

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**SILVER GRANT INTERNATIONAL INDUSTRIES LIMITED**

**銀建國際實業有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 171)**

**INSIDE INFORMATION AND POSITIVE PROFIT ALERT ANNOUNCEMENT**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform shareholders of the Company and potential investors that it is expected that the profit attributable to owners of the Company for the year ended 31 December 2017 as compared with that of 2016 will turn around from loss to profit. It is further expected that the profit attributable to owner of the Company for the year ended 31 December of 2017 will be in excess of HK\$200.0 million (2016: loss of approximately HK\$35.1 million).

The information contained in this announcement is only based on the preliminary review by the Company's management on the unaudited management accounts of the Group for the year ended 31 December 2017 and is subject to change as necessary.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by Silver Grant International Industries Limited 銀建國際實業有限公司 (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) (the "SFO").

The board of director of the Company (the "Board") wishes to inform shareholders of the Company and potential investors that it is expected that the profit attributable to owners of the Company for the year ended 31 December 2017 as compared with that of 2016 will turn around from loss to profit. It is further expected that the profit attributable to owner of the Company for the year ended 31 December 2017 will be in excess of HK\$200.0 million (2016: loss of approximately HK\$35.1 million).

The Board considers that the increase in profit was mainly attributable to the significant improvement in operating results achieved by the subsidiary, Tai Zhou United East Petrochemical Company Limited ("TZ United East") and the associate, Zhong Hai You Qi (Taizhou) Petrochemical Company Limited ("Zhong Hai You Qi") during the current year.

In 2017, the global economy recovered moderately. The global crude oil supply gradually tended to be balanced, the international crude oil price increased prominently as compared with the previous year. As a result, the overall selling prices of petrochemical products in the Mainland China recorded a moderate increase. In additions, as production efficiency and effectiveness was enhanced under the joint production arrangements, the operating results of TZ United East and Zhong Hai You Qi recorded significant improvement during the current year. Based on unaudited preliminary data, the net loss of TZ United East decreased significantly by approximately HK\$329.7 million to approximately HK\$28.1 million (2016: loss of approximately HK\$357.8 million) in the current year. Share of result of Zhong Hai You Qi improved significantly from profit of approximately HK\$29.0 million in the last year to profit of approximately HK\$249.1 million in the current year. Having taken into account the effect of the one-off gain on early redemption of loan receivable with embedded derivative of approximately HK\$75.8 million in the last year, profit contribution from the petrochemical products business still made significant contribution to the improvement and increment in the net profit in the current year.

In additions, the associate, Cinda Jianrun Property Company Limited ("Cinda Jianrun") has completed the disposal of a majority portion of its investments in the second half year of 2017. As a result, Cinda Jianrun recorded an improved result with net profit of approximately HK\$208.0 million (2016: loss of approximately 53.5 million) and contributed a growth of approximately HK\$78.5 million to the profit growth of the Group in the current year.

The information contained in this announcement is only based on the preliminary review by the Company's management on the unaudited management accounts of the Group for the year ended 31 December 2017 and is subject to change as necessary.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Silver Grant International Industries Limited**  
銀建國際實業有限公司  
**Chow Kwok Wai**  
Company Secretary

Hong Kong, 9 January 2018

*As at the date of this announcement, the Board comprises Mr. Gao Jian Min (Managing Director), Mr. Liu Tianni (Deputy Managing Director) and Mr. Ma Yilin as executive directors; Mr. Luo Zhenhong (Chairman), Mr. Hui Xiao Bing (Vice Chairman) and Mr. Chen Qiming (Vice Chairman) as non-executive directors and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming as independent non-executive directors.*