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Silk Road Energy Services Group Limited
絲路能源服務集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8250)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The Board wishes to inform the Shareholders and potential investors that the interim results of the Group are expected to record a substantial increase in loss for the six months ended 31 December 2019 as compared to that in the corresponding period in 2018.

This announcement is made by Silk Road Energy Services Group Limited (the "**Company**"), together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on preliminary management accounts of the Group and information currently available to the Company, the Group expects to record a substantial increase in loss for the six months ended 31 December 2019 (the "**Relevant Period**") as compared to that in the corresponding period in 2018. The expected increase in loss is primarily due to the recognition of a significant impairment losses by the Group in respect of customer contracts and property, plant and equipment owing to the significant decrease in future revenue of the Group and so the future cash flow has been revised as a result of the non-renewal of coal mining service agreements by a major customer (For details, refer to the Company's announcement dated 16 January 2020). Even though the impairment losses is partially set off against the profit attributable to the fair value gain on financial assets at FVTPL/held for trading investments of approximately HK$7.60 million (2018: loss of approximately HK$3.03 million), the loss for the Relevant Period is still expected to increase significantly.

The Company is in the process of finalising the results of the Group for the Relevant Period which are expected to be published on or about 7 February 2020. The information contained in this announcement is only based on the preliminary assessment on the unaudited management accounts of the Group for the Relevant Period, and is not based on any figures or information audited or reviewed by the Company's auditors.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Silk Road Energy Services Group Limited
Cai Da
Co-Chairman

Hong Kong, 4 February 2020

As at the date of this announcement, the Board of the Company, comprises (i) five executive directors namely, Mr. Cai Da, Mr. Li Xianghong, Mr. Chen Youhua, Mr. Li Wai Hung and Mr. Wang Tong Tong; and (ii) four independent non-executive directors namely, Ms. Wong Na Na, Mr. Wang Zhixiang, Ms. Feng Jibei and Mr. Chen Xier.

This announcement, for which all the directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at http://www.hkgem.com for at least seven (7) days from the date of its publication and is available for reference on the website of the Company at http://www.silkroadenergy.com.hk.