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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)

DISCLOSEABLE TRANSACTION
PROVISION OF LOAN

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The Board announces that, after the trading hours on 22 April 2021, the Lender, a non-wholly owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to lend, and the Borrower agreed to borrow, the Loan in the principal amount of RMB100,000,000 (equivalent to approximately HK\$118,835,000) for six months at the interest rate of 8% per annum.

LISTING RULES IMPLICATIONS

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

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THE LOAN AGREEMENT

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

Date:	22 April 2021
Lender:	泰州東泰石化有限公司 (Tai Zhou Dong Thai Petrochemical Company Limited*), a non-wholly owned subsidiary of the Company, in which approximately 68.07% of its equity interest is being indirectly owned by the Company
Borrower:	Zhong Hai You Qi (Tai Zhou) Petrochemical Company Limited* (中海油氣 (泰州) 石化有限公司), a joint venture of the Company, in which the Company owns approximately 51% of its equity interest through the Lender (i.e. the Company effectively owns approximately 34.72% of the equity interest in the Borrower)
Principal amount:	RMB100,000,000 (equivalent to approximately HK\$118,835,000)
Interest:	8% per annum and payable quarterly
Term:	six months, from the date on which the Loan is drawn down
Repayment:	Subject as otherwise provided in the Loan Agreement, the Borrower shall repay the Loan upon expiry of the term.
Prepayment:	The Borrower may at any time prepay all of the Loan and the interest thereon after submitting a written prepayment request to the Lender and obtaining the consent of the Lender.

FUNDING OF THE LOAN

The Loan was financed by the Group's internal resources.

INFORMATION ON THE GROUP AND THE LENDER

The Group is principally engaged in property leasing and investments.

The Lender is principally engaged in investment holding and investment.

* For identification purpose only

INFORMATION ON THE BORROWER

The Borrower is a company established in the PRC with limited liability, which is principally engaged in the manufacturing and trading of petrochemical products. The Borrower is owned as to (i) approximately 51% by the Lender, a company with approximately 68.07% of its equity interest being indirectly owned by the Company; (ii) approximately 47.07% by CNOOC Refinery Co., Ltd.* (中海石油煉化有限責任公司) (“**CRCL**”); (iii) approximately 1.53% by Tai Zhou Petrochemical Co., Ltd.* (泰州石油化工有限責任公司) (“**Tai Zhou Petrochemical**”); (iv) approximately 0.20% by Suzhou Industrial Park Ruixin Highway Materials Co., Ltd.* (蘇州工業園區瑞新公路物資有限公司) (“**Suzhou Ruxin**”); and (v) approximately 0.20% by Hangzhou Yiyang Investment Limited Partnership* (杭州奕陽投資合夥企業 (有限合夥)) (“**Hangzhou Yiyang**”, together with CRCL, Tai Zhou Petrochemical and Suzhou Ruxin, are collectively referred to as the “**JV Partners**”). CRCL is wholly-owned by China National Offshore Oil Corporation* (中國海洋石油集團有限公司), which is a state-owned enterprise of China. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, each of the JV Partners and its ultimate beneficial owners is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE LOAN

The terms of the Loan Agreement (including the interest rate) were arrived at after arm’s length negotiations between the Lender and the Borrower, having regard to commercial practice and the amount of the Loan. The purpose of the Loan is to finance the working capital of the Borrower, a company with approximately 34.72% of its equity interest being effectively owned by the Company. The provision of the Loan will provide interest income at the rate of 8% per annum to the Group, which will bring better returns to the Group than bank deposits. The Borrower intends to use the proceeds from the Loan to fund its daily operations, including the purchase of raw materials, such as crude oil. Having considered that the Group owns equity interest in the Borrower, the purpose of the Loan and the revenue the Loan will bring to the Group, the Directors consider that the terms of the Loan Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

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DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Zhong Hai You Qi (Tai Zhou) Petrochemical Company Limited* (中海油氣(泰州)石化有限公司), a company established in the PRC with limited liability
“Company”	Silver Grant International Holdings Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of the Company and the connected persons of the Company
“Lender”	泰州東泰石化有限公司 (Tai Zhou Dong Thai Petrochemical Company Limited*), a company established in the PRC with limited liability, with approximately 68.07% of its equity interest being indirectly owned by the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a loan in the principal amount of RMB100,000,000 (equivalent to approximately HK\$118,835,000) at the interest rate of 8% per annum provided by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	a loan agreement dated 22 April 2021 entered into between the Lender and the Borrower in respect of the provision of the Loan

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“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of HK\$1 to RMB0.8415. 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, 22 April 2021

As at the date of this announcement, the Board comprises Mr. Huang Jiajue (Chief Executive Officer), Mr. Luo Zhihai and Mr. Tang Lunfei 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.