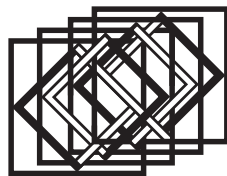


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PAK TAK INTERNATIONAL LIMITED

(百德國際有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2668)

DISCLOSEABLE TRANSACTION IN RELATION TO FACTORING AGREEMENT

FACTORING AGREEMENT

Reference is made to the Announcement of the Company dated 19 June 2020 in respect of the Several Factoring Agreements. Unless otherwise defined, capitalised terms used herein shall have the meanings ascribed to them in the Announcement stated above.

On 9 April 2021 (after trading hours), the Lender entered into the Factoring Agreement with the Customer C, pursuant to which the Lender has agreed to provide financing being transferred by accounts receivable of Customer C of approximately RMB26,764,000 (equivalent to approximately HK\$29,440,000) for a period of 6 months from the date of signing of the Factoring Agreement.

LISTING RULES IMPLICATIONS

As the applicable ratios of the Factoring Agreement is below 5%, the transaction contemplated under the Factoring Agreement did not constitute discloseable transactions of the Company on a standalone basis.

** for identification purpose only*

Since Customer A, Customer B and Customer C are the members of the same group, the Factoring Agreement were made within a 12-month period, and the Several Factoring Agreements were entered into by Lender with the same group of customers, the Factoring Agreement would be aggregated as a series of transactions of the Company pursuant to Rule 14.22 of the Listing Rules.

Further, the applicable percentage ratios in respect of the Factoring Agreement on an aggregate basis together with the Several Factoring Agreements exceed 5% but are less than 25%, such transactions contemplated under abovementioned agreements constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to the Announcement of the Company dated 19 June 2020 in respect of the Several Factoring Agreements. Unless otherwise defined, capitalised terms used herein shall have the meanings ascribed to them in the Announcement stated above.

On 9 April 2021 (after trading hours), the Lender entered into the Factoring Agreement with the Customer C, pursuant to which the Lender has agreed to provide financing being transferred by accounts receivable of Customer C of approximately RMB26,764,000 (equivalent to approximately HK\$29,440,000) for a period of 6 months from the date of signing of the Factoring Agreement.

THE FACTORING AGREEMENT

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

Date:	9 April 2021 (after trading hours)
Parties:	(i) the Lender; and (ii) the Customer C
Financing term:	6 months from the date of signing of the Factoring Agreement (or the date on which the factoring principal amount and factoring expenses are fully settled, whichever is the later)

Transfer of accounts receivable:	Subject to the terms and conditions of the Factoring Agreement, the accounts receivable of Customer C as referred to in the Factoring Agreement shall be transferred to the Lender
Factoring principal amounts:	Approximately RMB26,764,000 (equivalent to approximately HK\$29,440,000)
Interest rate:	The interest rate of 9% per annum, and shall be payable by Customer C to the Lender within five business days upon the date of signing of the Factoring Agreement
Service fee:	One-off service fee of approximately RMB268,000
Guarantee deposit:	Approximately RMB1,338,000, shall be payable by Customer C within five business days upon the date of signing of the Factoring Agreement and shall be returned to Customer C within five business days upon the date on which the factoring principal amount and factoring expenses are fully settled
Repayment of the factoring principal amount:	The factoring principal amount is repayable upon the expiry of the Factoring Agreement pursuant to the terms and conditions of the Factoring Agreement

Guarantee

The Guarantor shall execute the Guarantee in favour of the Lender to secure the performance of obligations of Customer C under the Factoring Agreement. The Guarantee will be effective from the signing date of the Letter of Guarantee.

Governing laws and validity

The Factoring Agreement is governed by the laws of the PRC and came into effect upon the signing by the Lender and Customer C.

INFORMATION ABOUT CUSTOMER C AND THE GUARANTOR

Customer C, is a company established under the laws of the PRC with limited liability. The Customer C is principally engaged in trading of non-ferrous metal, leasing business and property management.

The Guarantor, is a company established under the laws of the PRC with limited liability and is the immediate holding company of the Customer C and is ultimate beneficially owned by Mr. Huang Shilong. The Guarantor is principally engaged in investment holding, leasing business and property management.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Customer C, the Guarantor and its ultimate beneficial owner are not connected with the Company and its connected persons as defined under the Listing Rules.

INFORMATION ABOUT THE GROUP AND THE LENDER

The Group is principally engaged in supply chain business, leasing business, property investment, money lending business and securities investment.

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

REASONS FOR AND BENEFITS OF ENTERING INTO THE FACTORING AGREEMENT

The Board is of the view that the Factoring Agreement were entered into after arm's length negotiations, in the ordinary and usual course of business of the Lender and in line with the development of the supply chain business of the Group. It is expected that the Factoring Agreement will generate considerable and stable income for the Group from the factoring interest. The provision of factoring principal amount to Customer C under the Factoring Agreement will be financed by the internal resources of the Group.

Given the Factoring Agreement was entered into in the ordinary and usual course of business and on normal commercial terms, the Board is of the view that the terms of the Factoring Agreement are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable ratios of the Factoring Agreement is below 5%, the transaction contemplated under the Factoring Agreement did not constitute discloseable transactions of the Company on a standalone basis.

Since Customer A, Customer B and Customer C are the members of the same group, the Factoring Agreement were made within a 12-month period, and the Several Factoring Agreements were entered into by Lender with the same group of customers, the Factoring Agreement would be aggregated as a series of transactions the Company pursuant to Rule 14.22 of the Listing Rules.

Further, the applicable percentage ratios in respect of the Factoring Agreement on an aggregate basis together with the Several Factoring Agreements exceed 5% but are less than 25%, such transactions contemplated under abovementioned agreements constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements 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:

“Announcement”	the announcement of the Company dated 19 June 2020 in relation to, among other things, the Several Factoring Agreements
“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

“Customer A”	深圳鴻圖建工有限公司 (Shenzhen Hongtu Construction Engineering Company Limited*), a company established under the laws of the PRC with limited liability
“Customer B”	深圳鴻業裝飾有限公司 (Shenzhen Hongye Decoration Company Limited*), a company established under the laws of the PRC with limited liability
“Customer C”	深圳托吉斯商業有限公司 (Shenzhen Tuojis Commercial Company Limited*), a company established under the laws of the PRC with limited liability
“Director(s)”	director(s) of the Company
“Factoring Agreement”	the factoring agreement entered into between the Lender and the Customer C on 9 April 2021, which provides financing being transferred by accounts receivable of Customer C of approximately RMB26,764,000
“Factoring Facility Agreement”	the factoring facility agreement entered into between the Lender and the Customer A, pursuant to which the Lender has agreed to provide accounts receivable factoring services with non-revolving financing in the maximum aggregate principal amount of RMB35,000,000, in which of approximately RMB1,679,000 was utilised and the remaining balance of approximately RMB33,321,000 was unutilised and expired
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee to be executed by the Guarantor in favour of the Lender to secure the due performance of obligations of Customer C under the Factoring Agreement

“Guarantor”	深圳托吉斯投資有限公司 (Shenzhen Tuoji Investment Company Limited*), a company established under the laws of the PRC with limited liability which is immediate holding company of Customer C
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	深圳金盛商業保理有限公司 (Shenzhen Jinsheng Commercial Factoring Company Limited*), a company established under the laws of the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company
“Letter of Guarantee”	the irrevocable letter of guarantee entered into by the Lender and the Guarantor on 9 April 2021, in relation to the Guarantee
“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)
“Several Factoring Agreements”	the Factoring Facility Agreement entered into between the Customer A and the Lender and the factoring agreement entered into between the Customer B and the Lender as stated in the Announcement

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

* *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.*

By Order of the Board
Pak Tak International Limited
Liao Nangang
Chairman

Hong Kong, 12 April 2021

As at the date of this announcement, the Board comprises Mr. Liao Nangang, Ms. Qian Pu, Mr. Wang Jian and Mr. Ning Jie as executive Directors; Mr. Law Fei Shing and Mr. Shin Yick Fabian as non-executive Directors; and Mr. Chan Ngai Sang Kenny, Mr. Chan Kin Sang and Mr. Zheng Suijun as independent non-executive Directors.