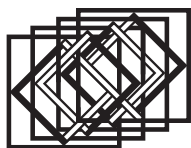


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PAK TAK INTERNATIONAL LIMITED

(百 德 國 際 有 限 公 司)*

(incorporated in Bermuda with limited liability)

(Stock Code: 2668)

(1) DISCLOSEABLE TRANSACTION IN RELATION TO INVESTMENT IN THE UNLISTED SECURITIES THROUGH ACQUISITION OF THE TARGET COMPANY; AND (2) CHANGE OF USE OF PROCEEDS FROM PLACING OF NEW SHARES

THE ACQUISITION

The Board is pleased to announce that on 1 August 2017 (after trading hours), the Purchaser (a direct wholly-owned subsidiary of the Company) and the Vendor entered into the Share Transfer Agreement, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares, the entire issued share capital of the Target Company and assignment of the Sale Loan to the Purchaser at the Consideration of HK\$33,000,000.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial information of the Target Company will be consolidated into the accounts of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the Acquisition contemplated under the Share Transfer Agreement exceed 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

* *for identification purpose only*

WARNING

Completion of the Acquisition is subject to the fulfillment of the Conditions Precedent under the Share Transfer Agreement. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.

THE ACQUISITION

The Board is pleased to announce that on 1 August 2017 (after trading hours), the Purchaser (a direct wholly-owned subsidiary of the Company) and the Vendor entered into the Share Transfer Agreement, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares, the entire issued share capital of the Target Company and assignment of the Sale Loan to the Purchaser at the Consideration of HK\$33,000,000.

Principal terms of the Share Transfer Agreement are set out below:

SHARE TRANSFER AGREEMENT

Date

1 August 2017 (after trading hours)

Parties

- (i) Golden Flourish International Limited, a direct wholly-owned subsidiary of the Company, as the Purchaser; and
- (ii) Success Cham Holdings Limited, as the Vendor

(The Vendor and the Purchaser shall collectively be referred to as the “**Parties**” and each individually as a “**Party**”)

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Vendor and its ultimate beneficial owner(s), are third parties independent of and not connected with the Company and its connected persons as defined under the Listing Rules.

Assets to be acquired

Pursuant to the Share Transfer Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire, the Sale Shares, representing the entire issued share capital of the Target Company and assignment of the Sale Loan to the Purchaser at the Consideration of HK\$33,000,000.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial information of the Target Company will be consolidated into the accounts of the Group.

Consideration

Pursuant to the Share Transfer Agreement, the Consideration of HK\$33,000,000 shall be payable by the Purchaser to Vendor in the following manners:

- (i) Refundable deposit in the sum of HK\$10,000,000 shall be payable within seven business days after the date of signing the Share Transfer Agreement (the “**First Payment**”); and
- (ii) the remaining balance of the Consideration shall be payable upon within six months after the Completion (the “**Final Payment**”).

It is expected that the Consideration will be financed as to (i) HK\$29,200,000 from the Placing (as defined in the Placing Announcement); and (ii) HK\$3,800,000 from the Group’s internal resources and/or external borrowing.

The Consideration was arrived at after arm’s length negotiations between the Vendor and the Purchaser on normal commercial terms principally with reference to (i) the investment of the Target Company; (ii) the unaudited net asset value of Target Company of approximately HK\$32,004,000 (excluding the Sale Loan) as at 31 May 2017; and (iii) the reasons for and benefits of the Acquisition as described under the paragraph headed “Reasons for and benefits of the Acquisition” below.

Conditions Precedent

The Completion is conditional upon the fulfilment (or waiver, where applicable) of the following Conditions Precedent within three months after the date of signing Share Transfer Agreement:

- (i) the Purchaser being reasonably satisfied with the due diligence results on the legal, financial and operation of the Target Company;
- (ii) the passing of all necessary resolution(s) by both Parties to approve the Acquisition and the transactions contemplated;
- (iii) all necessary consents and approved required to be obtained by the Target Company pursuant to the Share Transfer Agreement and the transactions contemplated thereunder having been obtained; and
- (iv) there being no material adverse change in the prospects, operation, financial and other aspects (and no development or event that may be expected to lead to material adverse change having happened) of the Target Company since the date of the Share Transfer Agreement to the Completion.

The Purchaser may (but not obliged to) waive and/or vary any of the conditions (1) or (3) as stated above. All other conditions as set out above may not be waived or varied by any of the parties to the Share Transfer Agreement. If any of the conditions set out above is not fulfilled or, as the case may be, waived or varied by the Purchaser on or before the Long Stop Date, then (without prejudice to any other remedies available to the other parties) the obligations of the parties shall cease and determine and neither party shall have any claim under the Share Transfer Agreement against the others save in respect of any antecedent breaches.

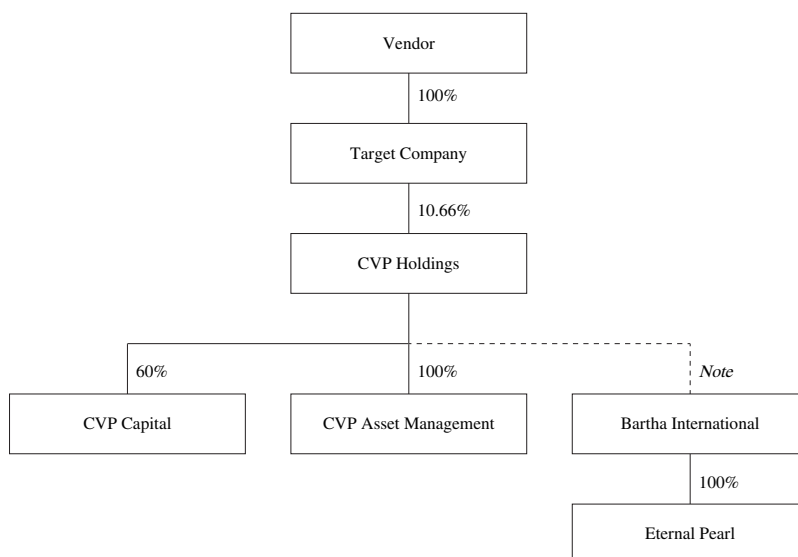
Completion

Completion shall take place on the third business day (or such other later date as agreed between the Parties) after the fulfillment (or waiver, where applicable) of the Conditions Precedent. It is expected that Completion shall take place no later than the Long Stop Date. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial information of the Target Company will be consolidated into the accounts of the Group.

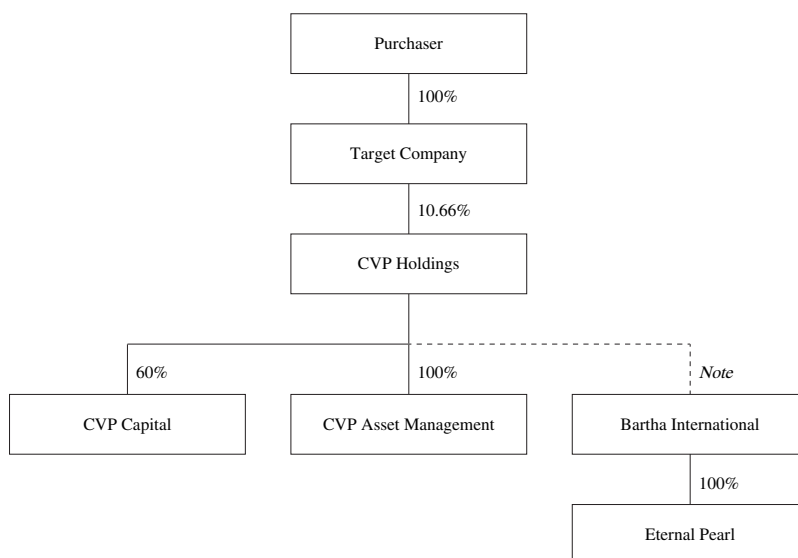
SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

Set out below is the shareholding structure of the Target Company (i) as at the date of this announcement; and (ii) immediately after Completion:

(i) Shareholding structure of the Target Company as at the date of this announcement



(ii) Shareholding structure of the Target Company immediately after Completion



Note:

The exchangeable bonds was issued by the sole shareholder of Bartha International to CVP Holdings, which entitle CVP Holdings to exchange for the entire issued share capital of Bartha International after 3 years from the date of issue of the exchangeable bonds. Upon the exercise of the rights of the exchangeable bonds, CVP Holdings will own the entire issued share capital of Bartha International, and Bartha International and Eternal Pearl will be accounted as wholly-owned subsidiaries of the CVP Holdings.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in the BVI with limited liability and is an investment holding company.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in the BVI with limited liability and is an investment holding company. Save and except for the available-for-sale investments, which representing the approximately 10.66% issued share capital in CVP Holdings, the Target Company has no other material assets and liabilities other than the Sale Loan owed by the Vendor as at the date of the Share Transfer Agreement.

The CVP Holdings is an investment holding company incorporated in the BVI with limited liability and is an indirect non-wholly owned subsidiary of a company listed on the Growth Enterprise Market of the Stock Exchange. As at the date of the Share Transfer Agreement, the respective subsidiary of the CVP Holdings is licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.

The subsidiaries of CVP Holdings are principally engaged in the provision of advising on securities and corporate finance, dealing in securities and asset management services.

Financial Information of the Target Company

Set out below are the financial information of the Target Company as extracted from its management accounts for the two years ended 31 December 2016 and 2015 and five months ended 31 May 2017:

	For the five months ended 31 May 2017	For the year ended 31 December	
	(Unaudited)	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss before and after taxation	3	11	14

The unaudited net assets value of the Target Company as at 31 May 2017 was approximately HK\$32,004,000 (excluding the Sale Loan).

INFORMATION ABOUT THE COMPANY AND THE PURCHASER

The Group is principally engaged in manufacturing and trading of garments, money lending, leasing business, new energy development and general trading.

The Purchaser is a direct wholly-owned subsidiary of the Company and its principal activity is investment holding.

REASONS FOR AND BENEFITS OF THE ACQUISITION

As at the date of the Share Transfer Agreement, the Target Company directly holds approximately 10.66% issued share capital of CVP Holdings. In addition, its subsidiaries is principally engaged in the provision of advising on securities and corporate finance, dealing in securities and asset management services.

In addition to the prospect of the CVP Holdings and as advised by the Vendor, (i) a fund management company for a closed-end fund (not less than HK\$1 billion of the fund) will be incorporated with a PRC state-owned enterprise; and (ii) a full-licensed joint venture securities company had been applied in PRC with the registered paid-up share capital of RMB3.5 billion, which the CVP Holdings will be indirectly held 10% of the registered share capital of the joint venture securities company. Its scope of business includes provision of securities brokerage services, securities underwriting and sponsor services, asset management, proprietary trading business, advising on securities investments, securities financing services and corporate finance advisory services in the PRC.

Given that Hong Kong is one of the important global financial hubs, and the main bridge between the PRC and international markets, the corporate finance advisory services in Hong Kong has been top of the global ranking. Furthermore, a new mutual market access scheme was successfully launched, which allows investors from the PRC and overseas to trade in each other's bond markets through connection between the related PRC and Hong Kong financial infrastructure institutions. The Board is of the view that the Acquisition has good investment potential and expects that the Acquisition would contribute positively to the Group.

Taking into account of the above, the Directors (including the independent non-executive Directors) believe that the terms of the Share Transfer Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in relation to the Acquisition contemplated under the Share Transfer Agreement exceed 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

CHANGE OF USE OF PROCEEDS FROM PLACING OF NEW SHARES

References are made to the announcements of Company dated 24 May 2017 (the “**Placing Announcement**”) in relation to, among others, the proposed placing of new Shares under general mandate. Capitalised terms used herein shall have the same meanings as those defined in the Placing Announcement unless defined otherwise.

As disclosed in the Placing Announcement, the Company originally intended to partially utilise the net proceeds from the placing of new Shares of approximately HK\$39,200,000 for the expansion of the Group’s existing businesses including the money lending, finance leasing business and general trading. In light of the capital requirement for the Acquisition, the Board has resolved to reallocate HK\$29,200,000 from the net proceeds for funding the Consideration of the Acquisition.

Save as disclosed above, there is no other change in the use of net proceeds from the placing of new shares. The Company considers that the change in use of net proceeds is fair and reasonable as this would allow the Company to deploy its financial resources more effectively.

Completion of the Acquisition is subject to the fulfillment of the Conditions Precedent under the Share Transfer Agreement. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Acquisition”	The proposed acquisition of the Sale Shares and the assignment of the Sale Loan to the Purchaser from the Vendor pursuant to the Share Transfer Agreement
“BVI”	British Virgin Islands
“Bartha International”	Bartha International Limited, a company incorporated in Hong Kong with limited liability, and its subsidiary incorporated in Hong Kong with limited liability, which is a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities under the SFO
“Board”	the board of Directors
“Company”	Pak Tak International Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	Completion of the Acquisition in accordance with the terms of the Share Transfer Agreement
“Conditions Precedent”	The conditions precedent to Completion pursuant to the Share Transfer Agreement
“Consideration”	the consideration for Acquisition in the amount of HK\$33,000,000 payable by the Purchaser in cash to Vendor pursuant to the Share Transfer Agreement
“CVP Asset Management”	CVP Asset Management Limited, a company incorporated in Hong Kong with limited liability, which a corporation licensed by the SFC to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO

“CVP Capital”	CVP Capital Limited, a company incorporated in Hong Kong with limited liability, which a corporation licensed by the SFC to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“CVP Holdings”	CVP Financial Holdings Limited, a company incorporated in the BVI, and is an indirect non wholly-owned subsidiary of a company listed on the Growth Enterprise Market of the Stock Exchange
“Director(s)”	director(s) of the Company
“Eternal Pearl”	Eternal Pearl Securities Limited, a company incorporated in Hong Kong with limited liability, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities under the SFO
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 October 2017 or such later date as the Parties may agree in writing
“PRC”	the People’s Republic of China, which for the purposes of this announcement only (unless otherwise indicated) excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purchaser”	Golden Flourish International Limited, a company incorporated in the BVI with limited liability, and is a direct wholly-owned subsidiary of the Company
“Sale Loan”	the loan owing by the Target Company to the Vendor, the amount of which was approximately HK\$32,054,000

“Sale Shares”	one ordinary share of the Target Company, representing the entire issued share capital of the Target Company as at the date of this announcement and Completion
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share Transfer Agreement”	a share transfer agreement dated 1 August 2017 and entered into between the Vendor and the Purchaser in relation to the Acquisition
“Share(s)”	the ordinary share(s) of HK\$0.02 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Target Company”	Gallant Tech (i-manufacturing) Limited, a company incorporated in the BVI with limited liability, which is a direct wholly-owned subsidiary of the Vendor
“Vendor”	Success Charm Holdings Limited, a company incorporated in the BVI with limited liability, which is a subsidiary of a company listed on the Main Board of the Stock Exchange
“%”	per cent.

By order of the Board of
Pak Tak International Limited
Wang Jian
Chairman and Chief Executive Officer

Hong Kong, 1 August 2017

As at the date of this announcement, the Board comprises Mr. Wang Jian and Ms. Qian Pu as executive Directors, Mr. Law Fei Shing and Mr. Shin Yick Fabian as non-executive Directors and Mr. Liu Kam Lung, Mr. Xie Xiaobiao and Mr. Zheng Suijun as independent non-executive Directors.