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*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 363)**

## **DISCLOSEABLE TRANSACTION**

### **PROVISION OF LOANS TO JV COMPANY**

On 25 September 2024, SIHL Finance, a wholly-owned subsidiary of the Company and the JV Company (a joint venture company owned by each of SI Infrastructure, a wholly-owned subsidiary of the Company, and Shanghai Overseas (BVI) as to 50% of its issued share capital) entered into the Loan Agreement IV, pursuant to which SIHL Finance has agreed to lend, and the JV Company has agreed to borrow, the Loan IV in the principal amount in RMB equivalent to no more than HK\$450,000,000 with the date of repayment on 29 September 2025.

On the same date, SIHL Finance and the JV Company also entered into the Loan Agreement V, pursuant to which SIHL Finance has agreed to lend, and the JV Company has agreed to borrow, the Loan V in the principal amount of no more than RMB300,000,000 with the date of repayment on 18 September 2025.

As the drawdown amount of the Existing Loan II granted to the JV Company has not been repaid, the transactions under the Existing Loan II, the Loan Agreement IV and the Loan Agreement V require aggregation under Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules in respect of the Loan IV and the Loan V in aggregate with the Existing Loan II exceeds 5% but is less than 25%, the Loan IV and the Loan V, when considered in aggregate with the Existing Loan II, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements but are exempt from the shareholders' approval requirement.

## INTRODUCTION

References are made to (i) the announcement of the Company dated 31 March 2023 in relation to the provision of the Existing Loan III to the JV Company under the Existing Loan Agreement III, and (ii) the announcement of the Company dated 1 March 2024 in relation to the extension of the dates of repayment of the Existing Loan I and Existing Loan III (collectively, the “**Announcements**”). Terms used herein shall have the same meanings as defined in the Announcements unless otherwise stated.

## THE LOAN AGREEMENT IV

### *Date*

25 September 2024

### *Parties*

- (i) SIHL Finance (as the lender); and
- (ii) JV Company (as the borrower).

### *Principal amount*

The principal amount of the Loan IV shall be in RMB equivalent to no more than HK\$450,000,000. The exchange rate of Hong Kong dollar to Renminbi shall be calculated based on the average of the exchange rates of Hong Kong dollar to Renminbi to be quoted from three banks on 30 September 2024.

### *Term*

The date of drawdown shall be 30 September 2024 and the date of repayment of the Loan IV shall be 29 September 2025 (the “**Repayment Date of the Loan IV**”).

### *Interest rate*

The interest rate of the Loan IV for each interest period shall be 4.5% (the “**Interest Rate of the Loan IV**”).

### *Default Interest*

If the JV Company defaults in repayment on the due date of the Loan IV, interest or other amounts payable under the Loan Agreement IV, the JV Company shall pay interest on such overdue sums from the due date at the Interest Rate of the Loan IV plus a margin of 2.5% per annum.

### ***Repayment***

The principal amount of the Loan IV together with the accrued interest due and payable and all other amounts owing under the Loan Agreement IV shall be paid on the Repayment Date of the Loan IV. The JV Company shall pay the interest in cash quarterly.

The JV Company may pre-pay the Loan IV, whether in whole or in part, on the last business day of each month by giving SIHL Finance not less than 10 business days (or such shorter period as SIHL Finance may agree) prior notice.

### ***Purpose of the Loan IV***

The purpose of the Loan IV is for the repayment of the Existing Loan I and the Existing Loan III together with each of their accrued interest under the New Loan Agreement A and the New Loan Agreement B respectively.

Shanghai Overseas (BVI) has also agreed to lend, and the JV Company has agreed to borrow, a loan in the same principal amount as the Loan IV which is in proportion to the equity interest of Shanghai Overseas (BVI) in the JV Company on substantially the same terms as the Loan Agreement IV.

## **THE LOAN AGREEMENT V**

### ***Date***

25 September 2024

### ***Parties***

- (i) SIHL Finance (as the lender); and
- (ii) JV Company (as the borrower).

### ***Principal amount***

The principal amount of the Loan V shall be no more than RMB300,000,000.

### ***Term***

The period of drawdown of the Loan V shall be between 25 September 2024 and 17 September 2025 (both dates inclusive) and the date of repayment of the Loan V shall be 18 September 2025 (the “**Repayment Date of the Loan V**”).

### ***Interest rate***

The interest rate of the Loan V for each interest period shall be 4.5% (the “**Interest Rate of the Loan V**”).

### ***Default Interest***

If the JV Company defaults in repayment on the due date of the Loan V, interest or other amounts payable under the Loan Agreement V, the JV Company shall pay interest on such overdue sums from the due date at the Interest Rate of the Loan V plus a margin of 2.5% per annum.

### ***Repayment***

The principal amount of the Loan V together with the accrued interest due and payable and all other amounts owing under the Loan Agreement V shall be paid on the Repayment Date of the Loan V. The JV Company shall pay the interest in cash quarterly.

The JV Company may pre-pay the Loan V, whether in whole or in part, on the last business day of each month by giving SIHL Finance not less than 10 business days (or such shorter period as SIHL Finance may agree) prior notice.

### ***Purpose of the Loan V***

The purpose of the Loan V is for the payment of loan interest and operating expenses of the JV Group.

Shanghai Overseas (BVI) has also agreed to lend, and the JV Company has agreed to borrow, a loan in the same principal amount as the Loan V which is in proportion to the equity interest of Shanghai Overseas (BVI) in the JV Company on substantially the same terms as the Loan Agreement V.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE LOAN AGREEMENT IV AND THE LOAN AGREEMENT V**

The principal amount and the interest rate of the Loan IV and the Loan V to be provided by SIHL Finance to the JV Company were determined after arm's length negotiation between SIHL Finance and the JV Company, and were determined with reference to the working capital currently available to and the capital requirements of the JV Group to finance any possible acquisitions.

The Loan IV and the Loan V will provide support to the general working capital for the JV Group and at the same time generate additional reasonable interest income to the Group.

The Board (including the independent non-executive Directors) believes that the Loan Agreement IV and the Loan Agreement V have been entered into on normal commercial terms, and the terms of the Loan Agreement IV and the Loan Agreement V are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the drawdown amount of the Existing Loan II granted to the JV Company has not been repaid, the transactions under the Existing Loan II, the Loan Agreement IV and the Loan Agreement V require aggregation under Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules in respect of the Loan IV and the Loan V in aggregate with the Existing Loan II exceeds 5% but is less than 25%, the Loan IV and the Loan V, when considered in aggregate with the Existing Loan II, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements but are exempt from the shareholders' approval requirement.

## **INFORMATION ON THE PARTIES TO THE LOAN AGREEMENT IV AND THE LOAN AGREEMENT V**

The Group is principally engaged in the businesses of infrastructure and environmental protection, comprehensive healthcare operations, real estate and consumer products.

SIHL Finance, a wholly-owned subsidiary of the Company, is principally engaged in finance business.

As at the date of this announcement, the JV Company is owned as to 50% by SI Infrastructure and as to 50% by Shanghai Overseas (BVI). The JV Company is principally engaged in investment holding business.

SI Infrastructure, a wholly-owned subsidiary of the Company, is principally engaged in investment holding. Shanghai Overseas (BVI) is principally engaged in investment holding. As at the date of this announcement, it is a wholly-owned subsidiary of Shanghai Overseas Enterprises Corporation, which is a state-owned company wholly-owned by the Shanghai municipal government and is principally engaged in, among others, domestic and overseas investment management. To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, Shanghai Overseas (BVI) and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

## **DEFINITIONS**

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

“Announcements”	has the meaning set out in the section headed “INTRODUCTION” of this announcement
“Interest Rate of the Loan IV”	has the meaning set out in the section headed “THE LOAN AGREEMENT IV – Interest Rate” of this announcement
“Interest Rate of the Loan V”	has the meaning set out in the section headed “THE LOAN AGREEMENT V – Interest Rate” of this announcement

“Loan IV”	a loan in the principal amount in RMB equivalent to no more than HK\$450,000,000 provided by SIHL Finance to the JV Company under the Loan Agreement IV
“Loan V”	a loan in the principal amount of no more than RMB300,000,000 provided by SIHL Finance to the JV Company under the Loan Agreement V
“Loan Agreement IV”	The loan agreement dated 25 September 2024 and entered into between SIHL Finance and the JV Company in relation to the provision of the Loan IV
“Loan Agreement V”	the loan agreement dated 25 September 2024 and entered into between SIHL Finance and the JV Company in relation to the provision of the Loan V
“Repayment Date of the Loan IV”	has the meaning set out in the section headed “THE LOAN AGREEMENT IV - Term” of this announcement
“Repayment Date of the Loan V”	has the meaning set out in the section headed “THE LOAN AGREEMENT V - Term” of this announcement
“RMB”	Renminbi, the lawful currency of the PRC

By Order of the Board  
**Shanghai Industrial Holdings Limited**  
**Yee Foo Hei**  
*Company Secretary*

Hong Kong, 25 September 2024

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

*Ms. Leng Wei Qing, Mr. Zhang Qian, Mr. Yao Jia Yong and Mr. Xu You Li*

*Independent Non-Executive Directors:*

*Prof. Woo Chia-Wei, Mr. Leung Pak To, Francis and Mr. Yuen Tin Fan, Francis*