, we have obtained and reviewed the relevant information in relation to the proposed Acceptance and Subscription, among others, (i) the annual report for the year ended 31 March 2023 of the Company (the “**2023 Annual Report**”); (ii) the recent announcements of the Company; and (iii) the information set out in the Circular.

LETTER FROM DRACO CAPITAL LIMITED

We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter. We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made, or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group, or any of its respective substantial shareholders, subsidiaries or associates.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the proposed Acceptance and Subscription and the transactions to be contemplated thereunder and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendations to the Independent Shareholders, we have taken into consideration the following principal factors and reasons. Our conclusions are based on the results of all analyses taken as a whole.

1 Background Information of the Parties to the Subscription

1.1 Information on the Group

The Company is a company incorporated in the Bermuda with limited liability, whose Shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 372).

The principal activity of the Company is investment holding. The Group is principally engaged in trading of commodities (including copper, nickel, aluminium and chemical and energy products), chemical storage business, provision of management services, financial institute business and loan financing services.

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.

LETTER FROM DRACO CAPITAL LIMITED

1.2 *Financial Performance on the Group*

FY2023 vs FY2022

With reference to the 2023 Annual Report, for the year ended 31 March 2023 (“FY2023”), the Group reported a loss of HK\$201,962,000 attributable to the owners of the Company (FY2022: HK\$158,417,000) and basic loss per share of HK8.94 cents (FY2022: HK7.01 cents). The loss in FY2023 was mainly due to an impairment loss on goodwill, property, plant and equipment and right-of-use assets related to the provision of port and port-related services in the petrochemical segment; partly offset by the fair value gain of financial instruments, in particular, the Group’s investment in AFC Mercury Fund.

For FY2023, the Group has been involved in the securities trading business. The Group had not realised any profit or loss on the disposal of these listed securities investments during the year (FY2022: loss of approximately HK\$60,000). The Group recorded a loss of approximately HK\$18 million (FY2022: gain of approximately HK\$1 million) arising from changes in the fair value of the listed securities. As a result, the Group reported a segment loss of approximately HK\$18 million (FY2022: loss of approximately HK\$1 million) during the year.

During FY2023, the Group, through its subsidiaries, continued its trading business which focuses on the trading of commodities including metals, chemical and energy products. The business generated a segment revenue of HK\$360,984,000 (FY2022: HK\$844,337,000) and a segment profit of HK\$3,055,000 (FY2022: segment loss of HK\$7,388,000). The profit was mainly due to demand of metals and chemical products increased. Since Russian Ukraine war early this year, follow with the subsequent curtailment of gas flows to Europe, this has pushed the energy price to new highs affecting the supply and production in Europe. In metal, with the cutback in production and the sanction in Russian Metals import to Europe, the premium in European market has pushed up substantially in the second quarter. The relatively high premium in Europe provided the premium arbitrage opportunity to move metals from Asian to European market in profit. The decrease in revenue was mainly due to the supply chains issues including delays in warehouse loadout, vessels delayed, high freight cost, longer than expected shipping days and higher United States Dollar interest rate.

During FY2023, the Group’s metal recycling business, which commenced operations in January 2022, recorded a revenue of HK\$101,574,000 (FY2022: HK\$43,480,000) (including inter-segment sales) and a segment loss of HK\$36,512,000 (FY2022: HK\$25,588,000).

During FY2023, the Group’s financial institute business reported a segment revenue of HK\$301,000 (FY2022: HK\$1,163,000) and a segment loss of HK\$6,670,000 (FY2022: HK\$6,933,000).

LETTER FROM DRACO CAPITAL LIMITED

During FY2023, the Group's loan financing operation reported a segment revenue of HK\$16,000 (FY2022: HK\$254,000) and a segment profit of HK\$3,000 (FY2022: HK\$241,000). As at 31st March, 2023, the loan portfolio held by the Group was nil (FY2022: HK\$2,949,000).

For FY2023, the Group recorded gross loss of approximately HK\$281,310,000 (FY2022: gross profit of approximately HK\$46,181,000), with gross loss margin of approximately 62.2% (FY2022: gross profit margin of approximately 5.3%).

As at 31 March 2023, equity attributable to owners of the Company amounted to HK\$334,450,000 (31 March 2022: HK\$558,807,000), representing a decrease of HK\$224,357,000 or 40.2% as compared to 31 March 2022. The decrease was mainly due to the impairment of a cash-generating unit during the year. The Group continued to adopt a prudent funding and treasury policy to manage its liquidity needs. The objective is to maintain adequate funds for financing working capital and capture investment opportunities as and when they become available.

As at 31 March 2023, current assets and current liabilities of the Group were HK\$150,616,000 (31 March 2022: HK\$338,789,000) and HK\$686,711,000 (31 March 2022: HK\$311,417,000) respectively. Accordingly, the Group's current ratio was about 0.22 (31 March 2022: 1.1).

As at 31 March, 2023, the Group had bank balances and cash of HK\$69,552,000 (31 March 2022: HK\$109,590,000) and bank and other borrowings of HK\$146,281,000 (31 March 2022: HK\$165,290,000). The Group's gearing ratio was 22.9% at 31 March 2023 (31 March 2022: 10%). The gearing ratio is calculated on the basis of net borrowings over the equity attributable to owners of the Company. Net borrowings are arrived at by deducting bank balances and cash from bank borrowings.

1.3 Information of Thousand Vantage

As at the Latest Practicable Date, 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 Latest Practicable Date, 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.

LETTER FROM DRACO CAPITAL LIMITED

1.4 Financial Performance on Thousand Vantage

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 HK\$'000 (audited)	2022 HK\$'000 (unaudited) (Note)
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 HK\$'000 (audited)	2022 HK\$'000 (audited)
Net assets	18,199	368,899

Note: On 23 June 2022, the directors of Thousand Vantage passed an ordinary resolution to change the financial year end date of Thousand Vantage from 31 December to 31 March to align with the financial year end date of the Company. Accordingly, the respective period in the audit financial statements of Thousand Vantage started from 1 January 2021 to 31 March 2022. Hence, the amounts of revenue, net loss before taxation and net loss after taxation of the Thousand Vantage Group for the year ended 31 March 2022, which are extracted from the management accounts of the Thousand Vantage Group for the year ended 31 March 2022, are unaudited and for comparative purpose.

The Thousand Vantage Group recorded net loss after taxation of HK\$317,001,000 for the year ended 31 March 2023 (for the year ended 31 March 2022: HK\$46,698,000). The increase in net loss was mainly attributable to an impairment loss on property, plant and equipment and right-of-use assets related to the provision of port and port-related services of HK\$186,702,000 and HK\$93,759,000, respectively, recognised for the year ended 31 March 2023 after the management of the Thousand Vantage Group has assessed the impact of the operational risks the Thousand Vantage Group faces from the COVID-19 pandemic, the impact from the litigation on the business operation and the impact they have on the future cash flows which impact the valuation of such assets.

The Thousand Vantage Group recorded net assets of HK\$18,199,000 as at 31 March 2023 (31 March 2022: HK\$368,899,000). The decrease in net assets was mainly attributable to the impairment loss recognised as stated above for the year ended 31 March 2023.

LETTER FROM DRACO CAPITAL LIMITED

2 Reasons for the Proposed Acceptance and Subscription

The proposed Acceptance and Subscription amount to approximately HK\$33,161,142.88, which will be payable by the Group in cash upon acceptance of the PT Entitlement. As advised by the Directors, the proposed Acceptance and Subscription will be funded by proceeds from the Rights Issue. As disclosed in the announcement of the Company dated 21 June 2023 in relation to the results of the Rights Issue, the net proceeds from the Rights Issue are approximately HK\$33.6 million.

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 (the “**1st Tranche Settlement Sum**”) 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. The revised deadline of the payment of the 1st Tranche Settlement Sum recently conveyed by 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) would fall on mid-November 2023. The Company intends to apply the net proceeds from the Rights Issue for the settlement of the aforementioned payables.

According to the Letter from the Board, 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. Further, 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 the 1st Tranche Settlement Sum; (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 the 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).

At the material time of the Rights Issue, the Company had considered other fund-raising alternatives available to the Group and were of the opinion that raising capital through the Rights Issue was in the interests of the Company and the Shareholders as a whole. While the Company had raised funds from the Rights Issue for the payables of Guangming, a non-wholly owned subsidiary of Thousand Vantage, we understand from the Directors that Thousand Vantage has also explored various fundraising alternatives.

To compare the TV Offer (equity financing) to debt financing methods (such as bank or shareholder’s loan), we are of the view that equity financing is a better alternative as such would not incur additional interest burden to Thousand Vantage and will also improve the gearing ratio of Thousand Vantage by increasing its equity, while debt financing will worsen it. Given the current outstanding bank borrowings and lease liabilities of Thousand Vantage, we consider that it is unlikely for Thousand Vantage to secure favourable terms through debt financing.

LETTER FROM DRACO CAPITAL LIMITED

We also consider that the TV Offer, by way of rights issue, allows all shareholders of Thousand Vantage (including the Company) to maintain their proportional shareholdings in Thousand Vantage as compared to other equity financing methods, while enabling Thousand Vantage to secure funds for the settlement of the aforementioned payments.

3 Principal Terms of the Proposed TV Offer

According to the Letter from the Board, 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 shareholder 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 circular:	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 TV Offer, 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.

LETTER FROM DRACO CAPITAL LIMITED

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 issue).

According to the Letter from the Board, the Subscription Price and the basis of the Proposed 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 TV 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.

Further, we understand from the Letter of the Board that, in determining the Subscription Price, which represents a discount of approximately 64.97% to the latest audited consolidated net asset value per TV Share as at 31 March 2023, the financial adviser to Thousand Vantage has considered that, among others, (i) Thousand Vantage is a private company which shares are illiquid unlike listed companies on the Stock Exchange; (ii) Thousand Vantage is only an investment holding company and Guangming, the only operating subsidiary carrying assets of the Thousand Vantage Group is involved in several litigations, which increases additional risks and potential financial liabilities to its shareholders and/or potential investors; (iii) the auditors have expressed their disclaimer of opinion on the consolidated financial statements of the Thousand Vantage Group for the year ended 31 March 2023 because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements on the Thousand Vantage Group due to the following conditions indicating the existence of material uncertainties that may cast significant doubt upon the Thousand Vantage Group’s ability to continue as a going concern: (a) the Thousand Vantage Group is subject to legal claims in relation to sale and leaseback arrangements and debt dispute and such claims amounted to approximately RMB553,641,000 (equivalent to approximately HK\$632,785,000) in aggregate as at 31 March 2023 and the Thousand Vantage Group has received property preservation orders to restrict the disposition of certain assets and withdrawal of bank deposits since August 2022; (b) the Thousand Vantage Group has breached certain covenants of the bank loans and certain terms of the sale and leaseback contracts due to the receipt of the property preservation orders from the court, thus the bank and the lessor may request immediate repayment of the loans with a carrying amount of approximately HK\$121,012,000 as at 31 March 2023 and the remaining lease payments, the outstanding lease liabilities of which with a carrying amount of approximately HK\$397,885,000 as at 31 March 2023, respectively; and (c) the Thousand Vantage Group recorded net current liabilities of approximately HK\$575,485,000 as at 31 March 2023 and reported a loss and net operating cash outflow of approximately HK\$317,001,000 and HK\$749,000, respectively, for the year ended 31 March 2023; (iv) the Thousand Vantage Group has funding needs for the repayments under the Settlement Agreement and other expenses; (v) the Thousand Vantage Group has insufficient bank balances and cash as at 31 March 2023 for the repayments under the Settlement Agreement and of other expenses; and (vi) the TV Offer will be offered to the shareholders of Thousand Vantage on a pro-rata basis to subscribe the TV Offer Shares at the Subscription Price.

For further details of the principal terms of the Proposed TV Offer, please refer to the paragraph headed “PROPOSED TV OFFER” in the Letter from the Board.

LETTER FROM DRACO CAPITAL LIMITED

Our Assessment

In further assessing the fairness and reasonableness of the terms of the Proposed TV Offer, we conducted a search for comparable transactions involving rights issue announced by companies listed on the Stock Exchange in the past six months immediately preceding the date of the Announcement, save for the Rights Issue conducted by the Company in May 2023, based on the following selection criteria: (i) excluding companies that has recorded net liabilities according to their respective latest published information prior to the relevant announcement; and (ii) excluding companies with respective subscription price representing a premium over their net asset value according to their respective latest published information prior to the relevant announcement; and (iii) excluding dual listed H-share companies with different share prices at various stock exchanges due to price gap, which in turn result in differences in and multiple valuations of the companies and potentially unfair comparisons and distortions of data when drawing analytical conclusions (the “**Rights Issue Comparables**”). Also, as Thousand Vantage is not a listed company, we are not able to conduct analysis on the subscription price over the share price with the Rights Issue Comparables. Accordingly, we conducted our analysis on the discount of subscription price to net asset value per share with the Rights Issue Comparables.

We consider the list of the Rights Issue Comparables is fair, representative and comparable to the TV Offer, taking into account that (i) they involve the same type of transaction, i.e. rights issue, which could facilitate meaningful comparison purpose, as the selection of the Rights Issue Comparables without considering the connected relationship could provide a more balanced and comprehensive reference as terms given to connected person(s) shall be no more favourable than terms given to independent third party(ies); (ii) the period of six months immediately preceding the date of the Announcement represents a reasonable and meaningful time period to capture the recent market practice for rights issue; and (iii) an exhaustive list of the Rights Issue Comparables with each fulfilled the abovementioned selection criteria is more representative to provide a comprehensive reference for comparison purpose.

LETTER FROM DRACO CAPITAL LIMITED

Shareholders should note that the businesses, operations and prospects of Thousand Vantage may not be the same as, or vary from, those of the listed companies conducting rights issue, and the Rights Issue Comparables set out below are for the purpose of providing a general insight on the terms in respect of the rights issue during the said period. Details of the Rights Issue Comparables are set out below:

Date of announcement	Name of the comparable company (Stock code)	Basis of entitlement	Subscription amount (HK\$ million)	Discount of subscription price to net asset value per share (%)
15 Sep 2023	Royal Century Resources Holdings Limited (8125)	5 for 1	36.1	85.0%
11 Sep 2023	Asian Citrus Holdings Limited (73)	1 for 2	43.7	57.4%
6 Sep 2023	Orient Securities International Holdings Limited (8001)	1 for 2	7.5	93.7%
3 Sep 2023	Rare Earth Magnesium Technology Group Holdings Limited (601)	1 for 2	15.8	96.5%
15 Aug 2023	Wisdomcome Group Holdings Limited (8079)	3 for 1	70.0	86.4%
28 Jul 2023	Artgo Holdings Limited (3313)	2 for 1	111.1	95.5%
26 Jul 2023	China Best Group Holding Limited (370)	2 for 5	97.6	71.0%
24 Jul 2023	Platt Nera International Limited (1949)	1 for 2	20.0	54.2%
6 Jul 2023	Classified Group (Holdings) Limited (8232)	3 for 2	14.2	53.3%
16 Jun 2023	Future World Holdings Limited (572)	1 for 1	69.7	92.6%
7 Jun 2023	GBA Holdings Limited (261)	4 for 5	52.9	90.3%

LETTER FROM DRACO CAPITAL LIMITED

Date of announcement	Name of the comparable company (Stock code)	Basis of entitlement	Subscription amount (HK\$ million)	Discount of subscription price to net asset value per share (%)
7 Jun 2023	Tesson Holdings Limited (1201)	3 for 4	111.3	71.9%
25 May 2023	China Investment Development Limited (204)	1 for 1	54.1	83.1%
12 May 2023	China Ruifeng Renewable Energy Holdings Limited (527)	5 for 2	213.7	34.2%
5 May 2023	China Medical & HealthCare Group Limited (383)	1 for 2	318.6	59.0%
20 Apr 2023	Yuexiu Property Company Limited (123)	30 for 100	8,360.4	47.5%
13 Apr 2023	Pinestone Capital Limited (804)	1 for 2	30.5	70.7% <i>(note)</i>
			Maximum	96.5%
			Minimum	34.2%
			Median	71.9%
			Average	73.1%
	TV Offer	8 for 1	51.0	65.0%

Note: Taking into account of the proceeds from placing of new shares by the comparable which was conducted subsequent to the publication of its latest published financial information and prior to the announcement of its rights issue.

Source: the website of the Stock Exchange (www.hkexnews.hk)

As shown in the table above, the subscription price of the Rights Issue Comparables ranged from a maximum discount of approximately 96.5% to a minimum discount of approximately 34.2% to their respective net asset value per share. The median and average discount of approximately 71.9% and approximately 73.1% to their respective net asset value per share, respectively, which are close to the discount to net asset value represented in the TV Offer. Having considered that the Rights Issue Comparables could reflect the recent trend of similar transactions involving rights issue and the prevailing market conditions, as the discount of the Subscription Price to the Thousand Vantage NAV per TV Share is within range and close to the median and average of the Rights Issue Comparables, we are of the view that the Subscription Price is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LETTER FROM DRACO CAPITAL LIMITED

As the TV Offer will be offered to the shareholders of Thousand Vantage on a pro-rata basis, we concur with the Board's view 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.

4 Potential Effects on Thousand Vantage

As illustrated in the Letter from the Board, Thousand Vantage is ultimately owned as to approximately 65% by the Company and as to approximately 35% by Mr. Zhu. 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%.

For illustration purposes only, set out below is the shareholding structure of Thousand Vantage (i) as at the Latest Practicable Date; (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 no other change in the shareholding structure of Thousand Vantage before the completion of the TV Offer:

	As at the Latest Practicable Date		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>No. of issued shares</i>		<i>No. of issued shares</i>		<i>No. of issued shares</i>	
	<i>Approx %</i>	<i>Approx %</i>	<i>Approx %</i>	<i>Approx %</i>	<i>Approx %</i>	<i>Approx %</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 (<i>Note</i>)	1	0.00	9	0.00	9	0.00
Total	1,028,571,429	100.00	6,377,142,861	100.00	9,257,142,861	100.00

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

Taking into account that (i) the TV Offer is pre-emptive in nature, as this allows the Company to maintain its proportional shareholdings in Thousand Vantage through the proposed Acceptance and Subscription in the TV Offer; and (ii) the Subscription Price represents a discount to the Thousand Vantage NAV per TV Share, we consider that the proposed Acceptance and Subscription in the TV Offer is in the interests of the Group and the Shareholders as a whole.

It is expected that the Thousand Vantage NAV will increase immediately upon completion of the TV Offer but the Thousand Vantage NAV per TV Share will decrease as the Subscription Price represents a discount to the net asset value per share. However, taking into account that we consider the Subscription Price is fair and reasonable in market terms and the proposed Acceptance and Subscription is beneficial to the Group based on the assessment above, the potential impact on the Thousand Vantage NAV per TV Share is acceptable.

LETTER FROM DRACO CAPITAL LIMITED

OPINION AND RECOMMENDATION

Having taken into account the above principal factors and reasons, we consider that the proposed Acceptance and Subscription and the transactions to be contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the proposed Acceptance and Subscription and the transactions to be contemplated thereunder are on normal commercial terms and are fair and reasonable; (ii) the proposed Acceptance and Subscription and the transactions to be contemplated thereunder is not conducted in the ordinary and usual course of business of the Group; and (iii) the proposed Acceptance and Subscription and the transactions to be contemplated thereunder is in the interests of the Group and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the SGM to approve the proposed Acceptance and Subscription and the transactions to be contemplated thereunder in this regard.

Yours faithfully,
For and on behalf of
Draco Capital Limited

Kevin Choi
Managing Director

Leon Au Yeung
Director

Mr. Kevin Choi and Mr. Leon Au Yeung are licensed persons under the SFO to carry out type 6 (advising on corporate finance) regulated activity under the SFO and regarded as responsible officers of Draco Capital Limited. Mr. Kevin Choi and Mr. Leon Au Yeung have over 12 and 10 years of experience in corporate finance industry, respectively.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of each of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules (the “**Model Code**”), to be notified to the Company and the Stock Exchange were as follows:

Long position in the Shares

Name of Director	Capacity	Number of shares held	Approximate percentage of the issued share capital of the Company
Mr. Ching Man Chun, Louis (“ Mr. Ching ”)	Beneficial owner	150,000,000	4.95%
	Interest of controlled corporation	732,000,000 <i>(Note)</i>	24.18%

Note: Champion Choice Holdings Limited (“**Champion Choice**”), which is the registered holder of 732,000,000 shares of the Company, is wholly-owned by Mr. Ching. Accordingly, Mr. Ching is deemed to be interested in 732,000,000 shares of the Company directly held by Champion Choice under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company or any of their close associates had any interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Interests of substantial shareholders of the Company

So far as is known to the Directors and chief executive of the Company, as at the Latest Practicable Date, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under section 336 of the SFO, or who were, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group or had any option in respect of such capital:

Long position in the Shares

Name of Shareholder	Capacity	Number of Shares held	Approximate percentage of the issued share capital of the Company
Mr. Ching	Beneficial owner	150,000,000	4.95%
	Interest of controlled corporation	732,000,000 (Note 1)	24.18%
Champion Choice	Beneficial owner	732,000,000 (Note 1)	24.18%
Mr. Zhu	Beneficial owner	312,882,769 (Note 2)	10.33%
	Interest of controlled corporation	2,340,000 (Note 2)	0.07%

Note 1: Champion Choice, which is the registered holder of 732,000,000 shares of the Company, is wholly-owned by Mr. Ching. Accordingly, Mr. Ching is deemed to be interested in 732,000,000 shares of the Company directly held by Champion Choice under the SFO.

Note 2: Based on the disclosure of interest filing of Mr. Zhu as at 18 August 2023, Mr. Zhu owns 312,882,769 shares of the Company and owns the entire issued share capital of One Perfect Group Ltd (“**One Perfect**”), which holds 2,340,000 shares of the Company. Accordingly, Mr. Zhu is deemed to be interested in 2,340,000 shares of the Company held by One Perfect under the SFO.

Saved as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the Shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital or relevant securities of the Company or any member of the Group.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, no Directors were considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as required to be disclosed pursuant to Rule 8.10 of the Listing Rules, other than those businesses of which the Directors were appointed as directors to represent.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any existing or proposed service contract with any member of the Group which was not determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACT OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have been, since 31 March 2023 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group, subsisting at such date and which was significant in relation to the business of the Group.

6. MATERIAL CHANGES

As at the Latest Practicable Date, save as the various litigations disclosed in the announcements of the Company dated 28 February 2022, 28 June 2022, 28 October 2022, 10 February 2023, 5 May 2023, 30 May 2023, 2 June 2023, 16 June 2023, 3 October 2023, 6 October 2023 and 1 November 2023 and the annual report of the Company for the year ended 31 March 2023, the Directors are not aware of any other material adverse change in the financial or trading position of the Group since 31 March 2023, being the date to which the latest published audited financial statements of the Group were made up, and including the Latest Practicable Date.

7. QUALIFICATION AND CONSENTS OF EXPERTS

The following is the qualification of the experts who have been named in this circular or have given opinions, letter or advice contained in this circular:

Name	Qualification
Draco Capital Limited	A corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the abovenamed expert has given and has not withdrawn its written consent to the issue of this circular, with the inclusion of the references to its name and/or its opinion, letter or report in the form and context in which they are included.

As at the Latest Practicable Date, the abovenamed expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the abovenamed expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2023 (being the date to which the latest published audited accounts of the Company were made up).

8. LITIGATION

As at the Latest Practicable Date, save as disclosed in the announcements of the Company dated 28 February 2022, 28 June 2022, 28 October 2022, 10 February 2023, 5 May 2023, 30 May 2023, 2 June 2023, 16 June 2023, 3 October 2023, 6 October 2023 and 1 November 2023 and the annual report of the Company for the year ended 31 March 2023, no member of the Group was engaged in any other litigation, arbitration or claims of material importance and no litigation, arbitration or claims of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

9. MISCELLANEOUS

- (a) The registered office address of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The principal place of business of the Company in Hong Kong is at 11th Floor, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office is Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) The secretary of the Company is Ms. Lo Yuen Mei, a member of The Hong Kong Institute of Certified Public Accountants.

- (e) In case of inconsistency, the English text of this circular shall prevail over its Chinese text.

10. DOCUMENTS ON DISPLAY

Copies of the following documents are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ptcorp.com.hk) for a period of 14 days from the date of this circular:

- (a) the letter from the Board, the text of which is set out from pages 5 to 12 of this circular;
- (b) the letter from the Independent Board Committee, the text of which is set out from pages 13 to 14 of this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out from pages 15 to 29 of this circular; and
- (d) the written consents referred to in the paragraph headed “7. QUALIFICATION AND CONSENTS OF EXPERTS” in this appendix.

NOTICE OF SGM



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)

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM” or “Meeting”) of PT International Development Corporation Limited (the “Company”, and together with its subsidiaries, the “Group”) will be held at Room Soho 1, 6/F, IBIS Hong Kong Central and Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong on Monday, 27th November, 2023 at 10:30 a.m., for considering and, if thought fit, passing the following ordinary resolution with or without amendment:

Ordinary Resolution

1. “THAT:

- (a) the intended acceptance and subscription (the “Acceptance and Subscription”) by the Company for the entitlement of the Group to subscribe for up to 5,348,571,432 ordinary shares of Thousand Vantage Investment Limited (“Thousand Vantage”), a non-wholly owned subsidiary of the Company, under the proposed offer on the basis of eight (8) new ordinary shares of Thousand Vantage (the “TV Offer Share(s)”) for every one (1) existing ordinary share of Thousand Vantage held by the shareholders of Thousand Vantage on the record date at the subscription price of HK\$0.0062 for each TV Offer Share, payable in full on acceptance and on the terms and subject to the conditions of the offer letter (the “TV Offer”) and the transactions contemplated thereunder are hereby approved; and
- (b) The board (“Board”) of directors of the Company (the “Directors”) be and is hereby generally and unconditionally authorised to do all such acts and things and execute all such documents as it considers necessary, expedient or desirable in connection with or to give effect to the Acceptance and Subscription, and to implement the transactions contemplated thereunder and all other matters incidental thereto and to agree to such variations, amendments or waivers of matters relating thereto as are, in the opinion of the Board, in the interest of the Company and its shareholders as a whole.”

By order of the Board

PT International Development Corporation Limited

Ching Man Chun, Louis

Chairman and Managing Director

Hong Kong, 9 November 2023

* For identification purposes only

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Place of Business in Hong Kong:
11th Floor
Centre Point
181-185 Gloucester Road
Wanchai, Hong Kong

As at the date of this notice, 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; one non-executive Director, namely, Ms. Wong Man Ming, Melinda; and three independent non-executive Directors, namely, Mr. Yam Kwong Chun, Mr. Wong Yee Shuen, Wilson and Mr. Lam Yik Tung.

Notes:

1. The above resolution will be put to the Meeting by way of poll. On voting by poll, each member of the Company shall have one vote for each share held in the Company.
2. Any shareholder of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. On a poll, votes may be given either personally or by a duly authorised corporate representative or by proxy. A shareholder of the Company who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the Meeting. A proxy need not be a shareholder of the Company. In addition, a proxy or proxies representing either a shareholder of the Company who is an individual or a shareholder of the Company which is a corporation shall be entitled to exercise the same powers on behalf of the shareholder of the Company which he/she/it or they represent(s) as such shareholder of the Company could exercise.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her/its attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised. In case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary is proved, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts. The Board may, nevertheless, require such evidence as it shall deem necessary as to the due execution of the instrument of proxy and the due authorisation of the same.
4. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notorially certified copy of such power or authority, shall be delivered to the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof (as the case may be) at which the person named in the instrument proposes to vote and, in default, the instrument of proxy shall not be treated as valid.
5. Completion and return of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the Meeting or any adjournment thereof or on the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
6. Where there are joint registered holders of any Share, any one of such persons may vote, either in person or by proxy, in respect of the Share as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at the Meeting the vote of senior who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the name stands in the register of members of the Company (the “**Register of Members**”) in respect of the joint holding.
7. In order to be eligible to attend and vote at the Meeting, all unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 21st November, 2023. The Register of Members will be closed from Wednesday, 22nd November, 2023 to Monday, 27th November, 2023, both days inclusive.

NOTICE OF SGM

8. In light of the continuing risks posed by COVID-19, the Company will implement precautionary measures at the SGM in the interests of the health and safety of Shareholders: (a) attendees are advised to maintain appropriate social distance with each other at all times when attending the SGM; (b) no refreshments will be served; and (c) no souvenirs or corporate gifts will be distributed to Shareholders attending the SGM venue in person.
9. Subject to the development of COVID-19, the Company may implement further changes to the arrangement of the SGM and precautionary measures and may issue further announcement on such measures as appropriate.
10. In case Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or “extreme conditions” caused by a super typhoon announced by the Government is/are in force in Hong Kong at or at any time after 12:00 noon on the date of the SGM, the SGM will be adjourned. The Company will post an announcement on the websites of the Company and Hong Kong Exchanges and Clearing Limited to notify shareholders of the date, time and place of the adjourned SGM.
11. The translation into Chinese language of this notice is for reference only. Unless otherwise stated, in case of any inconsistency, the English version shall prevail.