NEW SILKROUTES GROUP LIMITED

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

THE PROPOSED ACQUISITION OF TIANJIN ZHOUSHUN LOGISTICS CO., LTD. AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION – REVISION OF CONSIDERATION

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1. INTRODUCTION

The board of directors (the "**Board**") of New Silkroutes Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to its announcement dated 18 September 2023 in relation to the Proposed Acquisition (the "**Announcement**").

Unless otherwise defined, all capitalised terms shall bear the same meaning as set out in the Announcement.

As stated in the Announcement, the consideration for the Sale Shares was RMB 11 million (equivalent to approximately S$2.06 million[1]), which was arrived at on a willing-buyer willing-seller basis, after taking into consideration the net asset value of the Sale Shares and the market value of the Sale Shares.

Further to the Announcement, the Company wishes to announce that following subsequent negotiations, Parties have entered into a supplemental agreement dated 10 October 2023 (the "**Supplemental Agreement**") to revise the consideration for the Sale Shares.

2. DETAILS OF THE REVISED CONSIDERATION PURSUANT TO THE SUPPLEMENTAL AGREEMENT

Pursuant to the Supplemental Agreement, Parties have mutually agreed to lower the consideration for the Sale Shares from RMB 11 million to RMB 4 million (equivalent to approximately S$750,000[2]) (the "**Revised Consideration**"), which shall be fully satisfied in cash and paid to the Vendor in the following manner:

(a) within 3 days after the signing of the Supplemental Agreement, BLT shall pay 10% of the Revised Consideration, being RMB 400,000 (equivalent to approximately S$75,000[2]); and

(b) within 30 days after the signing of the Supplemental Agreement, BLT shall pay 90% of the Revised Consideration, being RMB 3.6 million (equivalent to approximately S$675,000[2]).

Save for the Revised Consideration for the Sale Shares, all other terms in the Equity Transfer Agreement remain unchanged.

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[1] Based on the exchange rate of 100 RMB: 18.69 SGD from the Monetary Authority of Singapore as at 14 September 2023.
[2] Based on the exchange rate of 100 RMB: 18.75 SGD from the Monetary Authority of Singapore as at 9 October 2023.

3. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE LISTING MANNUAL

Pursuant to Section 7 of the Announcement, the Company has updated the relative figures in relation to the Proposed Acquisition computed on the applicable bases set out in Rule 1006 of the Listing Manual. Such relative figures are as follows:

Rule	Bases of computation	Relative figures
Rule 1006(a)	Net asset value ("**NAV**")[(1)] of the assets to be disposed of, compared with the Group's NAV.	Not applicable[(4)]
Rule 1006(b)	Net loss[(2)] attributable to the assets acquired, compared with the Group's net loss.	2.8%
Rule 1006(c)	Aggregate value of the consideration given, compared with the issuer's market capitalisation[(3)] based on the total number of issued shares excluding treasury shares.	4.8%
Rule 1006(d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable[(5)]
Rule 1006(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable[(6)]

Notes:

(1) Under Rule 1002(3)(a) of the Listing Manual, "net assets" means total assets less total liabilities.

(2) Under Rule 1002(3)(b) of the Listing Manual, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.

(3) Under Rule 1002(5) of the Listing Manual, "market capitalisation" of the Company is determined by multiplying 208,464,669 shares in issue by S$0.075 (being the last traded price on 15 November 2021, the date on which the Company requested a trading halt).

(4) This basis is not applicable as it is not a disposal.

(5) This basis is not applicable as no equity securities will be issued by the issuer as consideration.

(6) This basis is not applicable as it only applies to a disposal of mineral, oil and gas assets by a mineral, oil and gas company.

Although the relative figure computed under Rule 1006(b) of the Listing Manual is negative, the Proposed Acquisition falls within the situation set out in paragraph 4.3(a)(ii) of Practice Note 10.1 of the Listing Manual, which states that no shareholders' approval of the transaction is required if the net loss attributable to the asset to be acquired amounts to 5% or less of the consolidated net profit or net loss of the issuer (in each case taking into account only the absolute values). As such, the Group will not be seeking shareholders' approval for the Proposed Acquisition under Chapter 10 of the Listing Manual.

4. INTERESTED PERSON TRANSACTIONS AND INDEPENDENT FINANCIAL ADVISER

As stated in Section 8 of the Announcement, under Rule 906(3) of the Listing Manual, if the Group's latest audited NTA is negative, the Company should consult the SGX-ST on the

appropriate benchmark to calculate the relevant threshold in Rule 906(1) of the Listing Manual, which may be based on market capitalisation.

The Company had, on 22 September 2023, written in to the SGX-ST to consult on the manner of computation of the value of the interested person transaction given that the current NTA of the Group is a negative figure. The Company will be writing in to further update the SGX-ST on the Revised Consideration. Depending on SGX-ST's response on the matter, if the Revised Consideration results in the value of the interested person transaction to be less than the requisite threshold requiring shareholders' approval, the Proposed Acquisition will no longer be subject to shareholders' approval at a general meeting under Chapter 9 of the Listing Manual. In that connection, an independent financial adviser will also no longer be appointed to advise on the Proposed Acquisition. The Company will update shareholders on the outcome of the consultation with the SGX-ST in due course.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

6. DOCUMENT FOR INSPECTION

A copy of the Supplemental Agreement will be made available for inspection during normal business hours at the registered office of the Company at 456 Alexandra Road, #24-01, Fragrance Empire Building, Singapore 1199621, for a period of three (3) months commencing from the date of this announcement.

7. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company as completion is subject to the fulfilment of the conditions, and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed. The Company will make the necessary announcements as and when there are further developments on the Proposed Acquisition.

Shareholders and potential investors are advised to read this announcement and any further announcements and the Circular by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

FOR AND ON BEHALF OF THE BOARD

Mr. Han Binke
Executive Director and CEO
10 October 2023