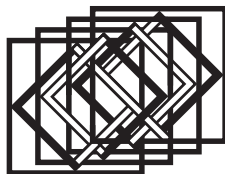


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## **PAK TAK INTERNATIONAL LIMITED**

**( 百 德 國 際 有 限 公 司 ) \***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2668)**

### **SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO PROVISION OF GUARANTEES**

Reference is made to the announcement (the “**Announcement**”) of Pak Tak International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 18 March 2026 in relation to the provision of Guarantees. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Board wishes to provide the Shareholders and potential investors of the Company with additional information.

#### **BUSINESS RELATIONSHIP WITH FUSHUN HUAWEI AND FUSHUN ZONGCHUAN**

Fushun Huawei, Fushun Zongchuan and Fushun Xingzhou have established and maintained a long-standing cooperative relationship in Fushun region in mining industry for more than six years, during which they have been providing guarantees to each other.

Fushun Zongchuan has been providing guarantees to Fushun Xingzhou since 2019. Since December 2019 and up to the date of this announcement, Fushun Zongchuan acts as a guarantor for Fushun Xingzhou for several facilities granted by the Bank with principal amount of up to RMB375,000,000, used for project construction payments and loan repayments.

Fushun Xingzhou has been providing guarantees to Fushun Zongchuan since 2020. Since December 2020 and up to the date of this announcement, Fushun Xingzhou acts as a guarantor for Fushun Zongchuan for several facilities granted by the Bank with principal amount of up to RMB120,000,000, used for ore purchase and loan repayments.

Fushun Xingzhou has been providing guarantees to Fushun Huawei since 2019. Since June 2019 and up to the date of this announcement, Fushun Xingzhou acts as a guarantor for Fushun Huawei for several facilities granted by the Bank with principal amount of up to RMB50,000,000, used for project construction payments and loan repayments.

Upon partial repayment of RMB6,500,000 made by Fushun Xingzhou to the Bank since 2024, as at the date of this announcement, Fushun Zongchuan provides a guarantee at the total amount of RMB368,500,000 in favor of Fushun Xingzhou. The provision of guarantees by Fushun Zongchuan to Fushun Xingzhou (i) is conducted on normal commercial terms or better; and (2) is not secured by the assets of the Group. As such, the guarantees are fully exempted from all compliance requirements pursuant to Rule 14A.90 of the Listing Rules.

### **Reasons for adopting the mutual guarantee arrangement**

Because of the nature of mining operations which involves significant risks (such as commodity price fluctuations, geological uncertainties, regulatory changes, environmental liabilities, and operational hazards, etc.), banks routinely require mutual guarantees as a condition for providing financing to enterprises in the mining sector. Mutual guarantee arrangement can provide the collective financial strength to support the borrowings and reduce the perceived risk for banks. This approach establishes a safety net that enhances financial access and shares risks among the enterprises involved in mining industry, and support sustainability and growth in the mining industry, which becomes a norm in the industry.

Participation in the mutual guarantee arrangement is beneficial for the Group to obtain bank facilities to support the long-term and stable development of the Group's business with the establishment of mutual cooperation relationship relating to provision of cross guarantee with enterprises possessing certain strengths.

Fushun Xingzhou conducts the underground mining operations in Fushun region, holding a mining license with validity period until July 2049.

## **THE FACILITIES**

### **Facility I**

The Facility I was granted by the Bank to Fushun Huawei in around June 2017, with the original principal amount of up to RMB50,000,000 for a term of two years. The purpose of the Facility I is for the payment of construction fees by Fushun Huawei. Since June 2019, the term of the Facility I has been extended for several times up to the date of this announcement, during which Fushun Huawei has repaid RMB35,280,000 under the Facility I. As at the date of this announcement, the remaining balance under the Facility I is RMB14,720,000.

A guarantee agreement (the “**Extended Guarantee Agreement I**”) in relation to the Guarantee I was entered into among Fushun Xingzhou, the Bank, Wenzhou Qize and other parties on 11 March 2026 in respect of the extended Facility I with the term to 2 June 2026 for the amended principal amount of up to RMB14,720,000 (the “**Extended Guarantee I**”).

## **Facility II**

The facility agreement in relation to the Facility II was entered into between Fushun Zongchuan and the Bank on 1 December 2025, pursuant to which the Bank has agreed, subject to the terms and conditions contained therein, to grant to Fushun Zongchuan the Facility II with the principal amount of up to RMB40,000,000 for 12 months (i.e. from 10 December 2025 to 9 December 2026). The Facility II is used for the repayment of loan to the Bank, the purpose of which is payment for ore purchasing.

## **Facility III**

The facility agreement in relation to the Facility III was entered into between Fushun Zongchuan and the Bank on 1 December 2025, pursuant to which the Bank has agreed, subject to the terms and conditions contained therein, to grant to Fushun Zongchuan the Facility III with the principal amount of up to RMB80,000,000 for 12 months (i.e. from 1 December 2025 to 30 November 2026). The Facility III is used for the repayment of loan to the Bank, the purpose of which is payment for ore purchasing.

## **LISTING RULES IMPLICATIONS**

Mr. Wu Zongchuan, an executive Director, the chairman of the Board, and chief executive officer of the Company, is the ultimate beneficial owner of Fushun Huawei and Fushun Zongchuan. Accordingly, Fushun Huawei and Fushun Zongchuan are associates of Mr. Wu Zongchuan and therefore connected persons of the Company under the Listing Rules. As a result, entering into of the Guarantee Agreement I (as extended by the Extended Guarantee Agreement I), the Guarantee Agreement II and the Guarantee Agreement III and the transactions contemplated thereunder respectively constituted connected transactions of the Company under Chapter 14A of the Listing Rules.

Wenzhou Qize, one of the guarantors of the Guarantee Agreement I (as extended by the Extended Guarantee Agreement I), is held as to 60%, 20% and 20% by Ms. Ouyang Liming (spouse of Mr. Wu Zongchuan), Ms. Wu Shasha and Mr. Wu Qi, respectively. Accordingly, Wenzhou Qize is an associate of Mr. Wu Zongchuan and therefore a connected person of the Company under the Listing Rules.

Mr. Wu Qi, a substantial shareholder of the Company, is a director of each of Fushun Xingzhou, Fushun Huawei and Fushun Zongchuan.

Given the parties to the Guarantee Agreement I, the Guarantee Agreement II and the Guarantee Agreement III are connected with one another, the transactions contemplated under the Guarantee Agreement I, the Guarantee Agreement II and the Guarantee Agreement III shall be aggregated pursuant to Rule 14A.81 of the Listing Rules. As the highest applicable percentage ratio for the provision of the Guarantee I, the Guarantee II and the Guarantee III, on an aggregate basis, exceeded 5% but less than 25%, the entering into of the Guarantee Agreement I, the Guarantee Agreement II and the Guarantee Agreement III and the transactions contemplated thereunder should be subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since the Guarantee I has been renewed with the amount of up to RMB14,720,000 on 11 March 2026 by the Extended Guarantee Agreement I, the entering into of the Extended Guarantee Agreement I, the Guarantee Agreement II and the Guarantee Agreement III and the transactions contemplated thereunder should be subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INTERNAL CONTROL PROCEDURES**

To enhance the internal control of the Group and preventing the recurrence of similar incidents, the Company has (i) provided additional guidance materials to the Directors and all senior management of the Group (including the general manager and the financial controller of the subsidiaries) to enhance their existing knowledge on the compliance requirements relating to connected transactions under the Listing Rules before the publication of the Announcement; and (ii) provided the memorandum prepared by the company secretary of the Company containing the compliance requirements under Chapters 13, 14 and 14A of the Listing Rules to all Directors and all senior management of the Group (including the general manager and the financial controller of the subsidiaries), in relation to the strict compliance with the requirements relating to connected transactions under Chapter 14A and notifiable transactions under Chapter 14 of the Listing Rules on 27 March 2026. The training in relation to the compliance requirements under Chapters 14 and 14A of the Listing Rules will be conducted by the Internal Control Adviser (as defined below) by July 2026.

On 25 March 2026, the Company engaged BT Corporate Governance Limited as internal control adviser (the “**Internal Control Adviser**”) to conduct a thorough review of and make recommendations to the internal control systems of the Company, to enhance the internal control systems of the Company, properly implement the discloseable transactions and connected transactions, and ensure future compliance with the Listing Rules.

The internal review process is expected to proceed in two phases. The first phase will involve a comprehensive review of the financial reporting procedures and internal control systems regarding this non-compliance incident disclosed in the Announcement and the recommendation for remedial actions, which is expected to be completed by the end of April 2026. The second phase will involve a re-examination of whether the financial reporting procedures and internal control systems have been fully implemented and enforced, which is expected to be completed by the end June 2026. Further announcement(s) will be made by the Company on the findings, recommendations and the results of the implementation of remedial actions as and when appropriate or required.

The Company is planning to conduct the following measures to streamline the communicating channel between the Directors and the company secretary of the Company on one hand, and the transaction team (which is an operational-level team responsible for the initial identification and preliminary assessment of the potential transactions) and the senior management in the subsidiaries on the other hand to ensure full compliance with the Listing Rules:

- (i) Under the supervision of the financial controller and the general manager of subsidiaries, the transaction teams will identify the potential transactions that are not in the ordinary and usual course of business of the Group and/or to be conducted with connected persons (a list of connected persons will be provided to the transaction teams). When a potential transaction is identified, the financial controller will convey the transaction details to the board-level insights.
- (ii) Mr. Liu Weixiong, an executive Director, is responsible for the implementation of discloseable transactions and connected transactions and compliance of the Listing Rules. The financial controller of the subsidiaries is required to submit reports (with summaries of parties, nature, major terms and transaction amount) in relation to the potential transactions that are not in the ordinary and usual course of business of the Group with the amount exceeding HKD3,000,000 (equivalent to approximately RMB2,700,000) and/or to be conducted with connected persons directly to Mr. Liu Weixiong within three days from identification of the potential transactions. This ensures the Director receives concise, relevant information on potential discloseable transactions and connected transactions early in the process.
- (iii) Upon review of the summaries of the potential transactions, Mr. Liu Weixiong shall communicate with the company secretary of the Company, provide all available details of the potential transactions (such as parties, nature, major terms and transaction amount), and request a preliminary analysis and compliance recommendation. The relevant transactions will not be conducted before the required procedures has been fully complied with according to the Listing Rules.

By order of the Board  
**Pak Tak International Limited**  
**Wu Zongchuan**  
*Chairman and Chief Executive Officer*

Hong Kong, 17 April 2026

*As at the date of this announcement, the Board comprises Mr. Wu Zongchuan, Mr. Liu Weixiong and Mr. Lyu Zhengjun as executive Directors; Mr. Hang Chu Kwong as non-executive Director; and Ms. Chan Ching Yi, Ms. Li Yun and Mr. Li Wubo as independent non-executive Directors.*