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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)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF PROPERTY**

The Board is pleased to announce that on 12 November 2018, after trading hours, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser to dispose of the Property at a consideration of CAD10,600,000 (equivalent to approximately HK\$63,600,000).

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

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THE AGREEMENT

Parties

Purchaser: Big Tree Construction Ltd., a company incorporated in Canada with limited liability.

Vendor: Burcon Group Limited, an indirect wholly-owned subsidiary of the Company.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Purchaser is third party who is independent of and not connected with the Company and any of the directors, chief executive, substantial shareholders of the Company or any of its subsidiaries or any of their respective associates, and are not connected persons of the

Company. The Company has not been involved in any previous transaction with the Purchaser in the previous 12 months which would otherwise require aggregation with the Disposal pursuant to Rule 14.22 of the Listing Rules.

Subject matter

Pursuant to the Agreement, the Vendor shall sell and the Purchaser shall acquire the Property, which is located at 1946 West Broadway, Vancouver, B.C., Canada, with partial vacant possession and partial tenancies. The Property is a commercial property with gross floor area of 6,250 square feet. Part of the Property has been leased out and accounted for by the Group as investment property in its financial statements. The remaining portion of the Property is owner-occupied for office use and has been accounted for by the Group as land and building in its financial statements.

The net profit attributable to the Property for the years ended 31 March 2018 and 2017 were approximately HK\$24,043,000 and HK\$2,814,000 respectively, which were attributable to the fair value gain net off with the depreciation provided on the Property.

Consideration and payment terms

The consideration for the Disposal is CAD10,600,000 (equivalent to approximately HK\$63,600,000) which has been determined after arm's length negotiations between the parties by reference to the market prices of similar properties in the same district.

The consideration for the Disposal shall be payable in cash in the following manner:

- (a) an initial deposit in the sum of CAD1,000,000 (equivalent to approximately HK\$6,000,000) will be paid by the Purchaser to the real estate brokerage acting for the Purchaser for the Disposal within 2 days from the removal of the conditions precedent. The real estate brokerage shall act as stakeholder and release the deposit to the Vendor on completion of the Disposal; and
- (b) the remaining balance of CAD9,600,000 (equivalent to approximately HK\$57,600,000) shall be paid by the Purchaser to the Vendor upon completion of the Disposal.

The transaction shall be completed only if each of the conditions precedent set out below have been satisfied in full:-

- (i) Purchaser's inspections, tests, feasibility studies, appraisals, surveys and investigations in respect of the Property;
- (ii) Title to the Property and permitted encumbrances;
- (iii) Purchaser's satisfactory approving the environmental condition of the Property; and
- (iv) Verifying the existing lease agreements in respect of the Property.

Completion

Subject to the conditions precedent being satisfied, completion of the sale and purchase of the

Property shall take place on 14 March 2019. In the event the balance payment in (b) above is not paid on the date of completion of the Disposal, the Vendor may at its option terminate the Agreement, and in such event the deposit paid in (a) above will be absolutely forfeited to the Vendor.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company which indirectly holds strategic investments in a listed company. The principal activities of the Group comprise investment holdings, investments in other financial assets and securities, provision of finance, property investments and business of commodities trading.

The Property was acquired by the Group in 1998. As at 31 March 2018, the audited net book value of the Property was approximately HK\$54.33 million. Based on such net book value, a loss of approximately HK\$0.74 million is expected to accrue to the Group upon completion of the Agreement after taking into account the related expenses and tax payable by the Group of approximately HK\$10.01 million.

The Directors consider that the Disposal provides an opportunity for the Group to realise a capital gain from the Property and generate additional working capital for the Group. In view of the above, the Directors consider that the terms of the Agreement (including the consideration for the Disposal) are on normal commercial terms and are fair and reasonable, and that the Disposal is in the interests of the Company and of the Shareholders as a whole.

The proceeds from the Disposal, net of related expenses and tax, are expected to be approximately HK\$53.59 million. The Group currently intends to use the net proceeds from the Disposal for repayment of bank loan and as general working capital of the Group.

GENERAL

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agreement”	the contract of purchase and sale entered into between the Vendor and the Purchaser for the sale and purchase of the Property
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Company”	PT International Development Corporation Limited (Stock Code: 372), a company incorporated in Bermuda with limited

	liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Directors”	directors of the Company
“Disposal”	the disposal of the Property by the Vendor pursuant to the Agreement
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the commercial property located at 1946 West Broadway, Vancouver, B.C., Canada
“Purchaser”	Big Tree Construction Ltd., a company incorporated in Canada with limited liability
“Shareholder(s)”	the holder(s) of the Shares of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Burcon Group Limited, a company incorporated in Yukon, Canada and an indirect wholly-owned subsidiary of the Company
“CAD”	Canadian dollars, the lawful currency of Canada
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

In this announcement, unless otherwise stated, for purpose of illustration only, amounts quoted in CAD have been translated into Hong Kong dollars at the rate of CAD1.00 to HK\$6.00. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this exchange rate or any other rates or at all.

By Order of the Board
PT International Development Corporation Limited
Ching Man Chun, Louis
Chairman and Managing Director

Hong Kong, 12 November 2018

As at the date of this announcement, the Board comprises four Executive Directors, namely, Mr. Ching Man Chun, Louis (Chairman and Managing Director), Mr. Sue Ka Lok, Ms. Xu Wei and Mr. Gary Alexander Crestejo; and three Independent Non-executive Directors, namely, Mr. Yam Kwong Chun, Mr. Yeung Kim Ting and Mr. Wong Yee Shuen, Wilson.

** For identification purpose only*