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## **ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED**

**能源國際投資控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 353)**

### **DISCLOSEABLE TRANSACTION**

The Board is pleased to announce that on 23 August 2024, the Purchaser and the Vendor entered into the Agreement, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property for the Consideration of approximately RMB32,435,000 (equivalent to approximately HK\$35,255,000), which was arrived at following an open tender invitation and bidding process administered by the SPREC. The Company intends to use the Property as the Purchaser's new headquarter office.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

### **INTRODUCTION**

The Board is pleased to announce that on 23 August 2024, the Purchaser and the Vendor entered into the Agreement, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property for the Consideration of approximately RMB32,435,000 (equivalent to approximately HK\$35,255,000).

\* For identification purposes only

Details of the Agreement are summarised as follows:

## **THE AGREEMENT**

### **Date**

23 August 2024

### **Parties**

- (1) the Purchaser; and
- (2) the Vendor.

According to the searches made by the Company from publicly-available sources, (i) the Vendor is a company established in the PRC with limited liability with a registered capital of RMB1.5 billion and paid-up capital of approximately RMB974.6 million, whose scope of business includes investment, asset management, leasing, property management, trading of certain building materials, construction, project EPC (engineering, procurement and construction) and property development; and (ii) the registered capital of the Vendor is 100% held by Dongying Economic and Technological Development Zone Management Committee, the governing body of Dongying Economic and Technological Development Zone (“**Dongying ETDZ**”) and whose management are appointed by Dongying Municipal People’s Government.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owners is an Independent Third Party, and there is no (and has not been, in the past twelve months, any) material loan arrangement between (a) any counterparty of the Acquisition (including the Vendor) and any of its directors, legal representative(s), and/or any ultimate beneficial owner(s) on one side; and (b) the Company, any connected person at the issuer’s level and/or any connected person of the Company’s subsidiary involved in the Acquisition (i.e., the Purchaser) on the other side.

### **Subject of the Acquisition**

Pursuant to the Agreement, the Purchaser agreed to purchase and the Vendor agreed to sell, on as-is basis, the Property which is situated in the Dongying ETDZ.

## **Consideration**

The Consideration for the Property under the Acquisition of approximately RMB32,435,000 (equivalent to approximately HK\$35,255,000) was arrived at following an open tender invitation and bidding process administered by the Shandong Property Right Exchange Center (“**SPREC**”). The SPREC, itself also state-owned, was established by the State-owned Assets Supervision and Administration Commission of the People’s Government of Shandong Province for the regulated circulation of state-owned assets.

As advised by the SPREC in its award confirmation of successful bidding (the “**SPREC Confirmation**”), the Purchaser has won the bidding and as such, the Consideration is equivalent to the bidding price placed by the Purchaser in the tender process. The bidding price was determined by the Purchaser by reference to: (a) the floor bidding price for the Property fixed by SPREC; and (b) the Purchaser’s assessment on the value of office premises in the vicinity of the Property, taking into consideration its special feature as a standalone office building.

## **Other key terms of the tender and the Agreement**

According to the tender invitation and the terms and conditions published by the SPREC:

- (a) The floor bidding price of the Property was fixed at approximately RMB32,435,000 (equivalent to approximately HK\$35,255,000), which is equivalent to its market value as assessed by an independent and qualified valuation firm in the PRC.
- (b) A deposit of RMB3.3 million (equivalent to approximately HK\$3.6 million) should be paid to the SPREC in order to participate in the bidding for the Property, which shall be refunded without interest if the bidding is unsuccessful but be applied to the payment of the Consideration if successful.
- (c) The Property is presently charged to a bank lender (the “**Lender**”) but the SPREC will submit the relevant transfer documents to the Lender for its approval and consent for the Property to be vested unto the name of the purchaser at completion of the asset transfer.
- (d) The asset transfer agreement shall be signed within five business days after the day following the date of the SPREC Confirmation, and the remaining balance of the Consideration shall be paid to the SPREC (acting as settlement agent for the transaction consideration) within five business days after the signing of the asset transfer agreement.
- (e) The taxes, duties and levies on the asset transfer shall be borne by: (a) the seller and the purchaser, as the case may be, if the payment obligation is prescribed by law; or (b) the purchaser, if the payment obligation is not prescribed by law.

According to the terms of the Agreement, the title transfer of the Property shall be completed at the relevant government department within thirty business days after the signing of the Agreement. Within five business days upon the completion of the title transfer of the Property, the Vendor and the Purchaser shall notify the SPREC which in turn shall transfer the amount of the Consideration to the Vendor.

### **Assets to be acquired**

According to the information available to the Company including the tender invitation published by the SPREC, (i) the Property is a three-storey office building with a gross floor area of 1,938.05 sq.m., situated at and known as Office Building No. 3, The Yellow River Delta International Plaza, 379 Yunhe Road, Dongying City, Shandong Province, the PRC; and (ii) the land use right of the Property is for commercial, financial and office use for up to July 2050. With the Lender's consent to be procured via SPREC, it is the Company's understanding that the Purchaser will acquire the title of the Property free from encumbrance pursuant to the Acquisition.

### **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Company is an investment holding company. The principal activities of the Group include the leasing of oil and liquefied chemical terminal (together with its storage and logistics facilities), and the provision of agency services and trading of oil and liquefied chemical products in the PRC. The Purchaser is an indirect non-wholly owned subsidiary of the Company and is principally engaged in the leasing of oil and liquefied chemical terminal, storage and logistics facilities businesses at Dongying Port.

Due to its geographical location which is conveniently situated near the port facilities in the Yellow River Delta, one of the focuses of Dongying ETDZ is to host enterprises which are engaged in port and petrochemical enterprises operating near Dongying Port and Shengli Oil Field. The Company intends to use the Property as the Purchaser's new headquarter office and is of the view that a standalone commercial building can improve its corporate image, thereby benefiting the Purchaser and the Company in our business development needs in the long run.

The Company intends to finance the Acquisition by cash from the Group's internal financial resources. The Directors (including the independent non-executive Directors) are of the view that the Acquisition is on normal commercial terms, the terms of the Acquisition (including the Consideration) are fair and reasonable, and the entering into of the Agreement is in the interests of the Company and the Shareholders as a whole. No Director regarded himself to have a material interest in the Acquisition which requires him to disclose his interest and/or to abstain from voting on the Board level regarding the entering into of the Acquisition.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

Unless the context otherwise requires, capitalised terms used in this announcement shall have the meanings ascribed to them below:

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Agreement
“Agreement”	the asset transfer agreement entered into between the Purchaser and the Vendor on 23 August 2024 in relation to the Acquisition
“associate(s)”	having the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Energy International Investments Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange with stock code 353
“Consideration”	the Consideration for the Property under the Acquisition, being in the amount of approximately RMB32,435,000 (equivalent to approximately HK\$35,255,000)
“connected person(s)”	having the meaning ascribed thereto under the Listing Rules
“Director(s)”	the 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(ies)”	third party(ies) independent of and not connected with the Company and its connected persons

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Property”	the property to be acquired by the Purchaser under the Acquisition, also known as Office Building No. 3, The Yellow River Delta International Plaza, 379 Yunhe Road, Dongying City, Shandong Province, the PRC
“Purchaser”	山東順東港務有限公司 (Shandong Shundong Port Services Co., Ltd.*), a company established in the PRC with limited liability, an indirect non-wholly owned subsidiary of the Company and the purchaser under the Acquisition
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“sq.m.”	square meter(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	東營市東凱產業投資管理有限公司 (Dongying Dongkai Industrial Investment Management Co., Ltd.*), a company established in the PRC with limited liability, the owner of the Property prior to the Acquisition and an Independent Third Party
“%”	per cent.

*For illustration purposes, unless otherwise specified, amounts in RMB in this announcement have been converted into HK\$ at an exchange rate of HK\$1.00 = RMB0.92. No representation is made that any amounts in RMB and HK\$ can be or could have been converted at the relevant dates at the above rates or at any other rates at all.*

By order of the Board  
**Energy International Investments Holdings Limited**  
**Cao Sheng**  
*Chairman*

Hong Kong, 23 August 2024

*As at the date of this announcement, the executive Directors are Mr. Cao Sheng (Chairman), Mr. Liu Yong (Chief Executive Officer), Mr. Chan Wai Cheung Admiral, Mr. Lan Yongqiang, Mr. Shi Jun and Mr. Luo Yingnan; and the independent non-executive Directors are Mr. Tang Qingbin, Mr. Wang Jinghua, Mr. Fung Nam Shan and Mr. Sung Ka Woon.*