

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Silk Road Logistics Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**(1) MAJOR TRANSACTION:
DRAG-ALONG RIGHT FOR DISPOSAL OF
29.95% EQUITY INTEREST IN ROCKEAST;
AND
(2) NOTICE OF SGM**

A notice convening the special general meeting of the Company to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 30 June 2021 at 3:00 p.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the special general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

Please refer to page 1 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the special general meeting, including:

- (1) compulsory body temperature checks;
- (2) compulsory wearing of a surgical face mask for each attendee; and
- (3) no distribution of souvenirs and no drinks and no refreshment.

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

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PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

The health of the Shareholders, staff and stakeholders is of paramount importance to the Company. In view of the spreading of the Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the SGM to safeguard the health and safety of attending Shareholders, staff and stakeholders from the risk of infection:

- (1) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at the entrance of the meeting venue. Any person with a body temperature of 37.4 degrees Celsius or above will be denied entry into the meeting venue or be required to leave the meeting venue.
- (2) Every attendee will be required to wear a surgical face mask throughout the SGM and sit at a safe distance from other attendees and those not wearing face masks may be denied entry to the meeting venue. Please note that no masks will be provided at the SGM and attendees should bring and wear their own masks.
- (3) No drinks, no refreshment or no souvenirs will be served.
- (4) Any attendee has any flu-like symptoms or subject to any Hong Kong Government prescribed quarantine or has close contact with any person under quarantine will be denied entry into the meeting venue.

In addition, the Company reminds all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the form of proxy. The form of proxy for use at the SGM can be downloaded from the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.silkroadlogistics.com.hk).

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the meanings ascribed to them below:

“2015 RockEast Shareholders’ Agreement”	the shareholders’ agreement dated 22 July 2015 and entered into among, RockEast and all the then RockEast Shareholders (including Useful Light) to regulate their relationship and to record their respective rights and obligations as shareholders of RockEast
“2016 RockEast Shareholders’ Agreement”	the shareholders’ agreement dated 31 October 2016 and entered into among RockEast and a group of the then RockEast Shareholders (excluding Useful Light), which holding 66.6% or more of the equity interest in RockEast, to regulate their relationship and to record their respective rights and obligations as shareholders of RockEast
“Board”	the board of Directors
“Company”	Silk Road Logistics Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 988)
“Director(s)”	the director(s) of the Company
“Drag-along Notice”	a written notice given by the accepting RockEast Majority Shareholders to the remaining RockEast Shareholders requiring them to accept any Possible Offer subject to and upon the same terms and conditions of the Possible Offer
“Drag-along Right”	the right of the accepting RockEast Majority Shareholders to require the remaining RockEast Shareholders (including Useful Light) to accept the offer made by third party purchaser(s) subject to and upon the same terms and conditions of the Possible Offer
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Third Party(ies)”	party(ies) who, together with his/her/its ultimate beneficial owner(s), is/are persons independent of the Company and its connected persons (within the meaning of the Listing Rules)
“Latest Practicable Date”	7 June 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Possible Offer”	an offer, if any, to be given by a third party purchaser to purchase all the issued RockEast Shares in full or in part
“PRC” or “China”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Acquisition”	the acquisition of the entire equity interest in Kai Sum International Limited in August 2015, which in turn held the equity interest in Useful Light, which in turn held 30% of the then equity interest in RockEast, and disclosed in the announcements of the Company dated 6 August 2015 and 12 August 2015 respectively
“RockEast”	RockEast Energy Corporation, a company incorporated in Alberta, Canada with limited liability, which was owned as to approximately 29.95% by Useful Light and an associate of the Company as at the Latest Practicable Date
“RockEast Majority Shareholders”	a group of shareholders of RockEast, other than Useful Light, holding in aggregate 60% or more of the equity interest in RockEast
“RockEast Share(s)”	class A voting common share(s) in RockEast
“RockEast Shareholders”	the holder of RockEast Shares
“Sale Interest”	9,406,500 RockEast Shares, representing approximately 29.95% equity interest in RockEast as at the Latest Practicable Date

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held and convened to consider and, if thought fit, approve and ratify the Drag-along Right
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Useful Light”	Useful Light Group Ltd., a company incorporated in the British Virgin Islands with limited liability, and an indirect wholly-owned subsidiary of the Company
“CAD”	Canadian dollars, the lawful currency of Canada
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

* *The English transliteration of the Chinese names in this circular, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names*



Silk Road Logistics Holdings Limited

絲路物流控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 988)

Executive Directors:

Ms. Wong Kai Ling
Mr. Meng Fanpeng
Mr. Cheung Ngai Lam
Mr. Chung Wai Man

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Director:

Mr. Choi Wai Hong Clifford

*Head office and principal place
of business in Hong Kong:*

Room 1702, 17th Floor
COFCO Tower
262 Gloucester Road
Causeway Bay, Hong Kong

Independent non-executive Directors:

Ms. Choy So Yuk, *BBS, JP*
Mr. Wu Zhao
Mr. Wong Chun Hung

11 June 2021

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION:
DRAG-ALONG RIGHT FOR DISPOSAL OF
29.95% EQUITY INTEREST IN ROCKEAST**

INTRODUCTION

References are made to the announcements of the Company dated 4 March 2021, 23 March 2021, 30 April 2021 and 31 May 2021 in relation to the Drag-along Right.

LETTER FROM THE BOARD

The Company announced that a Drag-along Right was granted by the Group pursuant to 2015 RockEast Shareholders' Agreement, the transaction will be classified as if the Drag-along Right has been exercised by RockEast Majority Shareholders. Subsequent to 2015 RockEast Shareholders' Agreement, RockEast and various then RockEast Shareholders (excluding Useful Light) entered into 2016 RockEast Shareholders' Agreement in October 2016 to supersede 2015 RockEast Shareholders' Agreement. Consequently, 2016 RockEast Shareholders' Agreement is also binding on Useful Light, despite Useful Light not having executed 2016 RockEast Shareholders' Agreement. Once the RockEast Majority Shareholders have exercised the Drag-along Right and delivered the Drag-along Notice to Useful Light, it will consequently lead to the disposal of the Sale Interest held by Useful Light in any event.

The purpose of this circular is to provide the Shareholders with further information regarding details of the Drag-along Right, other information as required under the Listing Rules, and the notice of the SGM.

THE DRAG-ALONG RIGHT

Background

As disclosed in the announcements of the Company dated 6 August 2015 and 12 August 2015 respectively, the Group completed the Previous Acquisition in August 2015, being the acquisition of the entire equity interest in Kai Sum International Limited, which in turn held the entire equity interest in Useful Light, which in turn held 30% of the then equity interest in RockEast. In the Previous Acquisition, the relevant percentage ratios under the Listing Rules in respect of the Previous Acquisition are more than 5% but less than 25%, the Previous Acquisition constitutes a discloseable transaction on the part of the Company.

Prior to the Previous Acquisition, Useful Light had entered into 2015 RockEast Shareholders' Agreement in July 2015. Pursuant to 2015 RockEast Shareholders' Agreement, the Drag-along Right was provided therein. According to 2015 RockEast Shareholders' Agreement, if there is an offer to purchase the equity interest in RockEast and the then RockEast Shareholders holding in aggregate 66.6% or more of the equity interest in RockEast agree to accept the offer, those accepting RockEast Shareholders shall have the Drag-along Right to request the remaining RockEast Shareholders (including Useful Light) to accept the offer made by the third party purchaser(s) subject to and upon the same terms and conditions of the offer. According to 2015 RockEast Shareholders' Agreement, within 30 days upon receipt of a drag-along notice issued by RockEast on behalf of those accepting RockEast Shareholders, Useful Light is required to either accept the offer or make a counter-offer on the same terms and conditions as the offer to acquire the equity interest from those RockEast Shareholders.

LETTER FROM THE BOARD

2015 RockEast Shareholders' Agreement provides that with the prior written approval of the then RockEast Shareholders holding in aggregate 66.6% or more of the equity interest in RockEast, amendments could be made to 2015 RockEast Shareholders' Agreement. Such amendments should bind all the RockEast Shareholders from time to time once approved by the then RockEast Shareholders holding in aggregate 66.6% or more of the equity interest in RockEast. Subsequent to 2015 RockEast Shareholders' Agreement, RockEast and various then RockEast Shareholders (excluding Useful Light) entered into 2016 RockEast Shareholders' Agreement in October 2016 to supersede 2015 RockEast Shareholders' Agreement. Consequently, 2016 RockEast Shareholders' Agreement is also binding on Useful Light, despite Useful Light not having executed 2016 RockEast Shareholders' Agreement. Neither 2015 RockEast Shareholders' Agreement nor 2016 RockEast Shareholders' Agreement has a definite period term. Thus, so long as Useful Light remains a RockEast Shareholder, Useful Light is bound by the terms of 2016 RockEast Shareholders' Agreement.

In October 2020, during the communication between the Company and the management of RockEast (the "**RockEast Management**") about the possible disposal of the equity interests of RockEast, the RockEast Management pointed out that the Company was bound by the Drag-along Right under 2016 RockEast Shareholders Agreement. The Company therefore consulted its legal advisers about the impact of the exercise of the Drag-along Right on the Company under the Listing Rules and was given to know that the Drag-along Right should be regarded as a grant of option and was subject to Chapter 14 of the Listing Rules.

Obligation to sell

According to 2016 RockEast Shareholders' Agreement, the RockEast Majority Shareholders were granted a Drag-along Right, pursuant to which, if there is a Possible Offer to purchase the equity interest in RockEast in full or in part and the RockEast Majority Shareholders desire to sell all, but not less than all, of their RockEast Shares to the third party purchaser, the RockEast Majority Shareholders shall have the right, to require the remaining RockEast Shareholders (including Useful Light) to accept the offer subject to and upon the same terms and conditions of the offer by delivering a written notice (the "**Majority Transfer Notice**") to the remaining RockEast Shareholders setting out the terms and conditions of the Possible Offer. According to 2016 RockEast Shareholders' Agreement, within 15 days upon receipt of the Majority Transfer Notice, Useful Light is required to either accept the Possible Offer or make a counter-offer on the same terms and conditions as the Possible Offer to acquire the equity interest of the RockEast Majority Shareholders.

LETTER FROM THE BOARD

If Useful Light fails to respond to the Majority Transfer Notice within 15 days upon receipt of the said notice, the RockEast Majority Shareholders are entitled to exercise the Drag-along Right, it shall together with the Majority Transfer Notice, give the Drag-along Notice to the remaining RockEast Shareholders stating the RockEast Majority Shareholders are exercising Drag-along Right in connection with the Possible Offer. Such Drag-along Notice shall be delivered to the remaining RockEast Shareholders no less than 10 business days before closing of the Possible Offer. Each of the remaining RockEast Shareholders is obliged to take all necessary action to dispose of all the RockEast Shares subject to the Drag-along Notice. Following receipt of the Drag-along Notice, if any of the remaining RockEast Shareholders refuses to comply with the terms and conditions of the drag-along provision in 2016 Shareholders Agreement, the person delegated by the RockEast Majority Shareholders shall act as the attorney of the defaulted remaining RockEast Shareholders to sign the necessary transfer document to effect the disposal.

Accordingly, once the RockEast Majority Shareholders have exercised the Drag-along Right and delivered the Drag-along Notice to Useful Light, it will consequently lead to the disposal of the Sale Interest held by Useful Light in any event. Upon completion of the disposal of the Sale Interest by Useful Light, the Company will no longer have any interest in RockEast and RockEast will cease to be an associate of the Company.

IMPLICATIONS UNDER THE LISTING RULES

2015 RockEast Shareholders' Agreement was entered into before the Group acquired Useful Light. Hence, the entry of 2015 RockEast Shareholders' Agreement was not at the control or discretion of the Group. The Company did not disclose the Drag-along Right during the material times of the Previous Acquisition. At the material time of the Previous Acquisition, given that 2015 RockEast Shareholders Agreement has been entered into before the Previous Acquisition, the Company was not aware of the Drag-along Right which was subject to the Listing Rules compliance, and failed to comply with Rules 14.34, 14.38A, 14.40, 14.41 and 14.76(1) of the Listing Rules in a timely manner. Useful Light did not even sign 2016 RockEast Shareholders' Agreement but it is bound by the Drag-along Right contemplated under 2016 RockEast Shareholders' Agreement.

When the Company realised the implication of the Drag-along Right under the Listing Rules, the Company has tried to rectify the non-compliance by seeking the shareholders' approval as soon as possible before the RockEast Majority Shareholders exercise the Drag-along Right. By various communications with the RockEast Management from October 2020 to December 2020, the Company and the RockEast Management explored the possibility of disposing the equity interest in RockEast, which the Company considered that might affect the timing and mode of rectification in respect of the Drag-along Right under the Listing Rules. In January 2021, there was no progress in the communication with the RockEast Management, and the Company decided to proceed with the remedial action in order to rectify the non-compliance arising from the Drag-along Right.

LETTER FROM THE BOARD

Pursuant to Rule 14.76(1) of the Listing Rules, where the actual monetary value has not been determined, the listed issuer must demonstrate the highest possible monetary value, which value will then be used for the purpose of classification of notifiable transaction. Failure to do so will result in the transaction being classified as at least a major transaction. Given that the consideration of the disposal of the Sale Interest held by Useful Light cannot be determined, the Drag-along Right is required to be classified as a major transaction on the part of the Company at the material time of the Previous Acquisition under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements.

To prevent similar non-compliance from occurring in the future, the Company shall take the following measures and actions:

- (i) the Company will provide trainings to reinforce the Directors' and staff members' knowledge on the Listing Rules requirements in relation to notifiable transaction compliance;
- (ii) the Company will instruct the personnel involved in the notifiable transactions to review and report all the ancillary documents in relation to the transaction to the Board; and
- (iii) the Company will consult legal advisers in respect of any Listing Rules implications arising from all the ancillary documents of the notifiable transaction.

INFORMATION OF ROCKEAST

RockEast is a company incorporated in Alberta, Canada with limited liability and principally engaged in the exploration and production of oil and natural gas in Canada. Upon completion of the Previous Acquisition, RockEast was owned as to 30% by Useful Light and in aggregate 70% by Independent Third Parties. Subsequently, some employees of RockEast exercised their stock option, which resulted in the dilution of Useful Light's equity interest in RockEast from 30% to approximately 29.95%.

As at the Latest Practicable Date, RockEast was owned as to approximately 29.95% by Useful Light and in aggregate approximately 70.05% by Independent Third Parties, consisting of 8 corporations and 30 individuals. Useful Light is the largest RockEast Shareholder. The second and third largest RockEast Shareholders are Reco Energy Corp., being a corporation holding approximately 15.92% and Gao Zhancheng, being an individual holding approximately 11.40%, respectively. The remaining RockEast Shareholders, consisting of 7 corporations and 29 individuals hold in aggregate approximately 42.73%, and each of them holds less than 10%.

LETTER FROM THE BOARD

Set out below is the audited financial information of RockEast by BDO Canada LLP for the two years ended 31 December 2018 and 2019, and the unaudited financial information of RockEast for the year ended 31 December 2020, respectively:

	For the year ended 31 December 2018 (audited) CAD'000	For the year ended 31 December 2019 (audited) CAD'000	For the year ended 31 December 2020 (unaudited) CAD'000
Revenue	22,840	12,944	12,816
Profit/(loss) before tax	5,329	1,150	(752)
Profit/(loss) after tax	4,362	828	(752)

The unaudited net asset value of RockEast as at 31 December 2020 was approximately CAD30,023,000.

INFORMATION OF THE GROUP

The Company is an investment holding company. The Group is principally engaged in the trading of commodities, the exploration, production and sale of oil, and the provision of logistics and warehousing services.

Useful Light is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. Useful Light is principally engaged in investment holding.

REASONS FOR AND THE BENEFITS OF THE DISPOSAL

According to 2016 RockEast Shareholders' Agreement, if there is an offer to purchase the equity interest in RockEast and the RockEast Majority Shareholders agree to accept the offer, the RockEast Majority Shareholders shall have the Drag-along Right to request the remaining RockEast Shareholders (including Useful Light) to accept an offer made by third party purchaser subject to and upon the same terms and conditions of the offer. According to 2016 RockEast Shareholders' Agreement, within 15 days upon receipt of the Majority Transfer Notice, Useful Light is required to either accept the offer or make a counter-offer on the same terms and conditions as the offer to acquire the equity interest of the RockEast Majority Shareholders. Due to the stringent timeline, the Company would not have sufficient time to comply with the Listing Rules and to convene the SGM in time to obtain the approval of the Shareholders, as the Group would be obliged to dispose of the Sale Interest promptly, in the event the RockEast Majority Shareholders exercise the Drag-along Right.

LETTER FROM THE BOARD

As disclosed in the annual report of the Company for the year ended 31 December 2020 (the “**2020 Annual Report**”), the auditors of the Company disclaimed their audit opinion on the consolidated financial statements as they casted doubt on the appropriateness of going concern assumption of the Company. As at 31 December 2020, the Group's current liabilities exceeded the Group's current assets by approximately HK\$549,603,000 and the Group incurred net loss of approximately HK\$382,174,000 for the year ended 31 December 2020.

As disclosed in the 2020 Annual Report, the oil market was hit in April 2020 by a perfect storm created by a price war between Organization of the Petroleum Exporting Countries (OPEC) and Russia and the realisation of the pandemic. In an unprecedented turbulence, the oil price yo-yoed down to the negative territory and then back up to the US\$40 level for much of the second half of the year. The weakness in the demand has persisted due to the constraints on the transportation sector in the form of reduced air flights and car driving. Consequently, the oil segment of the Group undertook suspension of oil production between April and June 2020 to cushion the financial impact of the low oil price. In Canada, RockEast recorded a loss of approximately HK\$7,954,000 for the year of 2020 of which the Group owns about 29.95% equity interest. Besides, the Group's US oil production unit with relatively higher operational costs resulted with an operating loss for years. The Directors have explored possible way to improve the financial position of the Group, including but not limited to the disposal of its equity interest in RockEast.

The year of 2020 was a roller coaster ride for the global economy and to some extent the capital markets amid the COVID-19 pandemic. In order to cope with the fallout of the coronavirus crisis, the Group decided to scale down its operations across all the business segments for enhanced financial and risk management. The Group's trading and logistics segment went through the first half of 2020 with near inactivity, and then its business gradually picked up in the second half of 2020. The Group has since applied a prudent approach to business selection with the target of optimising warehouse utilisation and minimising business risk, which sets a strategic course of controlled recovery for its trading activities. The Group's core subsidiary Silk Road Logistics (Qian'an) Company Limited, the primary source of revenue of the Group's operation in recent years, has made an initial step in recovering its trading volume, however, the result was not remarkable. Revenue from trading segment amounted to approximately HK\$29,129,000 for the year ended 31 December 2020, decreasing by HK\$5,488,095,000 from HK\$5,519,831,000 for the year ended 31 December 2019. Moreover, further impairment in goodwill and the investments in associates was caused by reduced asset valuation of the trading and logistics segment. These impairments are due to the predicted deterioration in future economy for a period of time in light of the serious impact caused by the COVID-19 pandemic, leading to a prudent approach on future operations. Also, additional investments will require for the associates located in Inner Mongolia to initiate and expand their operations. In view of current business environment and the recoverability of economy from the COVID-19 pandemic, it is unpredictable to determine the future sources of funds. Combining the considerations above, the values of the investments in those associates were fully impaired to reflect these uncertainties.

LETTER FROM THE BOARD

As a whole, considering the aforesaid factors regarding the business prospect of the oil industry in North America, RockEast's recent financial performance and the post-pandemic business development and prospects of the Group, the Directors believe that the disposal of the Sale Interest pursuant to the Drag-along Right provides an exit opportunity to the Group to realise its investment in RockEast, to improve the financial position of the Group, and to allow the Group to reallocate its resources.

Taking into account the abovementioned factors, the Directors are of the view that the Drag-along Right is on normal commercial terms; and consider that the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

The net proceeds from the disposal of the Sale Interest pursuant to the Drag-along Right will be used for general working capital of the Group.

FINANCIAL EFFECT OF THE DISPOSAL PURSUANT TO THE DRAG-ALONG RIGHT

The actual gain or loss as a result of the disposal to be recorded by the Group is subject to the financial position of RockEast at completion of the disposal.

THE SGM

A SGM will be convened and held for the Shareholders to consider and, if thought fit, approve and ratify the Drag-along Right. The voting in relation to the Drag-along Right will be conducted by way of poll. The notice convening the SGM to be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 30 June 2021 at 3:00 p.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the SGM is enclosed with this circular.

To the best of the knowledge of the Directors, no Shareholder has a material interest in the Drag-along Right. Accordingly, no Shareholder is required to abstain from voting in respect of the ordinary resolutions to approve and ratify the Drag-along Right at the SGM.

Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time for the holding of the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event your proxy will be deemed to have been revoked.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 25 June 2021 to Wednesday, 30 June 2021 (both days inclusive) for determining the identity of the Shareholders who are entitled to attend and vote at the SGM. No transfer of Shares will be registered during this period.

In order to be eligible to attend and vote at the SGM, unregistered holders of the Shares should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 24 June 2021.

RECOMMENDATION

In view that the Drag-along Right is an exit mechanism for the Group as a minority shareholder of RockEast, which is beneficial to the Group, the Directors would recommend the Shareholders to approve and ratify the Drag-along Right in the SGM to be convened.

The Directors consider that the Drag-along Right is on normal commercial terms, fair and reasonable so far as the Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. The Directors would like to emphasize that Useful Light is contractually bound to dispose of the Sale Interest in the event the RockEast Majority Shareholders exercise the Drag-along Right regardless of whether the Drag-along Right is approved by the Shareholders at the SGM not. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM.

GENERAL

There is no assurance that the Company will proceed with the disposal. Whether and when the Company will proceed with the disposal will depend on whether the RockEast Majority Shareholders exercise their Drag-along Right requiring the Group to dispose the Sale Interest in full. The Shareholders and other public investors of the Company are therefore advised to exercise extreme caution when dealing in the Shares.

ADDITIONAL INFORMATION

Your attention is drawn to the financial information and other general information of the Group set out in the appendices to this circular.

Yours faithfully
For and on behalf of the Board
Silk Road Logistics Holdings Limited
Meng Fanpeng
Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three years ended 31 December 2018, 2019 and 2020 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.silkroadlogistics.com.hk):

- annual report of the Company for the year ended 31 December 2018 published on 29 April 2019 (pages 60 to 159)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0429/ltn201904291685.pdf>

- annual report of the Company for the year ended 31 December 2019 published on 5 June 2020 (pages 56 to 147)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0605/2020060501427.pdf>

- annual report of the Company for the year ended 31 December 2020 published on 29 April 2021 (pages 63 to 149)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0429/2021042900787.pdf>

2. INDEBTEDNESS STATEMENT

As at the close of business on 30 April 2021, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had following indebtedness:

(a) Borrowings

At 30 April 2021, the Group had aggregate outstanding borrowings of approximately HK\$540 million comprising (i) unsecured other borrowings by the Company amounted to HK\$419,492,000, which bear interest at 6% per annum with overdue interest at 5% per annum; (ii) unsecured promissory note payable by the Company amounted to HK\$64,187,000, which bears interest at 6% per annum with overdue interest at 6% per annum; (iii) unsecured amounts due to third parties with an aggregate of HK\$45,732,000, which bear interest at 3% to 10% per annum and repayable on demand; and (iv) unsecured amounts due to third parties with an aggregate of HK\$11,050,000, which are interest free and repayable on demand.

(b) Finance lease and commitment

At the close of business on 30 April 2021, the Group also had (i) finance lease payable with the outstanding principal amounted to approximately HK\$48,000, which is secured by the pledge of a motor truck of the Group; and (ii) commitment for future payment totaled HK\$13,745,000 for the lease of a parcel of land located in the PRC.

(c) Contingent liability

Pursuant to the civil complaint dated 29 November 2019 (the “**Haitong Civil Complaint**”) filed by Haitong UniTrust International Leasing Co., Ltd. (海通恒信國際租賃股份有限公司) (the “**Plaintiff**”) as plaintiff with the Shanghai Financial Court, the Plaintiff claimed against Silk Road Logistics (Qian’an) Company Limited (“**Qian’an Logistics**”), a subsidiary of the Company for (i) repayment of an aggregate amount of RMB197,754,190; and (ii) all the costs in relation to the Haitong Civil Complaint. The Haitong Civil Complaint had been accepted by the Shanghai Financial Court. The Haitong Civil Complaint arose from the dispute under a domestic factoring agreement dated 26 September 2018 (the “**Factoring Agreement**”) entered into among the Plaintiff, Tewoo Import and Export Trade Company Limited* (天津物產進出口貿易有限公司) (“**Tewoo**”) and Qian’an Logistics. Pursuant to the Factoring Agreement, the Plaintiff agreed to provide financing to Tewoo which, in return, agreed to assign all its rights under the account receivables in the aggregate amount of RMB223,463,688 (the “**Account Receivables**”) payable by Qian’an Logistics to the Plaintiff in connection with five copper cathode contracts supplied by Tewoo to Qian’an. According to the Factoring Agreement, the Plaintiff appointed Tewoo to be its collection and receiving agent for the receipt of the Account Receivables payable by Qian’an Logistics. Management of Qian’an Logistics, after having obtained legal advice, is of the view that the claim is without merit as Qian’an Logistics has fully settled the Account Receivables with Tewoo in connection with the five copper cathode contracts. Management of the Group has instructed its PRC legal adviser to contest the claim and to handle all other legal issues in connection with the Haitong Civil Complaint. Judgement has not rendered up to 30 April 2021, no provision for the litigation has been made.

The borrowings, finance lease payable and commitments for future payments of land lease that are denominated in currencies other than the Hong Kong dollar are translated in Hong Kong dollar at the exchange rate prevailing on 30 April 2021.

Save as aforesaid or otherwise mentioned herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, the Group did not have any other outstanding borrowings, mortgages, charges, debentures, loan capital and overdraft, debt securities or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities at the close of business on 30 April 2021, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular.

3. WORKING CAPITAL

As at 31 December 2020, the Group had net current liabilities approximately HK\$549,603,000. The Directors, after due and careful consideration, are of the opinion that, taking into account the internal resources, the existing available banking and other facilities of the Group, the Group will not have sufficient working capital for at least twelve months from the date of this circular.

However, if the following events materialised, the Group's liquidity and financial position will be improved and the Group will have sufficient working capital for at least twelve months from the date of this circular:

- (a) the Group has entered into series of discussion with Tewoo Import and Export Trade Co. Ltd (天物進出口有限公司) ("**Tewoo IE**"), which is an indirect shareholder of the holder (the "**Loan Holder**", who is the holder of a convertible bond with principal amount of HK\$300 million, being expired and the outstanding balance approximately amounted HK\$423,205,000 as at 30 April 2021) of the outstanding borrowings (the "**Tewoo Debt**") in order to resolve the settlement of the Tewoo Debt. The Loan Holder was indirectly owned as to 49% by Tewoo IE and 51% by Tewoo Group (Hong Kong) Ltd (天津物產集團(香港)有限公司) ("**Tewoo HK**"). Tewoo IE and Tewoo HK were subsidiaries of Tewoo Group Co., Ltd. ("**Tewoo Group**"). The Company and Tewoo IE has explored the possibility of the extension of partial Tewoo Debt and capitalisation of partial Tewoo Debt. In December 2020, Tewoo IE provided a draft memorandum of understanding (the "**Tewoo MOU**") setting out the proposal on the settlement on Tewoo Debt for the Company's review. After the Company reverted its amendments to the Tewoo MOU to Tewoo IE in January 2021, the discussion was on halt due to the change in shareholding of Tewoo IE and the restructuring of Tewoo Group. As at the date hereof, Tewoo IE is no longer a member of the Tewoo Group.

In April 2021, to speed up the progress, the Company sent a meeting agenda to call for a meeting with Tewoo IE. Tewoo IE informed the Company that it needed to seek the approval and comments from Tewoo Group. However, Tewoo Group is now undergoing restructuring, it is expected the meeting will only be arranged in later June 2021.

- (b) due to the severity of COVID-19 pandemic in the United States, the Company managed to enter into negotiation with the promissory note holder (the "**PN Holder**") in December 2020 for the settlement of the promissory note amounted to HK\$60,929,000 payable by the Company. The PN Holder in principal agreed to capitalize the loan under the promissory note. However, the Company and the PN Holder have not reached consensus on the terms of the loan capitalization, including issue price and number of the shares to be issued thereunder. The Company will continue to negotiate with the PN Holder and anticipates that the capitalization of the loan will be able to take place within this year.

- (c) the Directors will consider to dispose of the Group's interest in RockEast to improve the liquidity of the Group.
- (d) the Directors propose to improve the capital structure of the Company through equity fund raising, including but not limited to placing of new shares.
- (e) the Company is now in the course of discussion with a third party to improve the commodity trading business undertaken by a subsidiary in the PRC; and
- (f) in the coming meeting with Tewoo IE, the Company will further negotiating which Tewoo IE for the development of the business of Silk Road Logistics (Qian'an) Company Limited, a significant subsidiary of the Company after the post COVID-19 pandemic.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, they were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Due to the advancement of vaccine development and production, global economy recovery is expected to gather pace in the second half of 2021 after vaccination reaches a critical level within the general world population. The recovery will also be supported by the expected extension of expansionary fiscal policies around the world. However, in the medium term economies might experience "scarring" from the depth of the recession and the ensuing structural changes, including the repercussions of firm bankruptcies, adjustment costs of surviving firms from upgrading workplace safety, and costly resource reallocation away from contact-intensive sectors. In comparison, prospects for China are stronger than for other countries due to strong policy support and resilient exports. The optimism over China's economic recovery is also reflected in the regained consumer confidence and spending at levels seen before the pandemic. All these key drivers will power the economic rebound and will benefit our business performance.

The Group is of the view that the post-COVID-19 environment will be simultaneously exciting and volatile. Navigating our business through this environment is a balancing act: beware geopolitical shifts while strengthening ties with foreign countries and companies; and develop our unique strengths while diving deeper into the digital ecosystem that buttresses the Chinese economy.

In the near term, the Group will continue to work closely with our existing trading and logistics customers on business resumption and growth. Such business decisions will be supported by relevant risk assessment in the process. For longer term business development, the Group will seek to develop in the asset light direction by an organic combination of the strength of our logistics network and our expertise in commodity trading. This strategic directive is guided by the national strategy of “dual circulation” which demands a stable and efficient supply system for raw materials. In diversify our revenue stream and business portfolio, the Group will exercise utmost prudence in appraising investment proposals to safeguard shareholders’ value.

In order to position ourselves for the opportunities galore, our organization is being optimized for agility, profitability and cost. To get traction on our international strategy, the Group is set to fine tune our hierarchy and organizational structure. While functions — that is, technical, sales, supply-chain, and customer-service — are the primary designated departments for employees, the Group will rely more on small-scale business units with profit and loss accountability, appropriate decision-making authority, and direct reporting responsibility to the senior management. This “secondary” product-line organization holds the enterprise view for overall profitability. In other words, this agile layer of organization synthesizes product strategy, allocates capital expenditure, and drives collaboration across functions and geographies.

Taking advantage of a flexible workforce, the Group can better tap into the market potentials and embrace new technologies. In our quest of operational excellence based on staff empowerment and technology adoption, we aim to enhance our value proposition with a higher visibility of the supply chain from end to end. The Group will harness the many innovations being spearheaded in China in the logistics industry to improve efficiency and generate creative solutions for our clients.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Directors' and chief executive's interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

Long positions in the Shares and underlying shares

Name of Director	Capacity/Nature of Interest	Number of Shares	Approximate percentage of the issued share capital
Mr. Meng Fanpeng	Personal interests	48,000	0.01%
Ms. Choy So Yuk	Personal interests	27,190	0.01%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

3. DISCLOSURE OF INTERESTS BY SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at the Latest Practicable Date, so far as any Directors are aware, the interest or short positions owned by the following parties (other than the Directors or chief executive of the Company) in the Shares, underlying Shares or debentures of the Company which are required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

Long and short positions in the Shares and underlying shares

Name	Capacity/ Nature of Interest	Number of Shares	Approximate percentage of the issued share capital
Huarong Huaqiao Asset Management Co., Ltd*. ("Huarong Huaqiao") 華融華僑資產管理股份有限公司	Interest of controlled corporation	170,372,822 (L and S) (Notes 1 and 2)	28.45%
China Huarong Asset Management Co., Ltd. ("Huarong Asset Management") 中國華融資產管理股份有限公司	Interest of controlled corporation	170,372,822 (L and S) (Notes 1 and 2)	28.45%
Cai Jianjun ("Mr. Cai")	Interest of controlled corporation	170,372,822 (L) (Note 2)	28.44%
	Family Interest	1,000,000 (L) (Note 3)	0.17%
Total: 171,372,822 (L)			28.61%
Yuan Jing	Beneficial owner	1,000,000 (L) (Note 3)	0.17%
	Family Interest	170,372,822 (L) (Note 4)	28.44%
Total: 171,372,822 (L)			28.61%

Name	Capacity/ Nature of Interest	Number of Shares	Approximate percentage of the issued share capital
China Yangtze River Petrochemical Group Limited (“Yangtze River”)	Beneficial owner	170,372,822 (L) (Note 2)	28.44%
Xinya Global Limited 新亞環球有限公司	Beneficial owner	43,822,412 (L) (Note 5)	7.32%
Tewoo Import & Export (HK) Limited	Interest of controlled corporation	43,822,412 (L) (Note 5)	7.32%
Tewoo Import and Export Trade Co., Limited* 天津物產進出口貿易 有限公司	Interest of controlled corporation	43,822,412 (L) (Note 5)	7.32%
Tewoo Group (Hong Kong) Limited	Interest of controlled corporation	43,822,412 (L) (Note 5)	7.32%

L – Long position

S – Short position

Notes:

1. China Huarong Investment Management Limited (“**Huarong Investment Management**”) is interested in these 170,372,822 Shares. Pure Virtue Enterprises Limited owns 100% of Huarong Investment Management and is wholly-owned by China Huarong Overseas Investment Holdings Co., Limited. China Huarong Overseas Investment Holdings Co., Limited is owned 100% by Huarong Huaqiao which is owned 91% by Huarong Zhiyuan Investment & Management Co., Ltd. Huarong Asset Management owns 100% of Huarong Zhiyuan Investment & Management Co., Ltd.
2. Pursuant to a put option deed entered into between Yangtze River, a company wholly-owned by Mr. Cai, and Huarong Investment Management, Huarong Investment Management may put any or all of these 170,372,822 Shares to Yangtze River. Huarong Investment Management has exercised the put option on 24 June 2020 and Yangtze River is under an obligation to purchase these 170,372,822 Shares.
3. Ms. Yuan Jing holds these 1,000,000 Shares; Mr. Cai is the spouse of Ms. Yuan Jing, accordingly, Mr. Cai is deemed to have interest in these 1,000,000 Shares.
4. Ms. Yuan Jing is the spouse of Mr. Cai, accordingly, she is deemed to have interest in the shares held by Yangtze River referred to Note 2 above.
5. Xinya Global Limited is interested in these 43,822,412 Shares. Xinya Global Limited is wholly-owned by Tewoo Import & Export (HK) Limited. Tewoo Import & Export (HK) Limited is owned as to 49% by Tewoo Import and Export Trade Co., Limited and 51% by Tewoo Group (Hong Kong) Limited. The ultimate beneficial owners of each of Tewoo Import and Export Trade Co., Limited and Tewoo Group (Hong Kong) Limited are deemed to have interest in these 43,822,412 Shares.
6. The percentages are subject to rounding error.

Save as disclosed above and so far as the Directors were aware, as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the Shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

4. DIRECTOR'S INTERESTS IN ASSETS, CONTRACT OR ARRANGEMENT

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2020 (being the date of which the latest published audited financial statements of the Group were made up).

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting which is significant in relation to the business of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of their respective close associates (as defined under the Listing Rules) was interested in any business apart from the business of the Group which competes or is likely to compete, either directly or indirectly, with that of the Group.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice, which is contained in this circular:

Nil

8. MATERIAL CONTRACT

The following contract (not being contract in the ordinary course of business of the Company) has been entered into by members of the Group within two years immediately preceding the date of this circular which is or may be material:

- (a) the conditional subscription agreement dated 14 December 2020 and entered into between the Company as issuer and Yick Chuen Credit Limited as subscriber, in relation to the subscription of 285,714,285 shares of the Company at the subscription price of HK\$0.028 per subscription share.

9. LITIGATION

As at the Latest Practicable Date, save for two civil complaints (collectively, the “**Civil Complaints**”) being filed in the courts in the PRC against Silk Road Logistics (Qian'an) Company Limited* (絲路物流(遷安)有限公司), an indirect non wholly-owned subsidiary of the Company, as defendant, neither the Company nor any other member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

On 4 January 2021, the Group received a judgment from Tianjin No. 1 Intermediate People's Court pursuant to which the court approved the withdrawal application filed by Tianjin Haotai Hengyuan International Trading Company Limited* (天津浩泰恒遠國際貿易有限公司) (“**Tianjin Haotai**”) in relation to its civil complaint against Qian'an Logistics. The legal costs of the court should be borne by Tianjin Haotai.

For details of the Civil Complaints, please refer to the announcements of the Company dated 23 July 2020 and 4 January 2021.

10. MISCELLANEOUS

- (a) The secretary of the Company is Ms. Chiu Yuk Ching. She is an associate member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries.
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The head office and principal place of business of the Company in Hong Kong is situated at Room 1702, 17th Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong.
- (d) The Company's branch share registrar and transfer office in Hong Kong is Tricor Tengis Limited and is situated at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. on any weekday (except public holidays) at the principal place of business of the Company in Hong Kong at Room 1702, 17th Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for each of the two years ended 31 December 2019 and 2020;
- (c) the material contract referred to in the paragraph headed “8. Material Contract” in this appendix; and
- (d) this circular.

NOTICE OF SPECIAL GENERAL MEETING



Silk Road Logistics Holdings Limited

絲路物流控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 988)

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “**SGM**”) of Silk Road Logistics Holdings Limited (the “**Company**”) will be held at 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 30 June 2021 at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the drag-along right (the “**Drag-along Right**”) provided under the shareholders’ agreement dated 22 July 2015 entered into among RockEast Energy Corporation (“**RockEast**”) and all the then shareholders (including by Useful Light Group Ltd. (“**Useful Light**”), an indirect wholly-owned subsidiary of the Company) of RockEast (“**RockEast Shareholder(s)**”) (superseded by the shareholders’ agreement dated 31 October 2016 entered into among RockEast and a group of the then RockEast Shareholders), being the right of a group of accepting RockEast Shareholders (other than Useful Light) holding in aggregate 60% or more of the equity interest in RockEast to request the remaining RockEast Shareholders (including Useful Light) to accept the offer made by third party purchaser(s) subject to and upon the same terms and conditions of the offer, be and are hereby approved, confirmed and ratified; and
- (b) any one or more directors of the Company (“**Director(s)**”) be and is/are hereby authorised do all such acts and things, including but not limited to, execution of all documents which the Directors deem necessary, appropriate or desirable to implement and give full effect to or in connection with the exercise of the Drag-along Right.”

By order of the Board
Silk Road Logistics Holdings Limited
Meng Fanpeng
Executive Director

Hong Kong, 11 June 2021

NOTICE OF SPECIAL GENERAL MEETING

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Room 1702, 17th Floor
COFCO Tower
262 Gloucester Road
Causeway Bay, Hong Kong

Notes:

1. A member entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Company's branch registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the SGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the SGM or any adjournment thereof, should he/she/it so wish.
3. For determining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Friday, 25 June 2021 to Wednesday, 30 June 2021 (both days inclusive), during which no transfer of shares will be registered. In order to be eligible to attend and vote at the SGM, unregistered holders of shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 24 June 2021.
4. In the case of joint holders of shares, any one of such holders may vote at the SGM, either personally or by proxy, in respect of such share as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
5. If typhoon signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the SGM, the SGM will be postponed. The Company will publish an announcement on the website of the Company at <http://www.silkroadlogistics.com.hk> and on the "Latest Listed Company Information" page of the Stock Exchange website at www.hkexnews.hk to notify shareholders of the Company of the date, time and place of the rescheduled meeting.
6. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the SGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.