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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)

VOLUNTARY ANNOUNCEMENT DISPOSAL OF SUBSIDIARIES

THE DISPOSAL

This announcement is made by the Company on a voluntary basis.

On 28 September 2018 (after trading hours), the Purchaser and the Vendor entered into the Agreement, pursuant to which the Vendor agreed to dispose of and the Purchaser agreed to acquire the Sale Interests, the Convertible Notes and the Sale Shareholder's Loans at the consideration of approximately HK\$34.7 million in cash.

As at the date of this announcement, Great Intelligence Limited and Large Scale Investments Limited are owned as to 100% by the Vendor (a direct wholly-owned subsidiary of the Company). Following the Completion, the Company will no longer be interested in the Disposal Companies and Burcon NutraScience Corporation. In addition, since the Convertible Notes (representing approximately 1.7% of the existing shares of Burcon if they are to be converted) are currently out of money, the Company considers it is not favourable to convert the Convertible Notes at the moment.

IMPLICATIONS UNDER THE LISTING RULES

As none of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5%, the Disposal does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and is not subject to any announcement and reporting requirements.

None of the Directors has a material interest in the Disposal and the Board has approved the Agreement and the transactions contemplated under it. In addition, the Directors (including all the independent non-executive Directors) have confirmed that the terms of the Disposal are fair and reasonable, the Disposal is on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

INTRODUCTION

The Board is pleased to announce that after the trading hours of the Stock Exchange on 28 September 2018, the Purchaser and the Vendor entered into the Agreement, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Interests, which represents 100% of equity interest in each of the Disposal Companies as at the date of the Agreement.

As at the date of this announcement, each of the Disposal Companies is owned as to 100% by the Vendor, each being a direct wholly-owned subsidiary of the Company. The Company and the Vendor will no longer be interested in the Disposal Companies and Burcon after completion of the Agreement.

The principal terms of the Agreement are set out below.

THE AGREEMENT

Date

28 September 2018 (after trading hours)

Parties

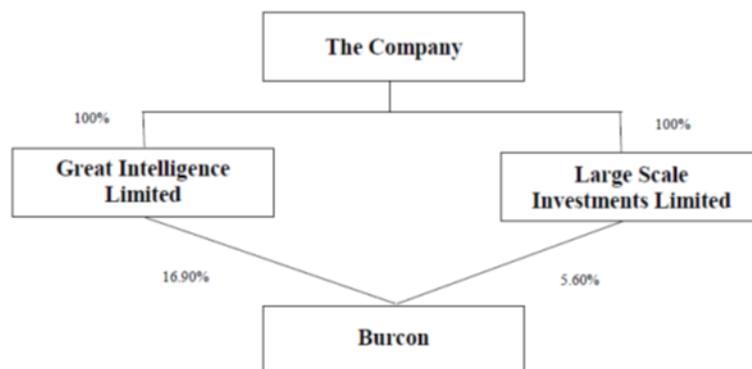
Vendor : the Company

Purchaser : Firewood Elite Limited, a company incorporated under the laws of the British Virgin Islands with limited liability wholly-owned by Mr. Chan Yiu Lun, Alan, who is a former executive Director of the Company prior to 28 March 2017 and also the son of Dr. Chan Kwok Keung, Charles, who in turn was the former Controlling Shareholder prior to 24 January 2017 and the former executive Director and chairman of the Company prior to 28 March 2017 and an Independent Third Party to the Company

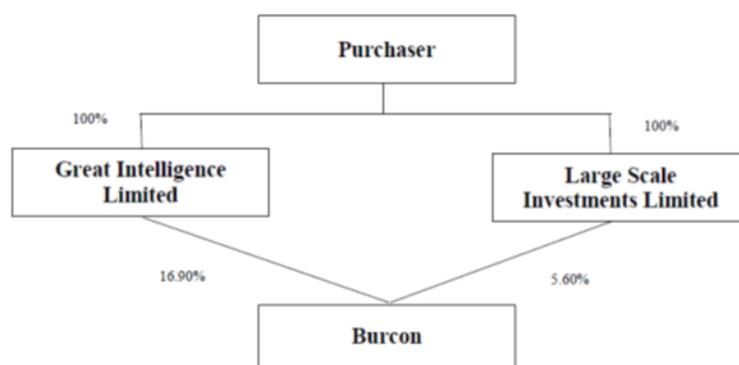
Assets to be disposed

Pursuant to the Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Interests, which represents 100% of the equity interest of each of the Disposal Companies as at the date of the Agreement as well as the Convertible Notes and the Sale Shareholder's Loans, free from all liens, claims and encumbrances and with all rights attached to them. The transfer of the Sale Interests, the Convertible Notes and the Sale Shareholder's Loans shall become effective after the full settlement of the Consideration by the Purchaser. Please find below diagrams illustrating the shareholding structure of the Disposal Companies before and after the Disposal:

Before the Disposal:



After the Disposal:



Consideration

The Consideration, after arm's length negotiation between the Purchaser and the Vendor, is approximately HK\$34.7 million and shall be payable in cash by the Purchaser to the Vendor after immediately the execution of the Agreement.

Completion

Completion shall take place after immediately signing of the Agreement or such other date as may be agreed between the Vendor and the Purchaser. After the Completion, the Company will no longer be interested in the Disposal Companies and Burcon.

INFORMATION ON THE DISPOSAL COMPANIES

The Disposal Companies are companies incorporated under the laws of the British Virgin Islands with limited liability. The Disposal Companies together in aggregate own approximately 22.45% of Burcon NutraScience Corporation ("**Burcon**"), a company engaged in developing technologies for the production of valuable plant-sourced ingredients for use in food, nutrition, wellness and supplement products. Burcon has developed a portfolio of composition, application, and process patents originating from a core protein extraction and purification technology. The shares of Burcon are listed on the Toronto Stock Exchange and the Frankfurt Stock Exchange and was suspended from trading on, and was delisted from, the NASDAQ on 27 April 2018 and 14 June 2018 respectively.

The Disposal Companies recorded an unaudited consolidated loss for the year of approximately HK\$6.17 million and approximately HK\$5.23 million for each of the two years ended 31 March 2017 and 2018, respectively. The unaudited consolidated net liabilities of the Disposal Companies as at 31 August 2018 amounted to approximately HK\$82.4 million.

REASONS AND BENEFITS OF THE DISPOSAL

The financial performance of the Disposal Companies' only asset, namely Burcon in which the Disposal Companies own in aggregate 22.45% equity interest, have been worsening in recent years. For the year ended 31 March 2018, the Group shared the loss of Burcon of approximately HK\$6.25 million. The Directors are of the view that the Disposal will be a good opportunity to dispose the Disposal Companies, having considered the future and financial performance of the Disposal Companies, the recent delisting of Burcon from NASDAQ and the continual funding requirement of Burcon, and the Disposal may enable the Group to enhance its operating results. Following Completion, the Company will no longer be interested in the Disposal Companies and Burcon, and the Company will record a gain on the Disposal of approximately HK\$27.5 million which the Directors are of the view that it can greatly enhance the cash flow of the Group and improve its financial strength and liquidity, and therefore would allow the Group to allocate more resources in exploring other potential business opportunities. In addition, the Group will still maintain its existing principal businesses after Completion of the Disposal.

Based on the above, the Directors consider the terms of the Agreement to be fair and reasonable, and the Disposal is in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE GROUP AND PARTIES INVOLVED IN THE AGREEMENT

The Group is the Vendor and is principally engaged in the businesses of investment holding, comprising strategic investments in PYI Corporation Limited (“PYI”), investments in other financial assets and securities, provision of finance, and property investments. In order to diversify its investments and expand its revenue source, the Group has also expanded into the business of commodities trading during the year ended 31 March 2018.

The Purchaser is Firewood Elite Limited, a company incorporated under the laws of the British Virgin Islands with limited liability wholly-owned by Mr. Chan Yiu Lun, Alan, who was a former executive Director of the Company prior to 28 March 2017 and also the son of Dr. Chan Kwok Keung, Charles, who in turn is the former Controlling Shareholder prior to 24 January 2017 and the former executive Director and chairman of the Company prior to 28 March 2017 and an Independent Third Party to the Company.

IMPLICATIONS UNDER THE LISTING RULES

As none of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5%, the Disposal does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and is not subject to any announcement and reporting requirements.

None of the Directors has a material interest in the Disposal and the Board has approved the Agreement and the transactions contemplated under it. In addition, the Directors (including all the independent non-executive Directors) have confirmed that the terms of the Disposal are fair and reasonable, the Disposal is on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

DEFINITIONS

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

“Agreement”	the share transfer agreement dated 28 September 2018 entered into between the Vendor and the Purchaser in respect of the Disposal
“Board”	the board of Directors
“Burcon”	Burcon NutraScience Corporation, a company engaged in developing technologies for the production of valuable plant-sourced ingredients for use in food, nutrition, wellness and supplement products with its shares listed on the Toronto Stock Exchange and the Frankfurt Stock Exchange which an aggregate of approximately 22.45% of its shares are owned by the Disposal Companies.
“business day(s)”	any day other than a Saturday or Sunday or public holiday in Hong Kong
“Company”	PT International Development Corporation Limited, a company incorporated in the Bermuda with limited liability and whose Shares are listed on main board of the Stock Exchange
“Completion”	completion of the Disposal under the Agreement
“connected person(s)”	meanings as ascribed pursuant to the Listing Rules
“Consideration”	the consideration for the Sale Interests, the Convertible Notes and the Sale Shareholder’s Loans of approximately HK\$34.7 million pursuant to the Agreement
“Controlling Shareholders”	meanings as ascribed pursuant to the Listing Rules
“Convertible Notes”	the convertible unsecured promissory notes issued by Burcon to Large Scale Investments Limited for the principal amount of Canadian Dollars 2,000,000 dated 12 May 2016
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Interests, the Convertible Notes and the Sale Shareholder’s Loans by the Vendor pursuant to the terms and conditions of the Agreement
“Disposal Companies”	Great Intelligence Limited and Large Scale Investments Limited, companies incorporated under the laws of the British Virgin Islands with limited liability and direct wholly-owned subsidiaries of the Company, with 100% of equity interests held by the Company

“Existing Controlling Shareholder”	the existing controlling shareholder of the Company as defined under the Listing Rules being Mr. Suen Cho Hung, Paul, Ace Way Global Limited, and Ace Pride Holdings Limited
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s) (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Firewood Elite Limited, a company incorporated under the laws of the British Virgin Islands with limited liability wholly-owned by Mr. Chan Yiu Lun, Alan, who was a former executive Director of the Company prior to 28 March 2017 and also the son of Dr. Chan Kwok Keung, Charles, who in turn is the former Controlling Shareholder prior to 24 January 2017 and the former executive Director and chairman of the Company prior to 28 March 2017 and an Independent Third Party to the Company
“Sale Interests”	100% of each of the Disposal Companies as at the date of the Agreement to be acquired by the Purchaser
“Sale Shareholder’s Loans”	the loans or obligations owed by each of the Disposal Companies to the Vendor’s Group of HK\$96,192,720 which are unsecured, interest-free and have no fixed repayment terms as at 31 July 2018
“Share(s)”	shares of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC as amended, supplemented or otherwise modified from time to time
“Vendor”	the Company
“HK\$”	Hong Kong dollar(s), lawful currency of Hong Kong
“%”	per cent

** For identification purpose only.*

In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text thereof.

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

Hong Kong, 28 September 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.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.