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Silk Road Logistics Holdings Limited

絲路物流控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 988)

QUARTERLY UPDATE ON PROGRESS OF RESUMPTION AND CONTINUED SUSPENSION OF TRADING

This announcement is made by Silk Road Logistics Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.24A of the Listing Rules.

References are made to the announcements of the Company dated (1) 24 May 2022 in relation to, among other things, (i) the Listing Review Committee’s decision to uphold the decision of the Listing Committee to suspend the trading in the Shares; and (ii) the suspension of trading in the Shares with effect from 24 May 2022; (2) 7 June 2022 in relation to, among other things, the Resumption Guidance; (3) 23 August 2022, 23 November 2022, 23 February 2023, 23 May 2023, 23 August 2023 and 28 November 2023 in relation to the quarterly updates on the progress of resumption; (4) 21 August 2023, 1 November 2023, 13 December 2023, 8 February 2024 and 19 February 2024 in respect of the winding-up petition against the Company; (5) 18 December 2023 in respect of the Delisting Decision; (6) 7 November 2023 and 28 December 2023 in respect of, among other things, the Capital Reorganisation, the Subscription and the Scheme; (7) 25 January 2024 regarding the results of the Scheme Meeting; and (8) 1 March 2024 regarding the poll results of the SGM, the grant of the Whitewash Waiver and consent to the Special Deal (collectively, the “**Announcements**”), and the circular of the Company dated 8 February 2024 (the “**Circular**”) in respect of, among other things, the Capital Reorganisation, the Subscription and the Scheme. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

RESUMPTION GUIDANCE

As disclosed in the Announcement dated 18 December 2023, on 15 December 2023, the Company received a letter from the Stock Exchange stating that the Listing Committee has decided to cancel the Company's listing under Rule 6.01A of the Listing Rules as it was not satisfied that the Company had a sufficient level of operations and assets of sufficient value to support its operations to meet Rule 13.24. On 28 December 2023, the Company has submitted an application requesting the Delisting Decision be referred to the Listing Review Committee of the Stock Exchange for review. The hearing for the review has been fixed on 22 March 2024. The Directors would like to remind the Shareholders and potential investors of the Company that the outcome of such review is uncertain.

The Company has been focusing on improving the Group's business operations in the Commodities Trading Business and Logistics Business and the proposed restructuring plan involving the Capital Reorganisation, the Subscription and the Scheme in a view to addressing the Resumption Guidance. The Board wishes to inform the Company's shareholders and potential investors of the latest progress of actions taken by the Company.

Business Operations

As disclosed in the Circular and up to the end of January 2024, the Group entered into five framework agreements with the processing plants in five cities, including Rizhao, Maanshan, Qianan, Wuhu and Jinan, and two out of the five companies, which entered the framework agreements with the Group, had each entered actual confirmed orders with the Group. The Group has also entered into a legally binding agreement and confirmed orders with three counterparties (all being Independent Third Parties) in relation to the beneficiation and trading of iron ore fines in the aggregate amount of 50,000 tonnes and 23,000 tonnes respectively, involving a transaction amount of approximately HK\$94.6 million, the performance of which have been recognised as revenue in January 2024 with the existing resources and funding of the Group without having to take into account the debt restructuring and the revolving loan agreed by the Subscriber to be made available to the Group.

Financial Restructuring

On 25 January 2024, the Scheme was approved by the requisite statutory majorities of the Scheme Creditors at the Scheme Meeting. The hearing for sanctioning the Scheme has been adjourned to 12 April 2024 having considered the review hearing of the Delisting Decision to be held on 22 March 2024.

The Executive has, on 27 February 2024, granted conditional Whitewash Waiver and conditionally consented to the Special Deal. At the SGM held on 1 March 2024, all the proposed resolutions in relation to, among others, the Capital Reorganisation, the Subscription and the Scheme have been duly passed by the Shareholders or the Independent Shareholders (as the case may be). For details, please refer to the Announcement dated 1 March 2024.

Given the approval of the proposed restructuring plan at the SGM, the grant of the Whitewash Waiver and consent to the Special Deal, and the recent orders and agreements secured for the Group's business, the Board believes that the business operations and financial position of the Group will be significantly improved to facilitate its fulfilment with the Resumption Guidance. The Board will continue to work closely with its professional advisers on the implementation of the restructuring plan and maintain its tireless effort in enhancing business performance to strive for the Resumption.

WINDING-UP PETITION

As disclosed in the Announcement dated 19 February 2024, the Petition was further adjourned to be heard on 15 April 2024.

Further announcement(s) will be made by the Company regarding any significant development on the above matters as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 24 May 2022. Pending fulfilment of the Resumption Guidance, trading in the shares of the Company on the Stock Exchange will remain suspended until further notice.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. Shareholders and potential investors should exercise caution when dealing in the Shares of the Company.

By order of the Board
Silk Road Logistics Holdings Limited
Cheung Ngai Lam
Executive Director

Hong Kong, 1 March 2024

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cheung Ngai Lam, Mr. Chung Wai Man and Mr. Lam Tin Faat; one non-executive Director, namely Mr. Ouyang Nong; and three independent non-executive Directors, namely Mr. Wu Zhao, Ms. Ang Mei Lee Mary and Mr. Chu Kin Wang Peleus.