NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400571K)
(the "**Company**")

STRATEGIC REVIEW OF INTERNATIONAL ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES (COLLECTIVELY THE "ENERGY DIVISION")

The Board of Directors (the "**Board**") of the Company (and together with its subsidiaries, the "**Group**") wishes to announce that it has commenced a strategic review ("**Review**") of the Group's energy division IEG, which focuses on physical oil trades in the key markets of Southeast Asia and North Asia. The Review was commenced as IEG has experienced a significant reduction in trading volumes whilst lower oil prices have also contributed to the overall drop in its trade revenues during the pandemic.

In the Annual Report of the Company for the financial year ended 30 June 2020 ("**FY2020**") released via SGXNET on 15 October 2020, the Group has in FY2020 incurred a net loss after tax of approximately US$8.2 million, which was attributable mainly from the Oil and Gas segment. The Group is expecting more provisions of expected credit loss while trying to recover the remaining trade and other receivables in the face of the current global pandemic. TXZ Tankers Pte Ltd (subsidiary of IEG) has been experiencing challenging situations in view of the reduction of shipping charters.

The Review will include exploring options to scale down, divest, enter into arrangements with creditors or wind up the oil and trading business of IEG in view of the headwinds it is facing.

Shareholders should note that there is no assurance that any transaction or arrangement will materialize from the Review. If and when there are any material developments which warrant disclosure, the Company will, in compliance with applicable rules, make further announcements as appropriate.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests. Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Dr VicPearly Wong Hwei Pink
Executive Director and CEO

15 December 2020