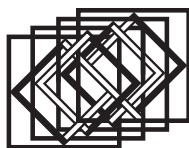


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PAK TAK INTERNATIONAL LIMITED

(百 德 國 際 有 限 公 司)*

(incorporated in Bermuda with limited liability)

(Stock Code: 2668)

DISCLOSEABLE TRANSACTION

PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

The Board is pleased to announce that on 26 August 2016 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower. Pursuant to the Loan Agreement, the Lender has agreed to grant the Loan Facility to the Borrower with a principal amount of HK\$45,000,000, bearing interest at a rate of 8% per annum for a term of twelve months from the first drawdown under the Loan Facility. The Loan Facility is secured by (i) the Share Charge executed by the Chargor; and (ii) the Personal Guarantee executed by the Guarantor in favour of the Lender.

LISTING RULES IMPLICATIONS

As some of the applicable percentage ratios (as defined under the Listing Rules) in respect of the grant of the Loan Facility exceed 5% but all the percentage ratios are less than 25%, the grant of the Loan Facility constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As the amount of the financial assistance granted to the Borrower exceeds 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules, the grant of the Loan Facility is subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

* *for identification purpose only*

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The principal terms of the Loan Agreement are summarised as follows:

THE LOAN AGREEMENT

Date:	26 August 2016 (after trading hours)
Lender:	Grand Mark Worldwide Limited, an indirect wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong under the Money Lenders Ordinance
Borrower:	Dawnfield Investments Limited
Security:	(i) the Share Charge; and (ii) the Personal Guarantee. The Loan Facility is secured by (a) the Share Charge executed by the Chargor; and (b) the Personal Guarantee executed by the Guarantor in favour of the Lender as a continuing security and continuing obligation for performance by the Borrower of its obligations and liabilities in the Loan Agreement amongst other things.
Principal:	HK\$45,000,000 (drawdown in whole but not in part)
Term (Final repayment day):	Twelve months from the first drawdown under the Loan Facility
Interest:	Fixed rate of 8% per annum on the principal amount of the Loan Facility. The Borrower shall pay accrued interest on the Loan Facility in arrears on a quarterly basis.
Repayment:	Upon expiration of the term, the Borrower must fully repay to the Lender the principal amount of the Loan Facility together with all interests as accrued thereof

FUNDING OF THE LOAN FACILITY

The Group will finance the Loan Facility with its internal resources.

THE SHARE CHARGE

Simultaneously upon the entering into the Loan Agreement, the Chargor also executed the Share Charge in favour of the Lender to charge the Charged Shares to the Lender as security for the payment obligations and liabilities of the Borrower arising from or under the Loan Agreement. The Share Charge shall be released upon full settlement of all the payment obligations and liabilities arising from or under the Loan Agreement.

INFORMATION OF THE BORROWER

The Borrower is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. The Borrower is the beneficial owner of the Charged Shares. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, as at the date of this announcement, each of the Borrower and its ultimate beneficial owners, the Chargor and the Guarantor is an Independent Third Party.

INFORMATION OF THE GROUP AND THE LENDER

The Group is principally engaged in manufacturing, on an OEM basis, and trading of men's, ladies' and children's knit-to-shape garments for export mainly to the United States and Europe.

The Lender is an indirect wholly-owned subsidiary of the Company and is licensed to conduct money lending business in Hong Kong through the provision of unsecured and secured loans to customers under the provisions of the Money Lenders Ordinance.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE FINANCIAL ASSISTANCE

The terms of the Loan Agreement were negotiated on an arm's length basis between the Lender and the Borrower. The Directors consider that the granting of the Loan Facility is a financial assistance provided by the Company within the meaning of the Listing Rules. Taking into account the cash inflow and revenue to be generated from the expected interest income in connection with the Loan Facility, the Directors are of the view that the terms of the Loan Agreement were entered into on normal commercial terms based on the Group's credit policy which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

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As the amount of the financial assistance granted to the Borrower exceeds 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules, the grant of the Loan Facility is subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Dawnfield Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“Charged Shares”	certain shares in a company listed on the main board of the Stock Exchange which are owned by the Borrower
“Chargor”	the Borrower, who is the beneficial owner of the Charged Shares
“Company”	Pak Tak International Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	an individual, a sole director and a sole shareholder of the Borrower

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is/are independent of, and not connected with, the Company and its connected persons (as defined in the Listing Rules)
“Lender”	Grand Mark Worldwide Limited, an indirect wholly-owned subsidiary of the Company, being the lender under the Loan Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 26 August 2016 entered into between the Lender and the Borrower in respect of the Loan Facility
“Loan Facility”	a term loan facility of HK\$45,000,000 provided by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Personal Guarantee”	the guarantee dated 26 August 2016 provided by the Guarantor in favour of the Lender to guarantee the due performance of the Borrower under the Loan Agreement
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.02 each in the issued share capital of the Company
“Share Charge”	the share charge dated 26 August 2016 in respect of the Charged Shares executed by the Chargor in favour of the Lender
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

By order of the Board
Pak Tak International Limited
Cheung Chi Mang
Chairman

Hong Kong, 26 August 2016

As at the date of this announcement, the Board comprises Mr. Cheung Chi Mang, Mr. Ko Kin Chung, Mr. Shang Yong and Mr. Wang Jian who are the executive Directors, Mr. Law Fei Shing who is the non-executive Director, Mr. Liu Kam Lung, Mr. Wu Shiming and Mr. Chan Sun Kwong who are the independent non-executive Directors.