NEW SILKROUTES
GROUP LIMITED

MEDIA RELEASE

New Silkroutes Group Signs MoU with Unit of Chinese Shipbuilder CSIC; Strengthens Leadership Team at Oil & Gas Unit as Growth Accelerates

Singapore – 18 October 2016. New Silkroutes Group Limited ("NSG" or "the Group") has signed a memorandum of understanding ("MoU") with China Shipbuilding Industry Equipment and Materials Co Ltd ("CSEMC") to procure crude oil and petroleum products for the state-owned capital goods supplier and to explore collaboration in China and Singapore.

Beijing-headquartered CSEMC is part of China Shipbuilding Industry Corporation ("CSIC"), one of the country's largest conglomerates. CSIC and its subsidiaries, which include Shanghai-listed China Shipbuilding Industry Co Ltd, build and repair an assortment of vessels, such as naval ships, tankers and container ships. They also manufacture diesel engines and marine equipment.

CSEMC supplies raw materials such as steel, non-ferrous metals and coal to CSIC and its subsidiaries. CSEMC has more than 20 billion yuan (approximately US$3 billion) in assets and operates in major cities across China.

Under the MoU, NSG's wholly owned subsidiary International Energy Group ("IEG") will seek to bring high-quality oil and petroleum products into China for CSEMC. On its part, CSEMC will provide the necessary support to help IEG realise its plans for managing and owning oil storage facilities. As part of the MoU, CSEMC will set up a company in Singapore to work with IEG.

Singapore-based IEG is NSG's biggest revenue driver. It expects to generate more than US$225 million in revenue by the end of NSG's financial year ending 30 June 2017 ("FY2017"), up from US$49.6 million for FY2016.

The expected increase will be driven by credit facilities worth US$110 million obtained from several international banks. These lines will increase IEG's trade financing options and allow it to structure more profitable trades. IEG's FY2017 revenue forecast assumes a monthly turnover of more than US$18 million.

In a move to further accelerate growth at one of the fastest-rising oil trading companies in Asia, NSG has added two executive directors to the board of IEG. With the appointment of Ms Cai Suirong and Mr Nelson Goh Kok Liang, IEG now has three executive directors, including Dr Goh Jin Hian, NSG's Group CEO.

Ms Cai, who joined IEG on 20 September 2016, is the Vice Chairman of General Nice Resources (Hong Kong) Limited, which is part of General Nice Group Limited, a major coal and iron ore trader in China. She is also the sister of NSG's Chairman, Mr Cai Sui Xin, who founded General Nice Group.

Mr Nelson Goh, who assumed the role on 17 October 2016, began his career in 2000 at the Singapore Land Authority, working on national policies, organisational development and strategic planning. He joined Raffles Holdings in 2004, before moving to CapitaLand, where he was responsible for the developer's business planning, performance management and competitive intelligence.

He joined Singapore-based Hin Leong Trading Pte Ltd, one of the largest independent oil traders in the region, in 2009 as general manager of business development. He went on to PetroSingapore Holdings Pte Ltd in November 2015 to incubate energy-related investment projects.

"We are strengthening the leadership team for our oil and gas business in anticipation of stronger growth in the coming years. As we have stated, IEG's longer-term plans involve not only trading oil products but also operating oil storage facilities. This will allow IEG to blend and sell products with higher margins," said Dr Goh.

"The MoU with CSEMC will open doors for us into China's energy market. As one of the world's largest energy consumers, China offers a lot of growth potential to IEG," Dr Goh added. Further afield, IEG has a joint venture with the government of Malta to develop the Southern European island into an energy trading hub between Europe and Asia.

NSG exited the SGX Watchlist in November 2014 and is morphing into an investment holding company with businesses in investment management, energy and resources, healthcare, and infocomm technology.





With the appointment of Ms Cai Suirong and Mr Nelson Goh, NSG's International Energy Group now has three executive directors.

About New Silkroutes Group Limited

New Silkroutes Group (Bloomberg: NSG SP) is a Singapore-incorporated company (established on 25 January 1994) listed on the Mainboard of Singapore Exchange Securities Trading Ltd (SGX). It is evolving into an investment holding company with core competencies in Capabilities Enablement, Capital Allocation, and (Policy) Analysis. The group, through its subsidiaries and associate companies, has exposure to key sector verticals, including Energy/Resources, Healthcare, and Infocomm Technology with a focus on Security & Governance.

For enquiries, please contact:

New Silkroutes Group Limited

Email: ipr@newsilkroutes.org

WeR1Consultants Pte Ltd

3 Phillip Street, #12-01, Royal Group Building

Singapore 048693

Tel: (65): 6737 4844

Frankie Ho – frankieho@wer1.net