

ASX ANNOUNCEMENT

7 July 2021

SILK LOGISTICS HOLDINGS LIMITED (Company)

Pre-Quotation Disclosure

The following information is provided to ASX Limited (**ASX**) as pre-quotation disclosure for release to the market in connection with:

- A. the initial public offering of fully paid ordinary shares in the Company (**Shares**) under a prospectus (**Prospectus**) lodged with the Australian Securities and Investments Commission on 21 June 2021 (**Offer**); and
- B. the official quotation of Shares in the Company.

Capitalised terms not defined in this document have the meaning given to them in the Prospectus.

1. Funds raised under the Prospectus

The Company confirms that the Offer (consisting of the Institutional Offer, Broker Firm Offer, Priority Offer and Cleansing Offer) under the Prospectus has closed and the Company has completed:

- (a) the issue of 5,000,000 Shares on 7 July 2021 at an issue price of \$2.00 per Share under the Institutional Offer, Broker Firm Offer and Priority Offer; and
- (b) the sale and transfer of 30,000,000 Shares on 7 July 2021 at a sale price of \$2.00 per Share.

2. Completion of issue of other Shares and ancillary corporate actions

The Company confirms as follows:

- (a) 14,152,162 convertible preference shares and 31,103,268 convertible redeemable preference shares previously held by Tor Asia Credit Master Fund LP have been converted into 45,255,430 Shares on 6 July 2021;
- (b) 3,000,000 Shares were issued to P.G.A. (Services) Pty Ltd on 6 July 2021; and
- (c) as contemplated in section 4.4.3.2 of the Prospectus, the Company has entered into a working capital facility with Tor Asia Credit Fund LP. Tor Asia Credit Fund LP has a legally binding obligation to advance \$22.4 million of its \$60 million proceeds from the secondary offer to the Company subject to the terms of the facility agreement. The funds will be held by the Company from date of allotment of Shares under the Offer (being 7 July 2021) and the funds will continue to be held by the Company until after the expected commencement of trading of Shares on the ASX (being 9 July 2021).

3. Despatch of holding statements

The Company confirms that CHES allotment notices, issuer sponsored holding statements and total refund monies will be despatched on Friday, 9 July 2021.

4. Voluntary escrow

The following is a breakdown of the number of Shares subject to voluntary escrow and the escrow period applied to those Shares. For details of the material terms of the voluntary escrow arrangements, including any exceptions to the restrictions on disposal, please refer to Section 9.7 of the Prospectus.

Total Shares subject to escrow	Shares with 1H22 release ¹	Shares with FY22 release ²
39,759,018	9,127,715	30,631,303

Notes:

1. *The period of escrow will end at 10.00am on the trading day after the date that the Company has released to ASX its preliminary half-year financial statements (being the Company's Appendix 4D) for the half-year ended 26 December 2021.*
2. *The period of escrow will end at 10.00am on the next trading day after the date that the Company has released to ASX its preliminary final report (being the Company's Appendix 4E) for the financial year ending 26 June 2022.*

5. Capital structure of the Company

The Company's capital structure on admission to the ASX will comprise the following securities:

- (a) 75,761,962 Shares; and
- (b) 2,242,361 unquoted Options the details of which are set out at Section 6.3.4 of the Prospectus.

6. ASX waivers

ASX has granted the Company a waiver from Listing Rule 10.14 to the extent necessary to permit the Company to issue 1,295,629 options to its directors (and their associates) under the Company's employee incentive plan (**Incentive Plan**) and convert such options into Shares upon the exercise of such options, without shareholder approval on the following conditions.

- (a) the Prospectus contains the information required by Listing Rule 10.15 in respect of the proposed issue of options;
- (b) in each case, the date by which the Company will issue the options under the Incentive Plan must be no later than 3 years from the date of the Company's admission to the official list of ASX; and
- (c) details of any options issued to the directors (and their associates) under the Incentive Plan must be published in the Company's annual report relating to the period in which they were issued.

Authorised by the Board of the Silk Logistics Holdings Limited.