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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)

DISCLOSEABLE TRANSACTION ON-MARKET ACQUISITION OF LISTED SECURITIES

THE ACQUISITION

On 30 August 2023, Golden Brand acquired 3,400,000 Best Food Shares on the open market through the Stock Exchange at a total consideration of approximately HK\$4,217,980 (exclusive of transaction costs and representing an average price of approximately HK\$1.24 per Best Food Share).

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition on a standalone basis exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Pursuant to Rule 19.22 of the GEM Listing Rules, the Acquisition shall be aggregated with the Previous Acquisition as a single series of transactions since they were all completed within a 12-month period. As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition, when aggregated with the Previous Acquisition, exceed 5% but all of them are less than 25%, the Acquisition, when aggregated with the Previous Acquisition, constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

ACQUISITION OF LISTED SECURITIES

On 30 August 2023, Golden Brand, a wholly-owned subsidiary of the Company, acquired 3,400,000 Best Food Shares on the market through the Stock Exchange at a total consideration of approximately HK\$4,217,980 (exclusive of transaction costs and representing an average price of approximately HK\$1.24 per Best Food Share). The Acquisition was settled in cash from the Group's existing financial resources. The 3,400,000 Best Food Shares acquired by Golden Brand in the Acquisition represented approximately 0.22 % of the total issued shares of Best Food at the date of this announcement.

As the Acquisition was conducted through the open market, the Company is not aware of the identities of the vendors of the Best Food Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the vendors and their ultimate beneficial owners are Independent Third Parties.

PREVIOUS ACQUISITION

Reference is made to the announcement of the Company dated 14 August 2023 in relation to the Previous Acquisition.

Before the Acquisition, on 11 August 2023, Golden Brand has acquired a total of 2,000,000 Best Food Shares on the open market at an aggregate consideration of approximately HK\$2,379,520 (exclusive of transaction costs and representing an average price of approximately HK\$1.19 per Best Food Share).

The total consideration paid by Golden Brand for the Acquisition and the Previous Acquisition was HK\$6,597,500 (exclusive of transaction costs) for a total of 5,400,000 Best Food Shares at an average price of approximately HK\$1.22 per Best Food Share.

INFORMATION OF BEST FOOD

According to publicly available information, Best Food is a company incorporated in the Cayman Islands and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 01488). Best Food and its subsidiaries are principally engaged in the operation of food and beverage business under two brands, including "Xinladao" fish hot pot and "HHG" Chinese fast food. In addition, Best Food invested in certain associates for investment return. These associates operate approximately 10 brands, including Sichuan and Chongqing style fast food "Yujian Xiaomian", "King of Clay Pot" claypot rice, "Seesaw coffee", "West Master" Chinese bun, "Yuepin" Vietnamese cuisine, "Foook" malatang, "Dafulan" Hunan rice noodles and snacks and "Panda Hot Pot" small hot pot.

Set out below are the key figures of Best Food for the two financial years ended 31 December 2021 and 2022 extracted from the annual reports of Best Food:

	Year ended 31 December	
	2022	2021
	(audited)	(audited)
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	537,510	752,959
(Loss) attributable to equity holders	(156,242)	(639,639)

The audited net assets of Best Food as at 31 December 2022 was approximately RMB210,608,000.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Having considered the business operation and business prospects of Best Food, the Company is optimistic about the prospect of Best Food and considers that the Acquisition is an attractive investment opportunity and can enhance the returns on investment for the Company.

In view of the aforesaid and having considered that the Acquisition was conducted through open market, the Directors are of view that the Acquisition was fair and reasonable, on normal commercial terms and in the interest of the Company and its shareholders as a whole.

INFORMATION OF GOLDEN BRAND AND THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability and is an investment holding company. Its subsidiaries are principally engaging in (i) provision of coal mining and construction services; (ii) provision for heating supply services; (iii) provision of money lending services; (iv) trading of fresh produce and agricultural products and (v) general trading.

Golden Brand, a wholly-owned subsidiary of the Company, is a company incorporated in Hong Kong limited liability and is principally engaging in investment holdings.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition on a standalone basis exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

Pursuant to Rule 19.22 of the GEM Listing Rules, the Acquisition shall be aggregated with the Previous Acquisition as a single series of transactions since they were all completed within a 12-month period. As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition, when aggregated with the Previous Acquisition, exceed 5% but all of them are less than 25%, the Acquisition, when aggregated with the Previous Acquisition, constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

“Acquisition”	the acquisition by Golden Brand of 3,400,000 Best Food Shares in the open market on 30 August 2023 for an aggregate consideration of approximately HK\$4,217,980 (exclusive of transaction costs)
“Best Food”	Best Food Holding Company Limited, a company incorporated in the Cayman Islands and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 01488)
“Best Food Share(s)”	the ordinary share(s) of Best Food
“Board”	the board of Directors
“Company”	Silk Road Energy Services Group Limited, a company incorporated in the Cayman Islands and the issued shares of which are listed on GEM of the Stock Exchange (stock code: 08250)
“Director(s)”	director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Golden Brand”	Golden Brand Investments Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) who is(are) not connected person(s) of the Company, and is(are) independent of and not connected with the Company and its connected person(s)
“Previous Acquisition”	the acquisition by Golden Brand of an aggregate of 2,000,000 Best Food Shares in the open market on 11 August 2023, the details of which were set out in the Company’s announcement dated 14 August 2023
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 31 August 2023

As at the date of this announcement, the Board of the Company comprises (i) three executive directors, namely Mr. Cai Da, Mr. Li Wai Hung and Mr. Wang Tong Tong; and (ii) four independent non-executive directors, namely Ms. Wong Na Na, Mr. Chen Xier, Mr. Huang Tianhua and Ms. Lei Ming.

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>.