
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser. Capitalised terms used herein shall have the same meanings as those defined in the section headed "Definitions" in this prospectus, unless otherwise stated.

If you have sold or transferred all your shares in PT International Development Corporation Limited (the "Company"), you should at once hand the Prospectus Documents to the purchaser(s) or other transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed "14. Documents delivered to the Registrar of Companies" in Appendix III to this prospectus, have been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of the Prospectus Documents.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the paragraph headed "Warning of the Risks of Dealing in the Shares and Nil-paid Rights Shares" in the "Letter from the Board" in this prospectus.

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC and you should consult a stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to their 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 the Prospectus Documents.

The attention of Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or holding Shares on behalf of beneficial owners of Shares with such addresses is drawn to the paragraph headed "Rights of the Overseas Shareholders" in the "Letter from the Board" in this prospectus.

This prospectus is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdictions in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the laws of any state or jurisdiction of the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the Securities Act and applicable state laws. There is no intention to register any portion of the Rights Shares or any securities described herein in the United States or to conduct a public offering of securities in the United States.



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)

PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE

Financial adviser to the Company



Underwriter and Placing Agent of the Rights Issue



The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Wednesday, 7 June 2023.

It should be noted that the Underwriter may, upon giving notice in writing to the Company, terminate the Underwriting Agreement at any time prior to the Latest Time for Termination, upon the occurrence of certain events. These events are set out in the section headed "Termination of the Underwriting Agreement" on pages 8 to 9 of this prospectus. If the Underwriter exercises such right, the Rights Issue will not proceed. Upon the giving of written notice of termination, all obligations of the Underwriter and the Company under the Underwriting Agreement shall cease and determine (save for any antecedent breaches thereof) and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement.

Shareholders should note that the Rights Issue will proceed on a fully-underwritten basis. Save for the Undertaken Shares and the Underwritten Shares, there is no requirement for a minimum level of subscription. Subject to the fulfilment or waiver (as applicable) of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level.

Shareholders should note that the existing Shares have been dealt in on an ex-rights basis from Friday, 12 May 2023. The nil-paid Rights Shares will be dealt in from Thursday, 25 May 2023 to Friday, 2 June 2023 (both days inclusive). If, prior to the Latest Time for Termination, the Underwriter terminates the Underwriting Agreement or if the conditions of the Rights Issue as set out in the paragraph headed "Conditions of the Rights Issue and the Underwriting Agreement" in the "Letter from the Board" in this prospectus are otherwise not fulfilled or waived (as applicable), the Rights Issue will not proceed.

Any dealings in the Shares from the date of this prospectus up to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and any dealings in the nil-paid Rights Shares from Thursday, 25 May 2023 to Friday, 2 June 2023 (both days inclusive) are accordingly subject to the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and/or the nil-paid Rights Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

NOTICES

The Rights Issue is conditional upon the fulfillment or waiver (as applicable) of the conditions as described in the paragraph headed “Conditions of the Rights Issue and the Underwriting Agreement” contained in the “Letter from the Board” in this prospectus, including the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with its terms. It should also be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate its obligations on the occurrence of certain events. Please refer to the section headed “Termination of the Underwriting Agreement” in this prospectus for further details.

Accordingly, the Rights Issue may or may not proceed. If any of the conditions of the Rights Issue is not fulfilled or waived (as applicable), the Rights Issue will not proceed. It should be noted that existing Shares have been dealt in on an ex-rights basis from Friday, 12 May 2023. The Rights Shares in their nil-paid form are expected to be dealt in from Thursday, 25 May 2023 to Friday, 2 June 2023 (both days inclusive). If the Underwriter terminates the Underwriting Agreement, or the conditions of the Rights Issue are not fulfilled or waived (as applicable), the Rights Issue will not proceed.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid forms is advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (or waived (as applicable)) (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS WITH REGISTERED ADDRESSES IN JURISDICTIONS OUTSIDE HONG KONG AND NEITHER IS THE RIGHTS ISSUE BEING MADE TO INVESTORS WHO ARE LOCATED OR RESIDING IN ANY OF THE JURISDICTIONS OUTSIDE HONG KONG, UNLESS AN OFFER OF RIGHTS SHARES AND NIL-PAID RIGHTS SHARES INTO SUCH JURISDICTIONS COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL OR REGULATORY REQUIREMENTS OR THE OFFER IS MADE IN RELIANCE ON ANY EXEMPTION OR WHERE COMPLIANCE IS NOT UNDULY BURDENSOME.

This prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer, invitation or solicitation is unlawful. None of the nil-paid Rights Shares, the fully-paid Rights Shares, this prospectus and the PAL have been or will be registered or filed under the securities laws of any jurisdiction or with any securities commission or similar regulatory authority in any jurisdiction other than in Hong Kong and none of the nil-paid Rights Shares, the fully-paid Rights Shares, this prospectus and the PAL will qualify for distribution under any of the relevant securities laws of any of the jurisdictions outside Hong Kong (other than pursuant to any applicable exceptions as agreed by the Company). Accordingly, the nil-paid Rights Shares and the fully-paid Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any jurisdictions outside Hong Kong absent registration or qualification under the respective securities laws of such jurisdictions other than in Hong Kong, or exemption from the registration or qualification requirements under applicable rules of such jurisdictions.

NOTICES

Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or who hold Shares on behalf of persons with such addresses should refer to the paragraph headed “Rights of the Overseas Shareholders” under “Letter from the Board” of this prospectus.

Each person acquiring the nil-paid Rights Shares and/or Rights Shares under the Rights Issue will be required to confirm, or be deemed by his acquisition of the nil-paid Rights Shares and/or Rights Shares to confirm, that he is aware of the restrictions on offers and sales of the nil-paid Rights Shares and/or Rights Shares described in this prospectus.

NOTICE TO AUSTRALIAN SHAREHOLDERS

This prospectus does not constitute a disclosure document under Part 6D.2 of the Corporations Act 2001 of the Commonwealth of Australia (“**Corporations Act 2001 (Cth)**”). Accordingly, this prospectus does not necessarily contain all of the information a prospective Australian investor would expect to be contained in a prospectus or other disclosure document for the purposes of the Corporations Act 2001 (Cth). The offer to which this prospectus relates is being made in Australia in reliance on ASIC Corporations (Foreign Rights Issues) Instrument 2015/356 issued by the Australian Securities and Investments Commission. As any offer for the issue of the Rights Shares under this prospectus in Australia will be made pursuant to ASIC Corporations (Foreign Rights Issues) Instrument 2015/356, section 707(3) of the Corporations Act 2001 (Cth) will also not apply to the offer of those Rights Shares for resale in Australia within 12 months of the date of issue. This prospectus is intended to provide general information only and has been prepared by the Company without taking into account any particular person’s objectives, financial situation or needs. Australian recipients should, before acting on this information, consider the appropriateness of this information having regard to their personal objectives, financial situation or needs. Australian recipients should review and consider the contents of this document and consider obtaining financial advice (or other appropriate professional advice) specific to their situation before making any decision to accept the offer of Rights Shares. This document was prepared under the law and operating rules of a foreign market, namely Hong Kong. The Company is not subject to the continuous disclosure requirements of the Corporations Act 2001 (Cth).

FORWARD-LOOKING STATEMENTS

All statements in this prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustrate”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this prospectus include, without limitation, statements in respect of the Group’s business strategies, service offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

NOTICES

The forward-looking statements in this prospectus are based on management's present expectations about future events. Management's present expectations reflect numerous assumptions regarding the Group's strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group's actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this prospectus. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this prospectus, be it as a result of new information, future events or otherwise.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
SUMMARY OF THE RIGHTS ISSUE	7
TERMINATION OF THE UNDERWRITING AGREEMENT	8
EXPECTED TIMETABLE	10
LETTER FROM THE BOARD	13
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III – GENERAL INFORMATION	III-1

DEFINITIONS

In this prospectus, the following terms shall have the meanings respectively set opposite them unless the context requires otherwise:

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Announcement”	the announcement dated 28 April 2023 issued by the Company in relation to, among others, the Rights Issue
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open for business (other than a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which “extreme conditions” caused by a super typhoon or a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Champion Choice”	Champion Choice Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, which is 100% beneficially owned by Mr. Louis Ching, together with Mr. Louis Ching, are shareholders of the Company
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“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)
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“GO Obligation”	the obligation to make a general offer under Rule 26 of the Takeovers Code
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any individual or company not being the connected persons of the Company, independent of the Company and its connected persons and not connected with any of them or their respective associates
“Irrevocable Undertakings”	the irrevocable undertakings dated 28 April 2023 given by Mr. Louis Ching and Champion Choice in favour of the Company and the Underwriter
“Last Trading Day”	28 April 2023, being the last trading day for the Shares on the Stock Exchange immediately before the publication of the Announcement
“Latest Practicable Date”	19 May 2023, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained in this prospectus
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 7 June 2023, or such later time or date as may be agreed by the Company and the Underwriter in writing, being the latest time and date for acceptance of and payment for the Rights Shares as described in the Prospectus Documents
“Latest Time for Termination”	4:00 p.m. on Wednesday, 14 June 2023, or such later time or date as may be agreed by the Company and the Underwriter in writing, being the latest time for termination of the Underwriting Agreement
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mr. Louis Ching”	Mr. Ching Man Chun, Louis, an executive Director and the chairman of the Board and, together with Champion Choice, are shareholders of the Company
“No Action Shareholder(s)”	those Qualifying Shareholders who do not subscribe for the Right Shares (whether partially or fully) under the PALs or their renounces, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) in respect of whom the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form
“Oversea Shareholder(s)”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) for the Rights Shares to be issued to the Qualifying Shareholders in respect of their entitlements under the Rights Issue
“Placee(s)”	professional, institutional or other investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies) and not acting in concert with the Underwriter and parties acting in concert with it and/or the connected persons of the Company, procured by the Placing Agent and/or its sub-placing agent(s) to subscribe for any of the Unsubscribed Rights Shares pursuant to the Placing Agreement
“Placing”	the placing of a maximum of 715,141,413 Unsubscribed Rights Shares on a best effort basis by the Placing Agent and/or its sub-placing agents(s) to the Placees on the terms and conditions of the Placing Agreement

DEFINITIONS

“Placing Agent”	China Gather Wealth Financial Company Limited, a licensed corporation carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO, being the placing agent appointed by the Company pursuant to the Placing Agreement
“Placing Agreement”	the placing agreement dated 28 April 2023 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Completion Date”	Wednesday, 14 June 2023 or such other date as the Company and the Placing Agent may agree
“Posting Date”	Tuesday, 23 May 2023, or such other date as the Company and the Underwriter may agree in writing for the despatch of the Prospectus Documents
“PRC”	the People’s Republic of China, which for the purpose of this prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus Documents”	this prospectus and the PAL to be issued by the Company
“Public Float Requirement”	the public float requirement under Rules 8.08(1)(a) and 13.32(1) of the Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Monday, 22 May 2023, or such other date as the Company and the Underwriter may agree in writing, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, the Company’s share registrar and transfer office
“Rights Issue”	the proposed 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, payable in full on acceptance and on the terms and subject to the conditions of the Underwriting Agreement and the Prospectus Documents

DEFINITIONS

“Rights Share(s)”	up to 1,009,141,413 new Shares to be allotted and issued pursuant to the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“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)
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of the warranties of the Company contained in the Underwriting Agreement untrue or incorrect in any material respect
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.036 for each Rights Share under the Rights Issue
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time
“Undertaken Shares”	294,000,000 Rights Shares, being the aggregate number of Rights Shares which the Undertaking Covenantors have undertaken to subscribe or procure the subscription for pursuant to the Irrevocable Undertakings
“Undertaking Covenantors”	collectively, Mr. Louis Ching and Champion Choice
“Underwriter”	China Gather Wealth Financial Company Limited, a licensed corporation carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO and its ordinary course of business includes underwriting of securities
“Underwriting Agreement”	the underwriting agreement dated 28 April 2023 entered into between the Company and the Underwriter in relation to the Rights Issue, as revised, supplemented or amended from time to time in accordance with its terms

DEFINITIONS

“Underwritten Shares”	up to 715,141,413 Rights Shares, being the maximum number of the Rights Shares less the Undertaken Shares, excluding the Undertaken Shares to be taken up by the Undertaking Covenantors, to be underwritten by the Underwriter pursuant to the terms and conditions under the Underwriting Agreement
“United States” or “US”	the United States of America (including its territories and dependencies, any state in the US and the District of Columbia)
“Unsubscribed Rights Shares”	those Rights Shares that are not subscribed by the Qualifying Shareholders and the NQS Rights Shares that are not successfully sold by the Company as described in the paragraph headed “Arrangements for the NQS Rights Shares” in the Announcement
“Untaken Shares”	all the Unsubscribed Rights Shares that are not placed by the Placing Agent or they have been placed but the placees have not paid therefor at 4:00 p.m. on the Placing Completion Date
“%”	per cent.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with the full text of this prospectus:

ISSUE STATISTICS

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.036 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	2,018,282,827 Shares
Number of Rights Shares to be issued under the Rights Issue	:	1,009,141,413 Rights Shares
Number of issued Shares upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed)	:	3,027,424,240 Shares (assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Amount to be raised before expenses	:	Approximately HK\$36.3 million

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter shall have the right to terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination (provided that if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day), if

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or the destruction of any material asset of the Company; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Company as a whole whether or not ejusdem generis with any of the foregoing; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus Documents, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements in connection with the Rights Issue.

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated by the Underwriter.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue, which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled or otherwise waived:

Event	2023
Re-opening of the register of members of the Company	Tuesday, 23 May
Despatch of the Prospectus Documents (in the case of the Non-Qualifying Shareholders, the Prospectus only)	Tuesday, 23 May
Effective date of change in board lot size from 2,000 Shares to 30,000 Shares	Tuesday, 23 May
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	9:00 a.m. on Tuesday, 23 May
First day for dealings in nil-paid Rights Shares	Thursday, 25 May
Latest time for splitting of nil-paid Rights Shares	4:30 p.m. on Tuesday, 30 May
Last day for dealings in nil-paid Rights Shares	Friday, 2 June
Latest time for lodging transfer documents of nil-paid Right Shares in order to qualify for the Compensatory Arrangements	4:00 p.m. on Wednesday, 7 June
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Wednesday, 7 June
Announcement of the number of Unsubscribed Rights Shares subject to the Compensatory Arrangements	Friday, 9 June
Commencement of placing of Unsubscribed Right Shares by the Placing Agent	Monday, 12 June
Last day for the designated broker to provide matching services for odd lots of Shares	4:00 p.m. on Tuesday, 13 June
Latest time of placing of the Unsubscribed Rights Shares by the Placing Agent	Wednesday, 14 June

EXPECTED TIMETABLE

Event	2023
Latest time for terminating the Underwriting Agreement and for the Rights Issue to become unconditional.	4:00 p.m. on Wednesday, 14 June
Announcement of results of the Rights Issue to be published on the respective websites of the Stock Exchange and the Company	Tuesday, 20 June
Despatch of Share certificates for fully-paid Rights Shares	Wednesday, 21 June
Despatch of refund cheques, if any, if the Rights Issue is terminated	Wednesday, 21 June
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Friday, 23 June
Payment of Net Gain to relevant No Action Shareholders and Non-Qualifying Shareholders and net proceeds from the sale of nil-pail Rights Shares to the relevant Non-Qualifying Shareholders (if any)	Friday, 7 July

All times and dates in this prospectus refer to Hong Kong local times and dates. The dates or deadlines specified in this prospectus for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company in agreement with the Underwriter in accordance with the Listing Rules. The Company will make an announcement to notify the Shareholders and the Stock Exchange in the event of any changes to the expected timetable as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for Rights Shares will not take place at the time indicated above if there is a tropical cyclone warning signal no. 8 or above, a “black” rainstorm warning or “extreme conditions” caused by super typhoons as announced by the Government of Hong Kong:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 7 June 2023. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 7 June 2023. Instead, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for the Rights Shares does not take place on Wednesday, 7 June 2023, the dates mentioned above may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

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)

Executive Directors:

Mr. Ching Man Chun, Louis

(Chairman and Managing Director)

Mr. Heinrich Grabner *(Deputy Chairman)*

Mr. Yeung Kim Ting

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors:

Mr. Yam Kwong Chun

Mr. Wong Yee Shuen, Wilson

Mr. Lam Yik Tung

Principal Place of Business

in Hong Kong:

11th Floor

Centre Point

181–185 Gloucester Road

Wanchai, Hong Kong

23 May 2023

To the Qualifying Shareholders and, for information purposes only, the Non-Qualifying Shareholders

Dear Sir or Madam,

PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE

INTRODUCTION

Reference is made to the Announcement.

On 28 April 2023 (after trading hours), the Company entered into the Underwriting Agreement with the Underwriter, pursuant to which the Underwriter has conditionally agreed to fully underwrite the Untaken Shares, being all the Unsubscribed Rights Shares that are not placed by the Placing Agent or they have been placed but the placees have not paid at 4:00 p.m. on the Placing Completion Date, subject to the terms and conditions set out in the Underwriting Agreement, in particular the fulfilment or waiver (as applicable) of the conditions contained therein. The Company proposes to raise gross proceeds of approximately HK\$36.3 million by way of the issue of 1,009,141,413 Rights Shares at the Subscription Price of HK\$0.036 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

LETTER FROM THE BOARD

The purpose of this prospectus is to provide you with, among other things, further information on the Rights Issue, including the procedures for acceptance of the Rights Shares provisionally allotted to you, together with the financial and other information of the Company.

PROPOSED RIGHTS ISSUE

The Board proposes the Rights Issue, details of which are summarised below:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.036 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	2,018,282,827 Shares
Number of Rights Shares to be issued under the Rights Issue	:	1,009,141,413 Rights Shares
Number of issued Shares upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed)	:	3,027,424,240 Shares (assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Amount to be raised before expenses	:	Approximately HK\$36.3 million

As at the Latest Practicable Date, the Company has no outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into or confer any right to subscribe for Shares.

Assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 1,009,141,413 Rights Shares proposed to be issued pursuant to the Rights Issue represent approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

LETTER FROM THE BOARD

Qualifying Shareholders and Non-Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send this prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL to them.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. Shareholders having an address in Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will qualify for the Rights Issue.

Shareholders having an address outside Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries, considers that the exclusion of such Overseas Shareholders from the Rights Issue would be necessary or expedient on account either of legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place.

Shareholders with their Shares held by nominee(s) (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as a member of the Company by the Record Date, all transfer documents of the Shares (with the relevant share certificates) must be lodged for registration with the Registrar, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Monday, 15 May 2023. The last day for dealing in the Shares on a cum-rights basis is Thursday, 11 May 2023.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a cheque or banker's cashier order for the Rights Shares being applied for with the Registrar, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong on or before the Latest Time for Acceptance.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

LETTER FROM THE BOARD

Rights of the Overseas Shareholders

As at the Record Date, based on the register of members of the Company, the Overseas Shareholders were as follows:

Jurisdiction	Number of Overseas Shareholder(s)	Aggregate number of Shares held by Overseas Shareholder(s) in the jurisdiction	Approximate percentage of shareholding of the issued share capital of the Company
Australia	3	98	0.00000486%
PRC	2	37	0.00000183%
Macau	1	40	0.00000198%
Singapore	1	7	0.00000035%
Taiwan	1	1	0.00000005%
United States	1	306	0.00001516%
British Virgin Islands	1	3	0.00000015%

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders on the Record Date, if any, may be ineligible to take part in the Rights Issue as explained below.

The Company has, in compliance with Rule 13.36(2)(a) of the Listing Rules, made reasonable enquiries of the legal requirements regarding the feasibility of extending the Rights Issue to the Overseas Shareholders.

The Company has obtained advice from legal advisers in Australia, Macau and the British Virgin Islands, and has been advised that under the applicable legislations of these jurisdictions, either (i) there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to extending the Rights Issue to the Overseas Shareholders in the relevant jurisdictions; or (ii) making the Rights Issue to those Overseas Shareholders detailed above meets the relevant exemption requirements under the relevant jurisdictions (or that there exist exemption requirements under the relevant jurisdictions which the Company has determined will be met) so that it would be exempt from obtaining approval or recognition from and/or registration of the Prospectus Documents with the relevant regulatory authorities under the applicable laws and regulations of the relevant jurisdictions.

Accordingly, the Rights Issue will be extended to the Overseas Shareholders having registered addresses in Australia, Macau and the British Virgin Islands and such Overseas Shareholders are Qualifying Shareholders.

LETTER FROM THE BOARD

The Company has also obtained advice from legal advisers in the PRC, Singapore and the United States. Having considered the circumstances, the Directors are of the view that it is necessary or expedient not to offer the Rights Shares (in their nil-paid and fully paid forms) to Overseas Shareholders with registered addresses in the PRC, Singapore and the United States due to the time and costs involved in the registration or filing of the Prospectus Documents and/or approval required by the relevant authorities in the PRC, Singapore and the United States and/or additional steps the Company and/or Overseas Shareholders need to take to comply with the relevant legal or regulatory requirements in the PRC, Singapore and the United States.

Thus, for the purposes of the Rights Issue, the Non-Qualifying Shareholders are any Shareholder(s) whose name(s) appeared in the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is/are in the PRC, Singapore and the United States. For the Shareholder having registered address in Taiwan, as he holds one Share only, he will not have any entitlement to any nil-paid Rights Shares or fully-paid Rights Shares.

The Company would, to the extent permitted under the relevant laws and regulations and reasonably practicable send copies of this prospectus to the Non-Qualifying Shareholders and the Shareholder having registered address in Taiwan for their information only, but would not send the PAL to them.

Notwithstanding any other provision in this prospectus or any other Prospectus Documents, the Company reserves the right to permit any Shareholder (whether as a direct holder or beneficial owner) whose registered address is in, or who otherwise resides in, a jurisdiction other than Hong Kong to take up Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations in that jurisdiction which would otherwise give rise to restrictions upon the offer or take-up of Rights Shares in that jurisdiction and treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

Arrangements for the NQS Rights Shares

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before the last day for dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Any net proceeds of sale thereof, after deduction of expenses, will be paid in Hong Kong dollars to the Non-Qualifying Shareholders pro rata to their respective entitlements as at the close of business on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any such unsold nil-paid Rights Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be offered for subscription by the Placing Agent to the Placees under the Placing.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

Closure of register of members of the Company

The register of members of the Company has been closed from Tuesday, 16 May 2023 to Monday, 22 May 2023 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares could be registered.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every two (2) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Subscription Price

The Subscription Price is HK\$0.036 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 69.2% to the closing price of HK\$0.117 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 67.9% to the average closing price of approximately HK\$0.112 per Share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- (iii) a discount of approximately 69.2% to the average closing price of approximately HK\$0.117 per Share for the last ten trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- (iv) a discount of approximately 60.0% to the theoretical ex-rights price of approximately HK\$0.09 per Share, based on the closing price of HK\$0.117 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 87.3% to the latest published consolidated net asset value per Share as at 30 September 2022 of approximately HK\$0.2829 (as shown in the interim report of the Company for the six months ended 30 September 2022 published on 14 December 2022);
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 23.1%, represented by the theoretical diluted price of approximately HK\$0.09 per Share to the benchmarked price (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.117 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the Announcement of approximately HK\$0.112 per Share) of approximately HK\$0.117 per Share; and

LETTER FROM THE BOARD

(vii) a discount of approximately 43.8% to the closing price of HK\$0.064 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares will be approximately HK\$0.0333. The aggregate nominal value of the Rights Shares will be HK\$10,091,414.13.

The Subscription Price was determined by the Company with reference to, among others, (i) the recent closing prices of the Shares; (ii) prevailing market conditions and financial position of the Group; (iii) the amount of funds the Company intends to raise under the Rights Issue; and (iv) the reasons as discussed in the section headed “Reasons for the Rights Issue and Use of Proceeds of the Rights Issue” below in this prospectus.

In determining the Subscription Price, which represents a discount of approximately 69.2% to the closing price of on the Last Trading Day and a discount of approximately 87.3% to the latest published consolidated net asset value per Share as at 30 September 2022, the Directors have considered, among other things as mentioned above, the historical market price of the Shares traded on the Stock Exchange. Given that (i) the Company has recorded a net loss of approximately HK\$170.6 million and HK\$96.8 million for the year ended 31 March 2022 and the six months ended 30 September 2022, respectively; (ii) the Shares were traded at a material discount of up to approximately 62.2% to the latest published consolidated net asset value per Share of approximately HK\$0.2829 as at 30 September 2022, from the day following the publication of the interim report for the six months ended 30 September 2022 (i.e. 15 December 2022) up to and including the Last Trading Day; (iii) the average share price of the Shares of approximately HK\$0.1438 per Share for the aforementioned period, which represents a material discount of approximately 49.2% to the latest published consolidated net asset value per Share of approximately HK\$0.2829 as at 30 September 2022; and (iv) all Qualifying Shareholders are provided with an equal opportunity to subscribe for their assured entitlements under the Rights Issue at a relatively low price as compared to the historical market price of the Shares and discount to the recent closing prices of the Shares, the Directors consider that, to encourage the full acceptance of the Rights Shares by the Qualifying Shareholders, the discount of the Subscription Price, which provides a further discount over the historical trading discount of the Shares mentioned above, would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company, thereby minimising the dilution impact of their shareholdings in the Company, and participate in the future growth and development of the Group. After taking into consideration the reasons for the Rights Issue as stated in the section headed “Reasons for the Rights Issue and Use of Proceeds of the Rights Issue” below, the Directors consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of Rights Shares

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid, the record dates of which are on or after the date of allotment and issue of the fully-paid Rights Shares.

LETTER FROM THE BOARD

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, and any other applicable fees and charges in Hong Kong.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment or waiver (as applicable) of the conditions of the Rights Issue as set out in the section headed “The Underwriting Agreement – Conditions of the Rights Issue and the Underwriting Agreement” in this prospectus, share certificates for all fully-paid Rights Shares are expected to be posted on or about Wednesday, 21 June 2023 by ordinary post to the allottees, at their own risk, to their registered addresses. If the Underwriting Agreement is terminated or does not become unconditional, refund cheques will be posted on or before Wednesday, 21 June 2023 by ordinary post to the respective Shareholders, at their own risk, to their registered addresses.

Fractions of Rights Shares

The Company will not provisionally allot fractions of Rights Shares in nil-paid form to the Qualifying Shareholders. All fractions of Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and all nil-paid Rights Shares arising from such aggregation will be sold in the market for the benefit of the Company if a premium (net of expenses) can be achieved.

Procedure for acceptance, payment, transfer and/or splitting of provisional allotment of the Rights Shares

A PAL is enclosed with this prospectus which entitles the Qualifying Shareholder to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:00 p.m. on Wednesday, 7 June 2023 (or, under bad weather conditions, such later date as mentioned in the section headed “Expected Timetable – Effect of Bad Weather on the Latest Time for Acceptance of and Payment for the Rights Shares”). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker’s cashier orders which must be issued by, licensed banks in Hong Kong and made payable to “TRICOR INVESTOR SERVICES LIMITED – A/C NO. 016” and crossed “Account Payee Only”. It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. on Wednesday, 7 June 2023, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled after the Latest Time for Acceptance. The Company may, at its sole and absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

LETTER FROM THE BOARD

If the Qualifying Shareholders wish to accept only part of their provision allotment or transfer part of their rights to subscribe for the Rights Share provisionally allotted to them under the PALs or to transfer part of their rights to more than one person, the original PALs must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Tuesday, 30 May 2023 to the Registrar, who will cancel the original PALs and issue new PALs in the denomination required which will be available for collection from the Registrar, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PALs. The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or banker's cashier orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a banker's cashier order, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the applicant that the cheque or the banker's cashier order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or banker's cashier order is dishonoured on first presentation, and in that event, the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

Irrevocable Undertakings by the Undertaking Covenantors

As at the Latest Practicable Date, Mr. Louis Ching and Champion Choice held 100,000,000 and 488,000,000 Shares, respectively, representing approximately 4.95% and 24.18% of the total number of issued Shares, respectively.

Pursuant to the Irrevocable Undertakings, Mr. Louis Ching and Champion Choice have provided a several, irrevocable and unconditional undertaking to the Company and the Underwriter, pursuant to which Mr. Louis Ching and Champion Choice have irrevocably undertaken and warranted to the Company and the Underwriter, among other things:

- (i) to subscribe for 50,000,000 and 244,000,000 Rights Shares which comprises full acceptance of their provisional entitlement in respect of the 100,000,000 Shares and 488,000,000 Shares beneficially held by Mr. Louis Ching and Champion Choice, respectively;
- (ii) not to sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the 100,000,000 Shares and 488,000,000 Shares respectively comprising the current shareholding in the Company owned by each of them, and such Shares will remain beneficially owned by Mr. Louis Ching and Champion Choice respectively from the date of the Irrevocable Undertakings up to and including the date of completion of the Rights Issue; and
- (iii) will lodge or procure the acceptance of the 50,000,000 Rights Shares and 244,000,000 Rights Shares respectively, which will be the number of Rights Shares provisionally allotted to them nil-paid under the Rights Issue, with the Registrar, with payment in full therefor, by no later than 4:00 p.m. at the Latest Time for Acceptance or otherwise in accordance with the instructions set out in the Prospectus Documents.

LETTER FROM THE BOARD

Save for the Irrevocable Undertakings, the Company had not received any information or irrevocable undertaking from any other Shareholders of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the Latest Practicable Date.

Application for listing

The Company has applied to the Listing Committee for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the new board lots of 30,000 Rights Shares. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in on any stock exchange other than the Stock Exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Procedures in respect of the Unsubscribed Rights Shares and the Compensatory Arrangements

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent placees for the benefit of the relevant No Action Shareholders and Non-Qualifying Shareholders. As the Compensatory Arrangements are in place, there will be no excess application arrangements in relation to the Rights Issue.

The Company appointed the Placing Agent to place the Unsubscribed Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders and Non-Qualifying Shareholders in the manner set out below. The Placing Agent will procure, by not later than 4:00 p.m. on Wednesday, 14 June 2023, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares at a price not less than the Subscription Price. To subscribe for the Unsubscribed Right Shares in addition to their entitlements to the Right Shares through the Compensatory Arrangements, the Qualifying Shareholders may contact Ms. Karen Kong of China Gather Wealth Financial Company Limited at telephone number (852) 2890 1181 during office hours of such period. Any unsold Unsubscribed Rights Shares under the Compensatory Arrangements will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

LETTER FROM THE BOARD

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro rata basis to the relevant No Action Shareholders and Non-Qualifying Shareholders as set out below:

- (i) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for, and where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL and where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS; and
- (ii) for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Non-Qualifying Shareholder(s) mentioned above (i) is more than HK\$100, the entire amount will be paid to them; or (ii) is HK\$100 or less, such amount will be retained by the Company for its own benefit.

THE PLACING AGREEMENT

On 28 April 2023 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed to procure Placee(s) to subscribe for the Unsubscribed Rights Shares. Further details of the Placing Agreement are set out below:

Date: 28 April 2023 (after trading hours)

Placing agent: China Gather Wealth Financial Company Limited was appointed as the placing agent to place, or procure the placing of, up to 715,141,413 Unsubscribed Rights Shares to the Placee(s).

The Placing Agent and its ultimate beneficial owners are Independent Third Parties. The Placing Agent has also undertaken that before it engages sub-placing agent(s) to place the Unsubscribed Rights Shares, it will confirm with the Company and such sub-placing agent(s) that these sub-placing agent(s) and their ultimate beneficial owners are Independent Third Parties and that they are independent of and not acting in concert with the Underwriter and parties acting in concert with it.

LETTER FROM THE BOARD

Placing commission:

The Company shall pay to the Placing Agent a placing commission of 0.25% of the amount which is equal to the placing price multiplied by the total number of the Unsubscribed Rights Shares which are successfully placed by the Placing Agent. The Company shall also be responsible for all costs and expenses reasonably incurred in connection with or arising out of the Placing.

Placing price of the Unsubscribed Rights Shares:

The placing price of the Unsubscribed Rights Shares shall be not less than the Subscription Price.

The final price will be determined based on the demand for the Unsubscribed Rights Shares and market conditions at the time of placement.

Places:

The Placing Agent undertakes to use its best endeavour to procure that (i) the Unsubscribed Rights Shares shall only be placed to institutional, corporate or individual investor(s) who and whose ultimate beneficial owner(s) shall be Independent Third Parties and are independent of and not acting in concert with the Underwriter and parties acting in concert with it; (ii) the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (iii) the Company will continue to comply with the Public Float Requirement upon completion of the Placing and the Right Issue.

Ranking of Unsubscribed Rights Shares:

The Unsubscribed Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.

LETTER FROM THE BOARD

Placing conditions:

The Placing is subject to and conditional upon (i) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares; (ii) the Rights Issue having become unconditional; (iii) the representations and warranties of the Company in the Placing Agreement remaining true and accurate in all material respects and none of the undertakings of the Company in the Placing Agreement having been breached in any material respects; (iv) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and (v) the Placing Agreement not having been terminated in accordance with the provisions thereof.

Completion date of the Placing:

Wednesday, 14 June 2023 or such other date as the Company and the Placing Agent may agree.

The terms of the Placing Agreement (including the commission rate) were determined after arm's length negotiation between the Placing Agent and the Company with reference to the size of the Rights Issue. The Directors consider that the terms of the Placing Agreement, including the commission rate, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Placing Agreement.

Given that the Compensatory Arrangements would provide a compensatory mechanism for the relevant No Action Shareholders and Non-Qualifying Shareholders, the Directors consider that the Compensatory Arrangements are in the interest of the minority Shareholders.

THE UNDERWRITING AGREEMENT

On 28 April 2023 (after trading hours), the Company and the Underwriter entered into the Underwriting Agreement in relation to the underwriting and respective arrangements in respect of the Rights Issue. Further details of the Underwriting Agreement are set out below:

Date: 28 April 2023 (after trading hours)

Issuer: The Company

Underwriter: China Gather Wealth Financial Company Limited, a licensed corporation carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO and its ordinary course of business includes underwriting of securities.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Underwriter does not hold any Shares. The Underwriter and its ultimate beneficial owners are, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Independent Third Parties. The Underwriter confirmed that it has complied with Rule 7.19(1)(a) of the Listing Rules.

Number of Rights Shares
underwritten by the Underwriter:

Up to 715,141,413 Rights Shares, being the maximum number of the Rights Shares less the Undertaken Shares, excluding the Undertaken Shares to be taken up by the Undertaking Covenantors, to be underwritten by the Underwriter pursuant to the terms and conditions under the Underwriting Agreement.

Underwriting commission:

0.5% of the aggregate Subscription Price in respect of the number of Underwritten Shares committed to be underwritten, subscribed for or procured to be subscribed for by the Underwriter in accordance with the Underwriting Agreement.

Pursuant to the Underwriting Agreement, the Underwriter shall ensure that (i) each of the subscribers of the Untaken Shares procured by it shall be an Independent Third Party; (ii) none of the subscribers of the Untaken Shares shall own 10% or more of the total number of Shares in issue immediately upon completion of the Rights Issue and otherwise becoming a core connected person of the Company; (iii) none of the subscribers, together with any party(ies) acting in concert with it/them, will hold 30% (or such percentage which will trigger any GO Obligation under the Takeovers Code) or more of the voting rights of the Company upon completion of the Rights Issue; and (iv) the Company will continue to comply with the Public Float Requirement upon completion of the Rights Issue.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the market practice. During the selection process of the underwriter for the Rights Issue, the Company has approached two financial institutions (including the Underwriter) to explore their interest in underwriting the Rights Issue. The Directors consider reaching out to two financial institutions is commercially appropriate, as reaching out to too many firms in a short period of time may be wrongly interpreted by the market and incite negative market sentiment to the Shares. Having provided the proposed indicative terms and structure of the Rights Issue to such financial institutions, only the Underwriter showed interest in underwriting the Rights Issue and further negotiated with the Company. Given that the Underwriter was able to meet the parameters, terms, conditions and pricing of the Rights Issue set by the Company and also to act as the placing agent for the Placing, the Company believes that the terms set out in the Underwriting Agreement were the best available option to the Company. The Directors consider that the terms of the Underwriting Agreement, including the commission rate, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Underwriting Agreement.

LETTER FROM THE BOARD

Subject to the fulfilment or waiver (as applicable) of all the conditions contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter shall subscribe for or procure the subscription for, pursuant to the terms of Underwriting Agreement and the Prospectus Documents (insofar as the same are applicable), the Untaken Shares (being any Unsubscribed Rights Shares that are not placed by the Placing Agent under the Placing Agreement).

Conditions of the Rights Issue and the Underwriting Agreement

The completion of the Rights Issue and the obligations of the Underwriter under the Underwriting Agreement are conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of their dealings;
- (ii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance not later than the Posting Date;
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (iv) each condition to enable the Rights Shares in their nil-paid or fully-paid forms to be admitted as eligible securities for deposit, clearance and settlement in CCASS having been satisfied on or before the Business Day prior to the commencement of trading of the Rights Shares (in their nil paid and fully-paid forms, respectively) and no notification having been received by the Company from the HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused;
- (v) the Company complying with all of its obligations under the Underwriting Agreement in all material respects;
- (vi) the representations and warranties of the Company in the Underwriting Agreement remaining true and accurate in all material respects and none of the undertakings of the Company in the Underwriting Agreement having been breached in any material respects;
- (vii) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms;
- (viii) the Placing Agreement not being terminated pursuant to the terms thereof and remains in full force and effect;

LETTER FROM THE BOARD

- (ix) all necessary consents and approvals to be obtained on the part of each of the Underwriter and the Company in respect of the Underwriting Agreement and the transactions contemplated thereunder having been obtained;
- (x) there being no Specified Event occurring on or before the Latest Time for Termination; and
- (xi) the compliance with and performance of all the undertakings and obligations of the Undertaking Covenantors under the Irrevocable Undertakings.

Other than conditions (v), (vi) and (x) which can be waived in whole or in part by the Underwriter by notice in writing to the Company prior to the Latest Time for Termination, all other conditions precedent above cannot be waived. In the event that the above conditions precedent have not been satisfied or waived on or before the Latest Time for Termination, all liabilities of the Company and the Underwriter under the Underwriting Agreement shall cease and determine and no party shall have any claim against the other party save for any antecedent breach of the Underwriting Agreement.

Termination of the Underwriting Agreement

The Underwriter shall have the right to terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination (provided that if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day), if

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or

LETTER FROM THE BOARD

- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or the destruction of any material asset of the Company; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Company as a whole whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus Documents, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements in connection with the Rights Issue.

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated by the Underwriter.

LETTER FROM THE BOARD

EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

For illustration purposes only, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full; (iii) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than the Undertaking Covenantors pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and all the Unsubscribed Right Shares are placed to the Placees under the Compensatory Arrangements (“**Scenario I**”); and (iv) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than the Undertaking Covenantors pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and none of the Unsubscribed Right Shares are placed to the Placees under the Compensatory Arrangements (“**Scenario II**”), assuming there is no other change in the shareholding structure of the Company before the completion of the Rights Issue:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full		Scenario I		Scenario II	
	Number of issued Shares	Approximate %	Number of issued Shares	Approximate %	Number of issued Shares	Approximate %	Number of issued Shares	Approximate %
Non-public Shareholders								
Mr. Louis Ching	100,000,000	4.95	150,000,000	4.95	150,000,000	4.95	150,000,000	4.95
Champion Choice (Note 1)	488,000,000	24.18	732,000,000	24.18	732,000,000	24.18	732,000,000	24.18
Subtotal	588,000,000	29.13	882,000,000	29.13	882,000,000	29.13	882,000,000	29.13
Other Shareholder holding above 10%								
Zhu Bin (Note 2)	283,784,769	14.06	425,677,153	14.06	283,784,769	9.37	283,784,769	9.37
Public Shareholders	1,146,498,058	56.81	1,719,747,087	56.81	1,146,498,058	37.88	1,146,498,058	37.88
Placees (Note 3)	-	-	-	-	715,141,413	23.62	-	-
Underwriter and/or subscribers procured by the Underwriter (Note 4)	-	-	-	-	-	-	715,141,413	23.62
Total	2,018,282,827	100.00	3,027,424,240	100.00	3,027,424,240	100.00	3,027,424,240	100.00

LETTER FROM THE BOARD

Note 1: Champion Choice, which is the holder of 488,000,000 shares of the Company, is wholly-owned by Mr. Louis Ching. Accordingly, Mr. Louis Ching is deemed to be interested in 488,000,000 shares of the Company held by Champion Choice under the SFO.

Note 2: Mr. Zhu Bin owns 253,178,000 shares of the Company and owns the entire issued share capital of One Perfect Group Ltd (“**One Perfect**”), which holds 30,606,769 shares of the Company. Accordingly, Mr. Zhu Bin is deemed to be interested in 30,606,769 shares of the Company held by One Perfect under the SFO.

Note 3: Pursuant to the Placing Agreement, the Placing Agent undertakes to use its best endeavour to procure that the Unsubscribed Rights Shares shall only be placed to institutional, corporate or individual investor(s) who and whose ultimate beneficial owner(s) shall be Independent Third Parties and are independent of and not acting in concert with the Underwriter and parties acting in concert with it.

Note 4: Pursuant to the Underwriting Agreement, the Underwriter shall ensure that each of the subscribers of the Untaken Shares procured by it shall be an Independent Third Party.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS OF THE RIGHTS ISSUE

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), chemical storage business, provision of management services, financial institute business and loan financing services.

The net proceeds from the Rights Issue after deducting the expenses are estimated to be approximately HK\$33.6 million.

The Company intends to apply the net proceeds from 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 Guangxi Guangming Warehouse Storage Limited* (廣西廣明碼頭倉儲有限公司) (“**Guangming**”), a non-wholly owned subsidiary of the Company, through debt or equity financing to the non-wholly owned subsidiary and/or its intermediate holding company(ies). Under a settlement agreement dated 6 March 2023 (the “**Settlement Agreement**”) 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, repayments of RMB30 million are 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. The Company intends to fund the remaining portion of the outstanding payment through the realisation of certain investments of the Group, such as the investment in AFC Mercury Fund. As previously disclosed in the financial reports of the Company, the AFC Mercury Fund principally invests in shares of companies listed on the Korea Exchange, principally STX Corporation Limited. The realisation amount of the investment will depend on the value of underlying asset of the fund at the point of time and the fund units to be realised by the Company. As at the Latest Practicable Date, the Company has not commenced discussions or negotiations with any potential buyer in relation to the realisation of the investment in AFC Mercury Fund.

LETTER FROM THE BOARD

Based on the internal records of the Company, the Group had bank balances and cash of approximately HK\$69.6 million as at 31 March 2023, which decreased from approximately HK\$93.6 million and approximately HK\$109.6 million as at 30 September 2022 and 31 March 2022, respectively. Given (i) the net decrease in cash and cash equivalents of the Group of approximately HK\$48.5 million and approximately HK\$128.9 million for the six months ended 30 September 2022 and the year ended 31 March 2022, respectively; and (ii) the net current liabilities of the Group of approximately HK\$472.2 million as at 30 September 2022, the Directors are of the view that there is an imminent funding need of the Company to obtain new funds for the repayments under the Settlement Agreement, and that the Rights Issue will improve the financial position of the Company.

The Directors are of the opinion that, after due and careful enquiry, sufficiency of the working capital of the Group for at least the next twelve months from the date of this prospectus is dependent on the successful negotiations with the relevant bank and the lessor, obtaining of alternative financing and/or realisation of the investments of the Group. Taking into account the successful implementation of the measures mentioned in the section headed “4. Working Capital Statement” in Appendix I to this prospectus, the Directors are of the view that the Group would have sufficient working capital for at least the next twelve months from the date of this prospectus. As such, save for the Rights Issue, the Company has no present intention to conduct further fund raising activities to satisfy the expected funding needs for the next twelve months from the date of this prospectus.

The Company had considered other fund-raising alternatives available to the Group, including debt financing and other equity financing such as placing or subscription of new Shares. The Board considers that to finance the funding needs of the Group in the form of equity is a better alternative than debt as it would not result in additional interest burden and will improve the gearing of the Group. Amongst the equity financing methods, placing or subscription of new Shares would dilute the shareholding of the existing Shareholders without giving the chance to the existing Shareholders to participate. On the contrary, the Rights Issue is pre-emptive in nature, as it allows Qualifying Shareholders to maintain their proportional shareholdings in the Company through participation in the Rights Issue.

The Rights Issue offers all Qualifying Shareholders equal opportunity to subscribe for their pro-rata provisional allotments of Rights Shares. The Qualifying Shareholders will be able to maintain their shareholdings in the Company and participate in the future growth and development of Group if they accept their entitlements of the Rights Shares in full. The Rights Issue also allows the Qualifying Shareholders to (a) increase their respective shareholding interests in the Company by acquiring additional rights entitlement in the open market (subject to the availability); or (b) reduce their respective shareholding interests in the Company by disposing of their rights entitlements in the open market (subject to the market demand). As an open offer does not allow the trading of rights entitlements, a rights issue is preferred. Further, the Rights Issue will enable the Group to strengthen its capital base and to enhance its financial position without increasing its debt or finance costs. The proceeds from the Rights Issue will replenish the Company’s financial resources and strengthen its financial position. Accordingly, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Given that (i) the Rights Issue offers all Qualifying Shareholders equal opportunity to subscribe for their pro-rata provisional allotments of Rights Shares and allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Group; (ii) the Compensatory Arrangements will provide a compensatory mechanism for No Action Shareholders and Non-Qualifying Shareholders and at the same time provide a distribution channel of the Unsubscribed Rights Shares to the Company and a channel of participation in the Rights Issue for independent investors to broaden the Company's shareholders base; and (iii) the Qualifying Shareholders may subscribe for the Unsubscribed Right Shares in addition to their entitlements to the Right Shares through the Compensatory Arrangements with the Placing Agent, the Board considers that the Compensatory Arrangements are fair and reasonable and will protect the interests of the minority Shareholders including No Action Shareholders and Non-Qualifying Shareholders despite the absence of excess application arrangements. Please refer to section headed "Procedures in respect of the Unsubscribed Rights Shares and the Compensatory Arrangements" for further details on the Compensatory Arrangements.

While placing commission of 0.25% of the amount which is equal to the placing price multiplied by the total number of the Unsubscribed Rights Shares which are successfully placed by the Placing Agent will be incurred, the Board, for the reasons set out above, is of the view that the Compensatory Arrangements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS

During the past 12 months immediately preceding the Latest Practicable Date, the Company as not conducted any equity fund raising activities.

CHANGE IN BOARD LOT SIZE

As set out in the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited, it is requested that the value of each board lot shall be no less than HK\$2,000. In order to increase the value of each board lot of the Shares, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes that the board lot size of the Shares for trading on the Stock Exchange will be changed from 2,000 Shares to 30,000 Shares with effect from 9:00 a.m. on Tuesday, 23 May 2023. The change in board lot size will not result in any change in the relative rights of the Shareholders. The Board is of the opinion that the change in board lot size is in the interests of the Company and its Shareholders as a whole.

Based on the theoretical ex-rights price of approximately HK\$0.09 per Share (calculated based on the closing price of HK\$0.117 per Share as quoted on the Stock Exchange on the Last Trading Day), the market value of each existing board lot is approximately HK\$180.0 and the estimated market value of each proposed new board lot is approximately HK\$2,700.0.

LETTER FROM THE BOARD

To alleviate the difficulties in trading odd lots of the Shares arising from the change in board lot size of the Shares, the Company has appointed the Placing Agent as the agent to provide matching services, on a best efforts basis, to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Tuesday, 23 May 2023 to 4:00 p.m. on Tuesday, 13 June 2023 (both days inclusive). Holders of the Shares in odd lots who wish to take advantage of this facility should contact Ms. Karen Kong of China Gather Wealth Financial Company Limited at Suites 3010–12, 30th Floor, Tower 1, The Gateway, Harbour City, 25 Canton Road, Kowloon, Hong Kong or at telephone number (852) 2890 1181 from 9:00 a.m. on Tuesday, 23 May 2023 to 4:00 p.m. on Tuesday, 13 June 2023 (both dates inclusive). Shareholders should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

All existing share certificates in board lot of 2,000 shares will remain good evidence of the legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the change in the board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size 2,000 shares to new share certificate in board lot size of 30,000 shares is necessary.

LISTING RULES IMPLICATION FOR THE COMPANY

As the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of minority Shareholders in general meeting pursuant to Rule 7.19A of the Listing Rules. The Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the paragraph headed “The Underwriting Agreement – Conditions of the Rights Issue and the Underwriting Agreement” in this section and the section headed “Termination of the Underwriting Agreement” in this prospectus). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the existing Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled or waived (as applicable) (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

LETTER FROM THE BOARD

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the existing Shares and/or the nil-paid Rights Shares. Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

The Company has applied to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms.

TAXATION

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Overseas Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this prospectus.

Yours faithfully,
On behalf of the Board
PT International Development Corporation Limited
Ching Man Chun, Louis
Chairman and Managing Director

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Details of the consolidated financial information of the Group for the years ended 31 March 2020, 2021 and 2022 and the six months ended 30 September 2022 are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.ptcorp.com.hk). Set out below are links to the relevant reports of the Company:

- (i) The unaudited financial information of the Group for the six months ended 30 September 2022 is disclosed in the interim report of the Company for the six months ended 30 September 2022 published on 14 December 2022, from pages 4 to 32:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/1214/2022121400013.pdf>

- (ii) The audited financial information of the Group for the year ended 31 March 2022 is disclosed in the annual report of the Company for the year ended 31 March 2022 published on 14 July 2022, from pages 75 to 188:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0714/2022071400103.pdf>

- (iii) The audited financial information of the Group for the year ended 31 March 2021 is disclosed in the annual report of the Company for the year ended 31 March 2021 published on 20 July 2021, from pages 67 to 158:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0720/2021072000021.pdf>

- (iv) The audited financial information of the Group for the year ended 31 March 2020 is disclosed in the annual report of the Company for the year ended 31 March 2020 published on 15 July 2020, from pages 58 to 152:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0715/2020071500005.pdf>

2. INDEBTEDNESS STATEMENT

As at 31 March 2023, being the latest practicable date for ascertaining certain information related to this indebtedness statement, the Group had outstanding consolidated total borrowings (after intragroup elimination) of approximately HK\$146.3 million, comprising secured and guaranteed bank borrowings of approximately HK\$121.0 million which are secured by right-of-use assets, secured and unguaranteed other borrowings of approximately HK\$24.5 million which are secured by property, plant and equipment, and unsecured and unguaranteed other borrowings of approximately HK\$0.8 million.

As at 31 March 2023, the Group, as lessees, had lease liabilities of approximately HK\$427.9 million, comprising secured and unguaranteed lease liabilities of approximately HK\$4.0 million which are secured by rental deposits, and unsecured and unguaranteed lease liabilities of approximately HK\$423.9 million.

Save as aforesaid and apart from intra-group liabilities, the Group did not, as at 31 March 2023, have any material outstanding (i) debt securities, whether issued and outstanding, authorised or otherwise created but unissued, or term loans, whether guaranteed, unguaranteed, secured (whether the security is provided by the Group or by third parties) or unsecured; (ii) other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, whether guaranteed, unguaranteed, secured or unsecured; or (iii) mortgage or charges.

3. CONTINGENT LIABILITIES

As at 31 March 2023, one of the Group's subsidiaries has become a defendant in a series of litigations in relation to the lease payments under finance leases from a lessor (the "Plaintiff"), in which the subsidiary of the Group is subject to claims of immediate payment of the outstanding lease payments of approximately HK\$403.1 million, late charges for the outstanding payments and accrued interests of approximately HK\$77.4 million. The Group is currently seeking legal advice and intends to defend and contest the Plaintiff's claims. Among the claims of the Plaintiff, the Directors consider that the outstanding lease payments of approximately HK\$397.9 million have been recognised as current lease liabilities of approximately HK\$397.9 million in the consolidated financial statements as at 31 March 2023, while the possibility of claims for late charges for the outstanding payments and accrued interests of approximately HK\$77.4 million are remote.

As at 31 March 2023, certain subsidiaries of the Group, and an individual (the "Individual"), were defendants in a civil complaint filed by a civil litigant in respect of the dispute over loans provided to the Individual. Under the civil complaint, the civil litigant has requested the court to order the subsidiaries of the Group and the Individual jointly to pay to the civil litigant the principal debt amount of approximately HK\$126.1 million, late default payment thereon of approximately HK\$22.3 million and other related litigation costs. The Group is currently seeking legal advice and intends to defend and contest the civil complaint. The Directors consider that the possibility of civil complaint for the loans principal, late default payment and the other litigation costs are remote.

As at 31 March 2023, the Group's certain property, plant and equipment, right-of-use assets and bank balances are restricted as a result of the property preservation order from a court in the PRC.

Save as aforesaid, the Group did not, as at 31 March 2023, have any material outstanding guarantees or other contingent liabilities.

4. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after due and careful enquiry, taking into account of (i) the present available resources; (ii) the estimated maximum net proceeds of approximately HK\$33.6 million from the Rights Issue assuming all Rights Shares will be taken up; and (iii) no new additional facilities are obtained by the Company, sufficiency of the working capital of the Group for at least the next twelve months from the date of this prospectus is dependent on the successful negotiations with the relevant bank and the lessor, obtaining of alternative financing and/or realisation of the investments of the Group. If the maximum net proceeds from the Rights Issue are raised, shortfall is still expected in working capital of the Company during the next twelve months from the date of this prospectus.

The major factor leading to the insufficiency of working capital are related to (a) the legal claims and civil complaints concerning the Group, mainly in relation to sale and leaseback arrangements of contracts of oil storage tanks concerning immediate repayments of the remaining lease payments and debt dispute; and (b) the agreed repayments under the Settlement Agreement.

To address the working capital sufficiency issue, the Directors will devote its best effort to (i) continue the negotiations with the relevant bank for not demanding immediate repayment of existing bank loan due to breach of covenants; (ii) negotiate with the lessor for the extension of the sale and leaseback contracts; (iii) obtain alternative financing to further raise working capital of the Company; and (iv) further raise fund by the realisation of the investments of the Group.

Taking into account the successful implementation of all the measures mentioned above, the Directors are of the view that the Group would have sufficient working capital for at least the next twelve months from the date of this prospectus.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as disclosed in the section headed “Appendix I – 6. Financial and Trading Prospects of the Group” and the section headed “Appendix III – 12. Litigation” in this prospectus, the Directors were not aware of any material adverse change in the financial or trading position of the Group as a whole since 31 March 2022 (being the date to which the latest published audited financial statements of the Group were made up).

6. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

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.

With the COVID-19 pandemic being brought under control, we are also confident that our business will begin to resume towards the pre-pandemic levels. The biggest risk of the Group’s businesses is the impact of global inflation, slowing of the Chinese economy due to COVID-19 and the rising interest rates that have been used to bring inflation under control.

The recently acquired Thousand Vantage Investment Limited, saw a slow start to 2023, as Chinese industrial activities slowed due to China's strict COVID-19 restrictions. Having seen the rebound in industrial activities since the removal of these restrictions, the Directors have also seen a rebound of activities in the oil port and storage operations of the Group. Furthermore, due to the geographical characteristics of the port terminal operated by Guangming, further enhanced by our sizeable storage facilities and ancillary equipment, China Oil & Gas Pipeline Network Corporation* (國家石油天然氣管網集團) (“**PipeChina**”) have entrusted us as their partner to expand its petroleum pipeline network in the Guangxi region. This collaboration enables our terminal to act as a vital hub between maritime transport and PipeChina's nation-wide inland petroleum network, and our terminal would become a key participant in China's petroleum transportation between costal cities, and most importantly, China's import/export industry. This is significant as it will enable our customers to transport petroleum products at a significantly lower cost, to destinations far away from coastal areas, thus enhancing the Group's customer reach. As of now, our port terminal is the only terminal of its kind to connect to PipeChina's pipeline network in the Guangxi region. The Group will begin the process of tendering the required construction with expectation of commission in the first half of 2024.

Business at the Group's investment bank in Mauritius is set to commence since the island state has also began resuming business activities post COVID-19. With new hires in both the brokerage department and wealth management department, the Group is expected to see revenue contribution build up over the next 12-18 months.

With the backdrop of hawkish central banks and expected slowdown of certain economic activities during this adjustment period, the metals trading market is expected to see more volatility and risk from potential economic slowdowns. The Group has decided to continue to slow its metals trading business and remain conservative until economic visibility is more certain.

* *for identification purpose only*

(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group which has been prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the consolidated net tangible assets of the Group attributable to the Shareholders as if the Rights Issue had been completed on 30 September 2022. As it is prepared for illustrative purpose only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group upon completion of the Rights Issue or at any future dates after completion of the Rights Issue.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group is prepared based on the consolidated net tangible assets of the Group attributable to the Shareholders as at 30 September 2022 as derived from the Group's published unaudited condensed consolidated financial statements for the six months ended 30 September 2022 and is adjusted for the effect of the Rights Issue as if the Rights Issue had been completed on 30 September 2022.

	Unaudited consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 September 2022 <i>(Note 1)</i> <i>HK\$'000</i>	Estimated net proceeds from the Rights Issue <i>(Note 2)</i> <i>HK\$'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 September 2022 as adjusted for the Rights Issue <i>(Note 3)</i> <i>HK\$'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 September 2022 as adjusted for the Rights Issue <i>(Note 3)</i> <i>HK\$</i>
Based on 1,009,141,413 Rights Shares to be issued at the Subscription Price of HK\$0.036 per Rights Share	436,357	33,600	469,957	0.16

Notes:

- The amount of consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2022 is based on the unaudited consolidated net assets of the Group attributable to equity owners of the Company of approximately HK\$441,459,000, after deducting goodwill of approximately HK\$5,102,000 as at 30 September 2022, as extracted from the published interim report of the Group for the six months ended 30 September 2022.

- 2 The estimated net proceeds from the Rights Issue of approximately HK\$33,600,000 is calculated based on 1,009,141,413 Rights Shares assuming to be issued on the completion of the Rights Issue (based on 2,018,282,827 Shares in issue as at the Latest Practicable Date) at the Subscription Price of HK\$0.036 per Rights Share and after deduction of estimated related expenses of approximately HK\$2.7 million, assuming all the shareholders will subscribe the Rights Shares.
- 3 The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 30 September 2022 as adjusted for the Rights Issue per share is calculated based on 3,027,424,240 shares which represents 2,018,282,827 shares in issue as at 30 September 2022 before the Rights Issue and number of Rights Shares of 1,009,141,413 to be issued.
- 4 No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2022.

(B) REPORTING ACCOUNTANTS' REPORT ON PRO FORMA FINANCIAL INFORMATION

The following is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.

Deloitte.**德勤****INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

To the Directors of PT International Development Corporation Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of PT International Development Corporation Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 September 2022 and related notes as set out on pages II-1 to II-2 of the prospectus issued by the Company dated 23 May 2023 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages II-1 to II-2 of the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed rights issue (the “**Rights Issue**”) on the Group's financial position as at 30 September 2022 as if the Rights Issue had taken place at 30 September 2022. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the six months ended 30 September 2022, on which no auditor's report or review report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2022 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23 May 2023

1. RESPONSIBILITY STATEMENT

This prospectus, 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 prospectus 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 prospectus misleading.

2. SHARE CAPITAL

The issued share capital of the Company as at the Latest Practicable Date were, and following completion of the Rights Issue, are expected to be as follows:

Authorised Share Capital:

102,800,000,000 Shares	HK\$1,028,000,000	(as at the Latest Practicable Date)
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Issued and fully paid or credited as fully paid:

2,018,282,827 Shares	HK\$20,182,828.27	(as at the Latest Practicable Date)
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Rights Shares to be issued upon completion of the Rights Issue:

1,009,141,413 Shares	HK\$10,091,414.13	
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Issued share capital upon completion of the Rights Issue:

3,027,424,240 Shares	HK\$30,274,242.40	(assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
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All of the Rights Shares to be issued will rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and return of capital, and once issued and fully paid, with all the Shares in issue as at the date of allotment and issue of the Rights Shares. The Rights Shares to be issued will be listed on the Main Board of the Stock Exchange.

The Company has applied to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No Share or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange. As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived. Save as disclosed below, the Company has no other outstanding convertible securities, options or warrants, which confer any right to subscribe for or convert or exchange into the Shares.

3. SHARE OPTIONS

As at the Latest Practicable Date, the Company had no outstanding warrants, options or convertible securities in issue or other similar rights which confer any right to convert into or subscribe for Shares and there was no share or loan capital of any member of the Group which was under option, or agreed conditionally or unconditionally to be put under option.

4. PARTICULARS OF THE DIRECTORS, THE SENIOR MANAGEMENT AND THE COMPANY SECRETARY

Set out below are the particulars and biographies of the existing Directors, the senior management and the company secretary of the Company:

(a) Business address of the Directors, the senior management and the company secretary of the Company

The business address of the Directors, the senior management and the company secretary of the Company is the same as the principal place of business in Hong Kong of the Company located at 11/F., Centre Point, 181-185 Gloucester Road, Wan Chai, Hong Kong.

(b) Biographies of the Directors and the senior management of the Company

Executive Directors

Mr. Ching Man Chun, Louis (“Mr. Ching”), the Chairman and the Managing Director

Mr. Ching, aged 44, joined the Company as an Executive Director in June 2017 and is also a director of various subsidiaries of the Company. Mr. Ching was subsequently appointed as the Chairman of the Board of Directors and Managing Director of the Company in September 2017. Mr. Ching holds a Bachelor of Arts degree in Economics from Boston University in the United States of America. He has extensive experience in commodity trading and business development in the PRC and other countries in Asia and Africa.

Mr. Ching is now a non-executive director and deputy president of STX Corporation, the securities of which are listed on the Korea Exchange (stock code: 011810.KS).

Mr. Ching is a director of Champion Choice Holdings Limited, a substantial shareholder of the Company within the meaning of part XV of the SFO.

Mr. Heinrich Grabner (“Mr. Grabner”)

Mr. Grabner, aged 48, joined the Group as a chief executive officer and responsible officer of Helios in January 2018 and is subsequently appointed as an Executive Director of the Company in November 2019 and the Deputy Chairman of the Board in September 2022. He also acts as director of certain subsidiaries of the Company including Helios and Muhabura. Mr. Grabner received his B.A. in Economics and Chinese from The University of Michigan. Prior to joining the Group, Mr. Grabner held various senior positions in different investment banking, asset management and private banking companies. He has over two decades of investment management experience in the Asia Pacific region, including extensive experience in mergers and acquisitions, with a focus in finance, mining, energy and infrastructure.

Mr. Grabner was also a non-executive director of Sonora Gold and Silver Corp (SOC.V), the shares of which are listed on the TSX Venture Exchange in Canada, from 2016 to February 2023.

Mr. Yeung Kim Ting (“Mr. Yeung”)

Mr. Yeung, aged 57, was first appointed as an Independent Non-executive Director in August 2017 and is subsequently re-designated as an Executive Director of the Company in July 2019 and is also a director of various subsidiaries of the Company. Mr. Yeung had been a Chairman of the Audit Committee, a member of Remuneration Committee, Nomination Committee and Corporate Governance Committee of the Company prior to the re-designation. Mr. Yeung holds a Bachelor of Arts (Honours) degree majoring in Accounting from the University of Ulster in Northern Ireland of the United Kingdom. Mr. Yeung is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He has over 30 years of experience in accounting, auditing, merger and acquisition, business development, financial and general management. Mr. Yeung worked at PricewaterhouseCoopers Hong Kong and Shenzhen from 1991 to 2007. From 2007 onwards, he served as chief financial officer or director in different companies including listed companies in the US and Hong Kong.

*Independent Non-executive Directors**Mr. Yam Kwong Chun (“Mr. Yam”)*

Mr. Yam, aged 58, joined the Company as an Independent Non-executive Director in March 2017 and is the Chairman of Nomination Committee and a member of the Audit Committee, Remuneration Committee and Corporate Governance Committee of the Company. Mr. Yam holds a Bachelor of Commerce degree and a Master of Business Administration degree, both from University of Melbourne in Australia. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a certified practising accountant of the CPA Australia.

Mr. Yam had worked for Deloitte Touche Tohmatsu, an international accounting firm and as a finance executive for a number of group of companies operating in Hong Kong, the PRC, the United States of America and other overseas countries. Mr. Yam has extensive experience in auditing, accounting and financial management. Mr. Yam is now an independent non-executive director of Reliance Global Holdings Limited (formerly known as Sustainable Forest Holdings Limited) (stock code: 723), a company listed on the Hong Kong Stock Exchange.

Mr. Wong Yee Shuen, Wilson (“Mr. Wong”)

Mr. Wong, aged 56, joined the Company as an Independent Non-executive Director in November 2017 and is the Chairman of the Audit Committee, a member of Remuneration Committee, Nomination Committee and Corporate Governance Committee of the Company. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Australia CPA and Australian Institute of Banking and Finance. He holds a master of commerce degree, majoring in banking and finance from University of New South Wales. With more than 20 years’ experience in audit/assurance at public accounting firms including PricewaterhouseCoopers and Ernst and Young, Mr. Wong specialised in banking audits and auditing listed companies. Mr. Wong was an independent non-executive director of Ping An Securities Group (Holdings) Limited (stock code: 231), a company listed on the Hong Kong Stock Exchange, from February 2020 to November 2022.

Mr. Wong is now an independent non-executive director of China Pipe Group Limited (stock code: 380), a company listed on the Hong Kong Stock Exchange.

Mr. Lam Yik Tung (“Mr. Lam”)

Mr. Lam, aged 47, joined the Company as an Independent Non-executive Director in July 2019 and is the chairman of Remuneration Committee, a member of the Audit Committee, Nomination Committee and Corporate Governance Committee of the Company. Mr. Lam holds a Bachelor of Business Administration degree majoring in Finance and Accounting from Simon Fraser University in Canada. He has accumulated over 10 years of corporate finance, auditing and accounting experience from a European investment bank and an international accounting firm.

(c) Biographies of the company secretary of the Company

Ms. Lo Yuen Mei (“Ms. Lo”)

Ms. Lo, has been appointed as the Company Secretary of the Company in October 2019. Ms. Lo holds a Bachelor of Arts (Honours) degree majoring in Accounting from Edinburgh Napier University and a Master of Professional Accounting degree from The Hong Kong Polytechnic University. She has over 20 years of experience in company secretarial and compliance, finance, accounting, internal audit of Hong Kong listed and private companies. Ms. Lo is a member of The Hong Kong Institute of Certified Public Accountants.

5. 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 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	Beneficial owner	100,000,000	4.95%
	Interest of controlled corporation	488,000,000 (Note)	24.18%

Note:

Champion Choice, which is the holder of 488,000,000 shares of the Company, is wholly-owned by Mr. Ching. Accordingly, Mr. Ching is deemed to be interested in 488,000,000 shares of the Company 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 as recorded in the register required to be maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong 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 Substantial Shareholder	Capacity	Number of shares held	Approximate percentage of the issued share capital of the Company
Mr. Ching	Beneficial owner	100,000,000	4.95%
	Interest of controlled corporation	488,000,000 (Note 1)	24.18%
Champion Choice	Beneficial owner	488,000,000 (Note 1)	24.18%
Mr. Zhu Bin	Beneficial owner	253,178,000 (Note 2)	12.54%
	Interest of controlled corporation	30,606,769 (Note 2)	1.52%

Note 1: Champion Choice, which is the holder of 488,000,000 shares of the Company, is wholly-owned by Mr. Ching. Accordingly, Mr. Ching is deemed to be interested in 488,000,000 shares of the Company held by Champion Choice under the SFO.

Note 2: Mr. Zhu Bin owns 253,178,000 shares of the Company and owns the entire issued share capital of One Perfect Group Ltd (“**One Perfect**”), which holds 30,606,769 shares of the Company. Accordingly, Mr. Zhu Bin is deemed to be interested in 30,606,769 shares of the Company held by One Perfect under the SFO.

Save as disclosed above, as at the Latest Practical Date, none of the other Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of SFO) which 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 and short positions which he is taken or deemed to have under such provisions of SFO), or as recorded in the register required to be kept by the Company under section 352 of the SFO or required to be notified to the Company or the Stock Exchange under the Model Code.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which will not expire or is not determinable by the relevant member of the Group within one year without payment of compensation other than statutory compensation.

7. 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 of the Company were appointed as directors to represent.

8. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS 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 2022 (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 was 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.

9. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given statement or opinion or advice for inclusion in this prospectus:

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants and Registered Public Interest Entity Auditor

Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its letter, report and/or references to its name in the form and context in which they appear herein.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu did not have any direct or indirect interest in any securities of any member of the Company and the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did they have any interest, either directly or indirectly, in any assets which had been, since 31 March 2022 (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 or were proposed to be acquired or disposed of by or leased to any member of the Group.

10. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE RIGHTS ISSUE

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
Principal share registrar and transfer office	MUFG Fund Services (Bermuda) Limited 4th Floor North Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda
Hong Kong branch share registrar and transfer office	Tricor Secretaries Limited 17/F Far East Finance Centre 16 Harcourt Road Hong Kong
Company secretary	Ms. Lo Yuen Mei member of The Hong Kong Institute of Certified Public Accountants
Authorised representatives under the Companies Ordinance	Mr. Ching Man Chun Louis 11th Floor Centre Point 181–185 Gloucester Road Wanchai, Hong Kong
Authorised representatives under the Listing Rules	Mr. Heinrich Grabner 11th Floor Centre Point 181–185 Gloucester Road Wanchai, Hong Kong Ms. Lo Yuen Mei 11th Floor Centre Point 181–185 Gloucester Road Wanchai, Hong Kong

Principal bankers	DBS Bank (HK) Limited 16/F., The Center 99 Queen's Road Central Hong Kong
	Fubon Bank (Hong Kong) Limited Fubon Bank Building 38 Des Voeux Road Central Hong Kong
	Industrial and Commercial Bank of China (Asia) Limited 33/F., ICBC Tower 3 Garden Road, Central Hong Kong
	Nonghyup Bank 2/F Press Center 124, Sejong-daero, Jung-gu Seoul 04520, Republic of Korea
	The Hong Kong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
Financial adviser to the Company in respect of the Rights Issue	Alpha Financial Group Limited Room A, 17/F Fortune House 61 Connaught Road Central Central, Hong Kong
Underwriter and Placing Agent of the Rights Issue	China Gather Wealth Financial Company Limited Suites 3010–12 30th Floor, Tower 1 The Gateway, Harbour City 25 Canton Road Kowloon, Hong Kong
Auditors	Deloitte Touche Tohmatsu Certified Public Accountants Registered Public Interest Entity Auditor 35/F One Pacific Place 88 Queensway Hong Kong

Legal advisers to the Company in
relation to the Rights Issue

As to laws of Hong Kong
Michael Li & Co.
19/F, Prosperity Tower
39 Queen's Road Central
Central, Hong Kong

11. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts in the ordinary course of business of the Company) have been entered into by members of the Group within two years immediately preceding the date of this prospectus which are or may be material:

- (a) the Settlement Agreement;
- (b) the Placing Agreement; and
- (c) the Underwriting Agreement.

12. 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 and 5 May 2023 and the interim report of the Company for the six months ended 30 September 2022, 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.

13. EXPENSES

The expenses in connection with the Rights Issue and the application for listing, including underwriting commission, printing, registration, translation, legal and accounting charges are estimated to amount to approximately HK\$2.7 million and will be payable by the Company.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed "9. Qualification and Consent of Expert" in this Appendix, have been registered by the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance.

15. 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 prospectus:

- (a) the annual reports of the Company for the three years ended 31 March 2020, 2021 and 2022;
- (b) the interim report of the Company for the six months ended 30 September 2022;
- (c) the report on the unaudited pro forma financial information of the Group issued by Deloitte Touche Tohmatsu, the text of which is set out in Appendix II to this prospectus;
- (d) the written consent as referred to in the paragraph headed “9. Qualification and Consent of Expert” in this appendix;
- (e) the material contracts of the Group listed in the paragraph headed “11. Material Contracts” in this appendix; and
- (f) the Prospectus Documents.

16. MISCELLANEOUS

This prospectus is prepared in both English and Chinese. In the event of inconsistency, the English text of this prospectus shall prevail over the Chinese text unless otherwise specified.