



## 銀建國際控股集團有限公司

The board (“Board”) of directors (“Directors”) of Silver Grant International Holdings Group Limited (“Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2022 as follows:

		(Unaudited)
		2021
Rental income		43,574
Direct operating expenses		(5,882)
		37,692
Dividend income from listed and unlisted securities		—
Other income, gains and losses		155,684
		(36,144)
instrument		15,681
assets, net		18,868
Administrative expenses		(93,717)
Change in fair value of investment properties		31,313
		(166,760)
— associates		1,077
— joint ventures		(307,119)
Loss before taxation		(343,425)
Taxation		(7,528)
Loss for the period		(350,953)
Loss attributable to:		
— owners of the Company		(251,333)
— non-controlling interests		(99,620)
		(350,953)
— Basic and diluted (HK cents per share)		(10.90)

	(Unaudited)
	2021
	(350,953)
	<u>15,114</u>
Total other comprehensive (loss)/income that may be	<u>15,114</u>
Other comprehensive (loss)/income that will not be	
(Loss)/gain on property revaluation	11,906
	<u>—</u>
Net other comprehensive (loss)/income that will not be	<u>11,906</u>
	<u>27,020</u>
	<u><u>(323,933)</u></u>
Total comprehensive loss attributable to:	
Owners of the Company	(234,803)
Non-controlling interests	<u>(89,130)</u>
	<u><u>(323,933)</u></u>

	(Audited) As at 31 December 2021
Investment properties	2,730,045
	271,659
Right-of-use assets	51,773
Other intangible assets	2,814
Interests in associates	335,507
Interests in joint ventures	1,568,397
Amount due from an associate	560,690
Amounts due from joint ventures	1,747,964
	<u>167,689</u>
Total non-current assets	<u>7,436,538</u>
Trade receivables	4,377
Deposits, prepayments and other receivables	714,075
Amount due from a joint venture	61,078
Loan receivables	2,239,727
	952,679
	22,280
	24,450
	<u>116,755</u>
Total current assets	<u>4,135,421</u>
Accrued charges, rental deposits and other payables	405,116
	541,037
Taxation payable	109,457
Lease liabilities	2,048
Convertible bonds	1,301,494
	<u>1,301,494</u>
Total current liabilities	<u>2,359,152</u>

		(Audited) As at 31 December 2021
	_____	1,776,269
	_____	9,212,807
		3,193,628
Lease liabilities		52,404
Deferred tax liabilities	_____	248,542
Total non-current liabilities	_____	3,494,574
Net assets	<u>_____</u>	<u>5,718,233</u>
		3,626,781
Share capital		1,604,563
Reserves	_____	5,231,344
		486,889
Non-controlling interests	_____	5,718,233
	<u>_____</u>	<u>5,718,233</u>

ended 30 June 2022 have been prepared in accordance with Hong Kong Accounting Standard 34

The financial information relating to the year ended 31 December 2021 that is included in this unaudited condensed consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but

(Chapter 622 of the Laws of Hong Kong) ("Companies Ordinance") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2021 to the

406(2), 407(2) or 407(3) of the Companies Ordinance.

The accounting policies adopted in the preparation of these unaudited interim condensed consolidated financial statements for the six months ended 30 June 2022 are consistent with those

Amendments to HKAS 16

Amendments to HKAS 37

Annual Improvements to

with a reference to the  
issued in June 2018 without significantly changing its

a liability. The exception specifies that, for liabilities and contingent liabilities that would be

date. Since the amendments apply prospectively to business combinations for which the  
these amendments on the date of transition.

- (b) Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such
  
- (c) Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the of the Group.

that are expected to be applicable to the Group are as follows:

whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendment did not have any impact on

: removes the illustration of payments from the lessor relating to

removes potential confusion regarding the treatment of lease incentives when applying

the following reporting segments:

- (b) the property leasing segment representing the holding of properties for rental income and/or potential for capital appreciation.

performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's

corporate expenses are excluded from such measurement.

does not regularly review segment assets and liabilities.

Revenue

- Rental income
- Dividend income from listed and unlisted securities

_____	_____	_____
=====	=====	=====
=====	=====	

Other unallocated income, gains and losses

Corporate expenses

- associates
- joint ventures

Loss before taxation

Taxation

Loss for the period

_____
_____
=====



Six months ended 30 June 2021 (Unaudited)

	Investments	leasing	Total
Revenue			
— Rental income	—	43,574	43,574
	<u>          </u>	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>	
Other unallocated income, gains and losses			2,170
Corporate expenses			(69,249)
— an associate			1,077
— a joint venture			(307,119)
			<u>          </u>
Loss before taxation			(343,425)
Taxation			(7,528)
			<u>          </u>
Loss for the period			<u>          </u> <u>          </u>
			(Unaudited)
			2021
Hong Kong			—
			43,574
		<u>          </u>	<u>          </u>
		<u>          </u>	<u>          </u> <u>          </u>

The revenue information above is based on the locations of the customers.

An analysis of the revenue is as follows:

	(Unaudited)	
	2021	
Gross rental income		43,574
Dividend income from listed and unlisted securities	_____	—
	_____	43,574
	=====	=====

An analysis of other income, gains and losses is as follows:

	(Unaudited)	
	2021	
Interest income		
— amounts due from an associate		11,874
— amounts due from a joint venture		40,389
— loan receivables		101,168
		1,418
Net foreign exchange loss		(1,573)
Government grants		—
Others	_____	2,408
	_____	155,684
	=====	=====

	(Unaudited)	
	2021	
		5,770
Interest on other loans		77,604
Interest on convertible bonds		73,743
Interest on senior note		7,285
Interest on lease liability		2,358
		166,760
		166,760

Kong incurred tax losses for both reporting periods.

made based on the Group's estimated assessable profits calculated in accordance with the relevant Corporate Income Tax ("CIT Law") and the Implementation Regulation of the CIT Law, the tax rate

The withholding tax arising from the dividend income received from the Company's subsidiaries in

	(Unaudited)	
	2021	
Current:		968
Deferred		6,560
		7,528
Total tax (credit)/charged for the period		7,528

The Group's loss before taxation was arrived at after charging/(crediting):

	(Unaudited)
	2021
	5,417
Depreciation of right-of-use assets	1,981
	36,144





increased due to the complex and unstable situations in mainland China and overseas, such as the against Russia, accelerating global inflation. In response to the current economic situation, the this year, with the increase amounting to 225 basis points in aggregate, causing substantial been implemented by the government in response to the resurging Coronavirus Disease 2019 leading to a sharp contraction in economic activities and a significant slowdown in economic industry in China, being the major pillar of the local economy, has posed significant impacts on fixed asset investments, local fiscal revenue, the financial industry and employment, resulting in

中海油

氣( 泰州 )石化有限公司

been progressing as scheduled. It is expected that the construction of the facilities to manufacture such lubricant oil products will commence by the end of this year.

triggered a decline in the prices of most of the global assets. Coupled with unfavourable investor sentiment, both the Group's progress in realising its non-performing asset investments with real estate being the underlying assets and the yield generated from these investments were significantly under expectation. After due consideration, the Group has adjusted its business strategy in a timely manner and decided to speed up the disposal of its existing investments.

targeting the new energy industry and its sub-sectors. Driven by the vision of “carbon neutrality”, the world is entering into an important historical period of high-carbon to low-carbon transition.

carbon neutrality, leading to long-term development of the new energy industry. The Group believes that the new energy industry will enter into a long-term growth period in the next two decades due to the high demand brought about by the transformation of the energy structure, and engagement in relevant sub-sectors of the new energy industry will become an essential initiative

Scheme are set out below:

aggregate into a trust (“NT Trust Scheme”) holding a portfolio of limited liability partnerships managed by 國民信託有限公司

value of the NT Trust Scheme as at 30 June 2022 was approximately HK\$412,183,000, which was determined by reference to the net asset value of the NT Trust Scheme as set out in the unaudited of the NT Trust Scheme as at 31 December 2021 of approximately HK\$460,235,000. The Group

did not receive any distribution from the NT Trust Scheme or record any realised gain or loss in strategy, the Group will consider to dispose of its interest in the NT Trust Scheme at any time provided that an opportunity allowing the Group to realise a reasonable return arises.

The objective of the Group in relation to its investments in financial assets is to capture returns from the appreciation of the value of its investments and to receive income therefrom. The Board believes that the performance of the financial asset investments of the Group is dependent on

are affected by factors such as interest rate movements, national policies and performance of the global and national economies. The Group will continue to adopt prudent investment principles, closely monitor the performance of its investment portfolio, and adjust its investment strategies

Group has accelerated the realisation of its mature investments while reducing the proportion of its



The rental income from the Group's property leasing business amounted to approximately  
  
in Beijing, China, which comprises a residential section and a commercial section. The increase in

the country, focus on stabilising employment and prices, actively expand domestic demand and maintain economic operations within a reasonable range, which will reduce the impacts of the global turmoil on China.

In view of the complex and severe external environment, the Group has also re-examined its  
  
will strengthen its budget management, consolidate its internal control system, and optimise its operation mechanism. In terms of business, the Group will realise its investments progressively,

The loss attributable to the owners of the Company decreased to approximately HK\$146,349,000

2022, mainly attributable to (i) the additional sales tax and related tax surcharge and late fee

- (b) the increase in other income, gains and losses from approximately HK\$155,684,000 for  
and

The increase in the rental income earned by the Group from approximately HK\$43,574,000

was partially offset by the loss on the foreign exchange translation of the rental income

was mainly attributable to the amounts of fair value loss recognised by the Group on its major financial asset, NT Trust Scheme, and one of its non-performing loan portfolios

effect on the financial position of the Group. However, the Board will closely monitor the future

In addition, the Board does not anticipate that there will be any material exchange exposure to the Group in respect of other currencies.

As at 30 June 2022, the Group’s total short-term and long-term borrowings and convertible bonds amounted to approximately HK\$5,455,668,000 in aggregate, the composition of which is summarised below:

	(Audited) 31 December 2021
Short-term borrowings	541,037
Long-term borrowings	3,193,628
Convertible bonds	1,301,494
	<hr/>
Total borrowings	5,036,159
Less:	
	<hr/>
	(141,205)
	<hr/>
Net borrowings	<u>4,894,954</u>

While approximately HK\$178,500,000 and HK\$3,938,042,000 of the Group’s long-term and respectively, approximately HK\$176,700,000, HK\$3,552,320,000 and HK\$5,645,000 of the Group’s long-term and short-term borrowings outstanding as at 31 December 2021 were of the Group which remained outstanding as at 30 June 2022, approximately HK\$2,363,822,000 (31 December 2021: HK\$1,912,311,000) carried floating interest rates and approximately June 2022, the Group also had outstanding convertible bonds due in July 2022, which were of the details of such convertible bonds are set out in the section headed “Issue of Convertible Bonds” below.

approximately HK\$113,469,000 (31 December 2021: HK\$141,205,000) in aggregate, out of

HK\$5,455,668,000 (31 December 2021: HK\$5,036,159,000), which comprised (i) a loan in the

(viii) convertible bonds in the aggregate principal amount of HK\$1,150,000,000 (31 December

amount of HK\$180,000,000 (31 December 2021: HK\$180,000,000) due in December 2022, and the Group's net current assets were approximately HK\$2,158,237,000 (31 December 2021: HK\$1,776,269,000). In addition, the Group had fully utilised its loan facilities as at 30 June 2022

to dispose of the Group's short and medium term investments to replenish the Group's funds in

- (i) the Group will continue to implement measures to speed up the collection of outstanding
  
- (iii) the Group has been actively negotiating with its creditors for refinancing the borrowings which are due within a year.

Having reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 30 June 2022, the Directors are of the opinion that,

As at 30 June 2022, the Group pledged certain investment properties and leasehold land and buildings with an aggregate carrying value of approximately HK\$2,522,649,000 (31 December 2021: HK\$2,650,502,000) and approximately HK\$195,700,000 (31 December 2021:

loans and other payables to an independent third party. As at 30 June 2022, the Group pledged

As at 30 June 2022, the Group had capital expenditures contracted for but not provided for in its

HK\$175,439,000 (31 December 2021: HK\$183,374,000 entirely for the purchase of unlisted

through internal resources of the Group. Other than the capital commitments as disclosed, the management of the Group does not expect there to be any plans for material investments or capital assets in the coming six months.

As at 30 June 2022, the Group provided corporate guarantees of approximately HK\$3,087,520,000 (31 December 2021: HK\$3,841,990,000) in respect of the loans granted to a joint venture.

As at 30 June 2022, the shareholders' fund of the Company was approximately HK\$4,917,761,000 (31 December 2021: HK\$5,231,344,000), representing a decrease of approximately

unsecured and guaranteed convertible bonds ("Convertible Bonds") of the Company due 2022 of an aggregate principal amount of up to HK\$200,000,000, to placeses who and whose subsidiaries or associates are independent third parties (within the meaning of the Listing Rules) of the Company,

Agent, who and whose ultimate beneficial owner(s) are independent third parties (within the meaning of the Listing Rules) of the Company), in relation to JIC's subscription for the Convertible Bonds with a principal amount of up to HK\$200,000,000 ("JIC Subscription").

Subscription Agreement”, collectively the “Connected Subscription Agreements”) with each of

and each a “Connected Subscriber”), who were all connected persons (within the meaning of the Listing Rules) of the Company as at the date of the Connected Subscription Agreements, pursuant to which the Company conditionally agreed to issue, and each of the relevant Connected Subscribers conditionally agreed to subscribe for, the Convertible Bonds in the aggregate principal

provided personal guarantees (“Guarantees”) in favour of the relevant subscribers pursuant to the JIC Subscription Agreement and the Connected Subscription Agreements.

2019. The gross proceeds from the issue of the Convertible Bonds were in the amount of HK\$1,150,000,000. The net proceeds from the issue of the Convertible Bonds, after deduction of all relevant costs and expenses, amounted to approximately HK\$1,147,000,000, among which

(ii) approximately HK\$400,000,000 would be used for expanding the Company’s business to the

the Company. As at the date of this interim results announcement, the net proceeds have been fully utilised as intended.

Bonds, which was HK\$1,150,000,000 in aggregate (among which a principal amount of HK\$450,000,000, HK\$200,000,000, HK\$100,000,000, HK\$100,000,000 and HK\$100,000,000 respectively).

On 6 July 2022, the Company (as issuer), the Connected Subscribers and JIC (collectively, the



period from and including the issue date (“Issue Date”) of the Convertible Bonds to 4 July

Date (“Outstanding Bonds”) in accordance with the instrument constituting the Convertible Bonds executed by the Company on 3 July 2019 (“Bond Instrument”) shall be adjusted from

- (iv) the Convertible Bonds shall be secured by pledges over the receivables of the Group (mainly the loans granted by the Group to its joint venture, associates and independent third parties)

of the Group, and the status of the Convertible Bonds set out in the Bond Instrument shall be adjusted from direct, guaranteed, unsecured, unsubordinated and unconditional obligations and without any preference or priority among themselves and at least with all other present and future direct, unsecured, unsubordinated and unconditional obligations of the Company, to direct, guaranteed, secured, unsubordinated and unconditional obligations of the Company, which and without any preference or priority among themselves and at least with all other present and future direct, secured, unsubordinated and

- (v) the period of the notice to be given by the Company to the Subscribers for early redemption of the Convertible Bonds by the Company shall be adjusted from not less than thirty (30)

A bondholder of the Convertible Bonds can only exercise his/her/its conversion rights on the shareholders of the Company (“Shareholders”) for all securities of the Company under Rule 26 of the Listing Rules. The Listing Rules will be breached as a result of an exercise of the conversion rights.

As at the date of this announcement, none of the Convertible Bonds have been redeemed, converted or cancelled.

per Share, the net subscription price for each Conversion Share is approximately HK\$2.32 per Share and an aggregate of 493,562,227 Shares shall be allotted and issued (among which

total number of Shares in issue as enlarged by the allotment and issue of the Conversion Shares (assuming no other change in the issued share capital of the Company). Such allotment and issue of the Conversion Shares will result in the respective shareholdings of the Shareholders being

the meaning of the Listing Rules) if there had been full conversion of the outstanding Convertible Bonds as at 30 June 2022:

As at 30 June 2022, the Group had total net assets of approximately HK\$5,381,975,000 and that it will be able to meet its redemption obligations under the Convertible Bonds.

for the holders of the Convertible Bonds to convert or redeem the Convertible Bonds based on their implied internal rate of return at a range of dates in the future is set out below:

have already been previously redeemed, converted, purchased or cancelled)

of the Company dated 10 June 2019 and 5 August 2022.

As at 30 June 2022, the Group employed 78 employees (31 December 2021: 84 employees) in

share options (no share option scheme of the Company is in force as at the date of this interim insurance. Incentive bonus and share options for each employee are determined with reference to the employee's position, performance and ability to contribute to the overall success of the Group.

The Company is committed to maintaining high standards of corporate governance in the interests of its shareholders.

statements of the Group, which give a true and fair view of the state of affairs of the Group on a going concern basis. In preparing the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2022, the Board has (i) selected suitable accounting

statements on the going concern basis.

As at 30 June 2022, despite the Group having net current assets of approximately bonds in an aggregate amount of approximately HK\$1,880,150,000 were due to be repaid within

Notwithstanding the aforesaid, the unaudited condensed consolidated financial

separate and should not be performed by the same individual. During the period under review,

the roles of chairman and chief executive officer/co-chief executive officer in the same person efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the

unable to attend the annual general meeting of the Company held on 22 June 2022. The Chairman will endeavour to attend all future annual general meetings of the Company unless unexpected or special circumstances prevent him from doing so.

The Company has adopted codes of conduct regarding securities transactions by Directors and by

Code”) contained in Appendix 10 to the Listing Rules.

any of the listed securities of the Company.

Company ([www.silvergrant.com.cn](http://www.silvergrant.com.cn)) in due course.

The Company established an audit committee (“Audit Committee”) with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are systems of the Group. As at the date of this announcement, the Audit Committee comprises three

June 2022 have been reviewed by the Audit Committee.

in achieving the Group's business goals.

On behalf of the Board

Hong Kong, 30 August 2022