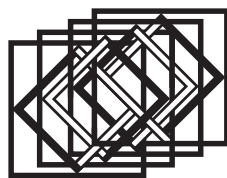


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## **PAK TAK INTERNATIONAL LIMITED**

**( 百德國際有限公司 ) \***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2668)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO CREDIT FACILITY AGREEMENT**

#### **CREDIT FACILITY AGREEMENT**

On 7 August 2019 (after trading hours), the Lessor, a direct wholly-owned subsidiary of the Company, and the Lessee entered into the Credit Facility Agreement for the provision of revolving finance leasing with the aggregate leasing amount not exceeding RMB90 million for a term of two years from 7 August 2019.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Credit Facility Arrangement contemplated under the Credit Facility Agreement, are more than 5% but less than 25%, which constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

*\* for identification purpose only*

## **INTRODUCTION**

On 7 August 2019 (after trading hours), the Lessor, a direct wholly-owned subsidiary of the Company, and the Lessee entered into the Credit Facility Agreement for the provision of revolving finance leasing with the aggregate leasing amount not exceeding RMB90 million for a term of two years from 7 August 2019.

## **CREDIT FACILITY AGREEMENT**

The principal terms of the Credit Facility Agreement are set out as follows:

### **Date**

7 August 2019 (after trading hours)

### **Parties**

深圳金盛融資租賃有限公司 (Shenzhen Jinsheng Finance Lease Company Limited<sup>#</sup>), as Lessor

The Lessee, as Lessee

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries the Lessee and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

### **Purpose of the Finance Lease**

The purpose of the Credit Facility Arrangement is to finance the Lessee for purchasing of construction machinery for its development of construction business.

## **Form of lease**

Pursuant to the Credit Facility Agreement, the Lessor shall provide (i) the leaseback services to the Lessee, which the Lessor shall purchase the Leased Assets from the Lessee, and such Leased Assets shall then be leased back to the Lessee or (ii) direct lease services to the Lessee, which the Lessor shall purchase the Leased Assets from suppliers and lease it to Lessee in return for periodic lease payment. In respect of each finance lease, the parties shall enter into separate implementation contract, which shall be in line with the terms of the Credit Facility Agreement, and the execution of each implementation contract shall be subject to and conditional upon the Credit Facility Agreement continuing to be in force.

The aggregate amount outstanding from time to time in respect of all finance leases pursuant to the Credit Facility Agreement shall not exceed RMB90 million, in which of approximately RMB24.5 million in aggregate is deemed to be utilised according to the finance lease agreements executed in past two years, i.e. the undrawn credit facility amount was approximately RMB65.5 million under the Credit Facility Agreement as at the date of this announcement. Such limit is determined based on the anticipated need for financing of the Lessee and the financial capability of the Lessor. The Group will fund the loans to be granted under Credit Facility Arrangement by internal resources or external borrowings.

## **Lease Period**

The lease period for each finance lease shall be determined in each implementation contract provided that it shall not exceed the useful life of the Leased Assets under each contract.

## **Interest Payment**

The Lessee shall pay interest to the Lessor at the rate to be specified in each implementation contract provided that such rate shall not be lower than 6% per annum.

The above minimum interest rate was determined after arm's length negotiations between the parties with reference to the prevailing market rates for finance lease of comparable construction machinery.

## **Ownership of the Leased Assets**

During the lease period, the ownership of the Leased Assets shall vest in the Lessor.

## **Lessee's Right to Repurchase the Leased Assets**

Subject to the Lessee having settled all the outstanding lease payments and all the amounts payable under each implementation contract, the Lessor shall transfer the ownership of the Leased Assets to the Lessee at a nominal consideration of RMB100.00 on the date of expiry of each finance lease.

## **Guarantee**

The Guarantor shall execute the Guarantee in favour of the Lessor to secure the performance of obligations of the Lessee under the each implementation contract. The Guarantee will be effective from the signing date of the relevant Guarantee letter.

## **Governing laws and validity**

The Credit Facility Agreement is governed by the laws of the PRC.

## **INFORMATION ABOUT THE LESSEE**

The Lessee is a company established under the laws of the PRC with limited liability. The principal business of the Lessee is, among other things, provision of construction and engineering business. The Lessee is an existing customer of the Group and there is no record of contractual default as at the date of this announcement.

## **INFORMATION ABOUT THE GROUP AND THE LESSOR**

The Group is principally engaged in (i) trading business, (ii) leasing business, (iii) property investment, (iv) money lending business and (v) securities investment.

The Lessor is a company established under the laws of the PRC with limited liability and is a direct wholly-owned subsidiary of the Company. The principal business of the Lessor is, among other things, provision of financing services to its customers in its ordinary and usual course of business.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CREDIT FACILITY AGREEMENT**

The Credit Facility Agreement is entered into after arm's length negotiation in the ordinary and usual course of business of the Group. Entering into the Credit Facility Agreement with the Lessee is beneficial for the Company to increase the income of its finance lease business and is consistent with the Company's business development strategy.

The Directors are of the view that the terms under the Credit Facility Agreement are on normal commercial terms, fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Credit Facility Arrangement contemplated under the Credit Facility Agreement, are more than 5% but less than 25%, which constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Credit Facility Agreement”	the credit facility agreement dated 7 August 2019 entered into between the Lessor and the Lessee in relation to the Credit Facility Arrangement
“Credit Facility Arrangement”	the leaseback services and the direct lease services to the Lessee
“Director(s)”	director(s) of the Company
“Guarantee”	the guarantee to be executed by the Guarantor in favour of the Lessor to secure the due performance of obligations of the Lessee under the each implementation contract
“Guarantor”	the sole shareholder of the Lessee, a company established under the laws of the PRC with limited liability

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Leased Assets”	construction machinery to be purchased from the Lessee or supplier and leased to the Lessee under the Credit Facility Agreement and each implementation contract
“Lessee”	a company established under the laws of the PRC with limited liability
“Lessor”	深圳金盛融資租賃有限公司 (Shenzhen Jinsheng Finance Lease Company Limited <sup>#</sup> ), a company established under the laws of the PRC with limited liability, and is a direct wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Share(s)”	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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

<sup>#</sup> *the English translation of the Chinese name is for information purposes only, and should not be regarded as the official English translation of such name.*

For the purpose of this announcement and for illustrative purpose only, amounts denominated in RMB in this announcement have been converted into HK\$ at an exchange rate of RMB1.00: HK\$1.13. Such conversions should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

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

Hong Kong, 7 August 2019

*As at the date of this announcement, the Board comprises Mr. Wang Jian, Ms. Qian Pu and Mr. Feng Guoming as Executive Directors; Mr. Law Fei Shing and Mr. Shin Yick Fabian as Non-executive Directors; and Mr. Liu Kam Lung, Mr. Chan Kin Sang and Mr. Zheng Suijun as Independent Non-executive Directors.*