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SILVER GRANT INTERNATIONAL HOLDINGS GROUP LIMITED **銀建國際控股集團有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 171)

ISSUE OF US\$19,800,000 7.5% SENIOR NOTE

The board (“**Board**”) of directors (“**Directors**”, each a “**Director**”) of Silver Grant International Holdings Group Limited (“**Company**”, together with its subsidiaries, “**Group**”) announces that after trading hours on 8 December 2020, the Company as the issuer, Mr. Chu Hing Tsung (“**Mr. Chu**”) as the guarantor, CNCB (Hong Kong) Investment Limited (“**Investor**”) as the investor and CNCB (Hong Kong) Capital Limited (“**Arranger**”) as the arranger, entered into a subscription agreement (“**Subscription Agreement**”), pursuant to which the Company has conditionally agreed to issue to the Investor, and the Investor has conditionally agreed to subscribe for, a senior secured guaranteed note (“**Note**”) in the aggregate principal amount of US\$19,800,000 (equivalent to approximately HK\$154,440,000) maturing on the date falling one year from the issue date of the Note (“**Issue Date**”). The consummation of the issue and subscription of the Note is subject to the fulfilment or waiver of all the conditions precedent set out in the Subscription Agreement and will take place within three business days after all such conditions precedent have been fulfilled or waived. Interest shall accrue on the Note from (and including) the Issue Date until (and including) the date on which the Note is redeemed in accordance with the terms and conditions of the Note at the rate of 7.5% per annum on the outstanding principal amount of the Note, payable quarterly in arrears. If an event of default occurs and is continuing, the interest rate for the period from (and including) the date of occurrence of such event of default until (and including) the date on which such event of default ceases to continue, shall be adjusted to a rate of 15% per annum. The Note is required to be secured by a personal guarantee to be executed by Mr. Chu in favour of the Investor and mortgages to be executed by the Group over certain properties owned by the Group in favour of the Investor.

The Note will constitute direct, unconditional, secured, guaranteed, unsubordinated and general obligations of the Company which will rank at least pari passu with all other present and future direct, unconditional, unsecured, unsubordinated and general obligations of the Company. No application will be made for a listing of the Note on any stock exchange.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Investor, the Arranger and their respective ultimate beneficial owner(s) is a third party independent of the Company and its connected persons (within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”)).

The Group is principally engaged in property leasing and investments. The Board considers that the issue of the Note represents an opportunity to obtain funding for the Group and the net proceeds from the issue of the Note are intended to be used for the general working capital of the Group. The Board is of the view that the transactions contemplated by the Subscription Agreement and the issue of the Note are in the interests of the Company and its shareholders as a whole.

As Mr. Chu is a Director and the chairman of the Board, he is a connected person of the Company and his provision of personal guarantee is regarded as a provision of financial assistance to the Company by a connected person of the Company within the meaning of the Listing Rules and constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given that no security over the assets of the Group is granted to Mr. Chu in respect of the grant of the financial assistance by him to secure the Company's obligations under the Subscription Agreement and the related transaction documents and such grant of financial assistance is for the benefit of the Company on normal commercial terms (or better to the Company), such grant of financial assistance is fully exempted from the reporting, announcement and independent shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of HK\$7.80 per US\$1.00. 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 or any other rates or at all.

On behalf of the Board
Silver Grant International Holdings Group Limited
Chu Hing Tsung
Chairman

Hong Kong, 8 December 2020

As at the date of this announcement, the Board comprises Mr. Huang Jiajue (Chief Executive Officer), Mr. Luo Zhihai and Mr. Ma Yilin as executive Directors; Mr. Chu Hing Tsung (Chairman) and Mr. Chen Zhiwei as non-executive Directors; and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming as independent non-executive Directors.