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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 PROVISION OF FINANCIAL ASSISTANCE**

### **PROVISION OF FINANCIAL ASSISTANCE**

On 8 April 2020, Great Wall Credit as lender and the Borrower as borrower entered into the Loan Agreement pursuant to which Great Wall Credit agreed to grant the Loan in principal amount of HK\$10,000,000 to the Borrower.

Prior to entering into the Loan Agreement, on 20 May 2019 and 4 July 2019 Great Wall Credit and the Borrower had respectively entered into the First Previous Loan Supplemental Agreement and the Second Previous Loan Agreement in relation to the extension of repayment date of the First Previous Loan and grant of the Second Previous Loan to the Borrower. The First Previous Loan and the Second Previous Loan had been fully repaid on 20 June 2019 and 30 December 2019 respectively.

### **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Loan exceed 5% but all of them are less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company. Further, as the Previous Loans and the Loan are granted to the same borrower within a 12-month period, the grant of the Loan requires aggregation with the Previous Loans under Rule 19.22 of the GEM Listing Rules. As one or more of the applicable percentage ratios in respect of the Loan and the Previous Loans in aggregate exceed 5% but all of them are less than 25%, the grant of the Loan and the Previous Loans in aggregate constitute a discloseable transaction for the Company and is therefore subject to notification and disclosure requirements under Chapter 19 of the GEM Listing Rules.

## **PROVISION OF FINANCIAL ASSISTANCE**

The Board is pleased to announce that on 8 April 2020, Great Wall Credit as lender and the Borrower as borrower entered into the Loan Agreement pursuant to which Great Wall Credit agreed to grant the Loan to the Borrower.

Principal terms of the Loan Agreement are as follows:

### **Loan Agreement**

Date: 8 April 2020

Parties: (1) Great Wall Credit as lender  
(2) The Borrower as borrower

Principal amount: HK\$10,000,000

Interest rate: 14.4% per annum which is payable in arrears on the 8th day of each month

Security: The Loan is unsecured

Term: A period of 1 year from 8 April 2020

Repayment: The Borrower shall repay the principal amount of the Loan in full together with outstanding accrued interest thereon on 8 April 2021, being the last day of the term of the Loan.

Early Repayment: The Borrower may, at any time by notice in writing to the Lender, repay all or part of Loan and all accrued interests in respect of the sum repaid before the repayment date.

The Loan is financed with internal resources of the Group.

### **Previous Loans**

On 20 May 2019, Great Wall Credit and the Borrower entered into the First Previous Loan Supplemental Agreement to, among other things, extend the repayment date of the First Previous Loan in principal amount of HK\$6,000,000 at an interest rate of 18% per annum for one month to 21 June 2019.

On 4 July 2019, Great Wall Credit and the Borrower entered into the Second Previous Loan Agreement pursuant to which Great Wall Credit granted to the Borrower the Second Previous Loan in principal amount of HK\$20,000,000 at an interest rate of 14.4% per annum for a period of 6 months.

Each of the Previous Loans was funded by internal resources of the Group.

As at the date of this announcement, the principal amount of the Previous Loans together with all interest accrued thereon has been fully repaid by the Borrower on the respective repayment date.

### **Information on Borrower**

The Borrower is a Hong Kong resident and a merchant. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower is independent of and not connected with the connected persons (as defined under the GEM Listing Rules) of the Company.

### **Reasons for and benefits of the grant of Loan**

Money Lending is one of the principal business activities of the Group, hence the grant of the Previous Loans and Loan to the Borrower is in the ordinary and usual course of business of the Group.

The terms of each of the Previous Loans Agreements and Loan Agreement were negotiated on an arm's length basis between Great Wall Credit and the Borrower based on the Group's credit control measures. The advance of the Previous Loans and the Loan was made on the basis of the Company's credit assessments taking into account of the financial strength and repayment ability of the Borrower, as well as the relatively short term nature of the advances. In view of the satisfactory financial background and repayment history of the Borrower, the Directors considers that the risks involved in the advance to the Borrower are relatively low, and with the stable source of revenue and cashflow that each of the Previous Loans and Loan could generate for the Group, the Directors consider that the terms of each of the Previous Loans Agreements and Loan Agreement are fair and reasonable and the transactions contemplated thereunder are in the interests of the Company and its shareholders as a whole.

### **INFORMATION ON THE COMPANY AND THE LENDER**

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 the (i) provision of coal mining services; (ii) provision for heating supply services; and (iii) provision of money lending services.

Great Wall Credit is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Great Wall Credit is a licensed money lender in Hong Kong under the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong) and is principally engaging in money lending.

## **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Loan exceed 5% but all of them are less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company. Further, as the Previous Loans and the Loan are granted to the same borrower within a 12-month period, the grant of the Loan requires aggregation with the Previous Loans under Rule 19.22 of the GEM Listing Rules. As one or more of the applicable percentage ratios in respect of the Loan and the Previous Loans in aggregate exceed 5% but all of them are less than 25%, the grant of the Loan and the Previous Loans in aggregate constitutes a discloseable transaction for the Company and is therefore subject to notification and disclosure 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:

“Board”	the board of Directors
“Borrower”	Mr. Fu Yik Lung
“Company”	Silk Road Energy Services Group Limited, a company incorporated in the Cayman Islands and the issued shares of which are listed on GEM (stock code: 8250)
“Director(s)”	director(s) of the Company
“First Previous Loan”	the unsecured loan in principal amount of HK\$6,000,000 with interest rate of 18% per annum granted by Great Wall Credit to the Borrower under the First Previous Loan Agreement
“First Previous Loan Agreement”	the loan agreement dated 22 March 2019 entered into between Great Wall Credit and the Borrower in respect of the grant of the First Previous Loan
“First Previous Loan Supplemental Agreement”	the supplemental loan agreement dated 20 May 2019 entered into between Great Wall Credit and the Borrower in respect of the extension of the First Previous Loan
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Great Wall Credit”	Great Wall Credit Limited, a company incorporated in Hong Kong with limited liability and an indirect 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 PRC
“Loan”	the loan in principal amount of HK\$10,000,000 with interest rate of 14.4% per annum granted by Great Wall Credit to the Borrower under Loan Agreement
“Loan Agreement”	the loan agreement dated 8 April 2020 entered into between Great Wall Credit and the Borrower in respect of the grant of Loan
“PRC”	the People’s Republic of China, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Loans”	the First Previous Loan and Second Previous Loan
“Previous Loans Agreements”	the First Previous Loan Supplemental Agreement and the Second Previous Loan Agreement
“Second Previous Loan”	the unsecured loan in principal amount of HK\$20,000,000 with interest rate of 14.4% per annum granted by Great Wall Credit to the Borrower under the Second Previous Loan Agreement
“Second Previous Loan Agreement”	the loan agreement dated 4 July 2019 entered into between Great Wall Credit and the Borrower in respect of the grant of the Second Previous Loan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the GEM Listing Rules and the term “subsidiaries” shall be construed accordingly
“%”	per cent

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

Hong Kong, 8 April 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>.*