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DTXS Silk Road Investment Holdings Company Limited

大唐西市絲路投資控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 620)

DISCLOSEABLE TRANSACTIONS — PROVISION OF SECURED ADVANCES UNDER THE ARTWORK FINANCING AGREEMENTS

ARTWORK FINANCING AGREEMENTS

The Lenders entered into the Artwork Financing Agreements with the respective Borrowers for the provision of the Secured Advances in the course of conducting the art financing business of the Company.

IMPLICATION UNDER LISTING RULES

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of each of the Secured Advances granted to respective Borrowers under the respective Artwork Financing Agreements exceed 5% but all are less than 25%, the grant of each of the Secured Advances constituted a DT at the relevant time.

The Company should have complied with the relevant notification and announcement requirements under Chapter 14 of the Listing Rules in respect of the Secured Advances, which constituted DTs, as and when such obligations arose. Regrettably, the management team had misunderstood the application of the requirements under Chapter 14 of the Listing Rules.

REMEDIAL MEASURES

The Board has implemented certain remedial actions and procedures for the avoidance of future occurrence of non-compliance of the Listing Rules.

Reference is made to the annual report of the Company for the financial year ended 31 December 2022 published on 28 April 2023 (the “**2022 Annual Report**”) and the supplemental announcement of the Company dated 15 June 2023 (the “**Supplement Announcement**”). In addition to the information disclosed in the 2022 Annual Report and the Supplement Announcement, the Company would like to provide additional information in respect of advances to consignors of the Group.

The Board announces that the Lenders entered into the Artwork Financing Agreements with the respective Borrowers for the provision of the Secured Advances in the course of conducting the art financing business of the Company.

THE ARTWORK FINANCING AGREEMENTS

The principal terms and conditions of each of the artwork financing agreements and/or renewal agreements entered into between the Group and the Borrowers (the “**Artwork Financing Agreements**”) are as follows.

Borrower	Description	Date	Parties	Advance amount	Interest rate	Maturity date	Summary of Subject Artwork(s) held as collaterals	Referenced fair value of Subject Artwork(s) (HK\$)	Aggregate outstanding principal amount of Secured Advances as at the date of the Artwork Financing Agreement (HK\$)	Loan-to-value ratio (i.e. aggregate outstanding principal amount of Secured Advances as at the date of Artwork Financing Agreement/ referenced fair value of Subject Artwork(s)) (approximately)
1. Borrower A	Borrower A and Beijing Phoenixstar entered into an amendment agreement (the “ Renewal Agreement A ”) to renew the Artwork Financing Agreement A	26 December 2021	Lender: Beijing Phoenixstar Borrower: Borrower A	RMB10 million	15% per annum	30 June 2022	Bronze food vessels	36,738,000	12,246,000	33%
2. Borrower B	Borrower B and Beijing Phoenixstar entered into an amendment agreement (the “ Renewal Agreement B ”) to renew the Artwork Financing Agreement B	26 February 2022	Lender: Beijing Phoenixstar Borrower: Borrower B	RMB4.8 million	12% per annum	31 March 2022	Iron sword and bronze sword	27,203,000	5,935,200	22%
3. Borrower C	Borrower C and Beijing Phoenixstar entered into an amendment agreement (the “ Renewal Agreement C ”) to renew the Artwork Financing Agreement C	11 June 2021	Lender: Beijing Phoenixstar Borrower: Borrower C	RMB6 million	10% per annum	30 June 2022	Bronze dun vessel and squared tripod food container	48,536,000	7,280,400	15%
4. Borrower D	Borrower D and Beijing Phoenixstar entered into an amendment agreement (the “ Renewal Agreement D ”) to renew the Artwork Financing Agreement D	17 August 2021	Lender: Beijing Phoenixstar Borrower: Borrower D	RMB11 million	12% per annum	30 June 2022	Double-eared tripod food container and double-eared tripod food container with lid	99,699,600	13,213,200	13%
5. Borrower E	Borrower E, Beijing Phoenixstar, KSLF (HK) and Borrower P entered into an amendment agreement (the “ Renewal Agreement E1-I ”) to renew the Artwork Financing Agreement E1	16 April 2021	Lender: KSLF (HK) Auction agent: Beijing Phoenixstar Borrower: Borrower E Guarantor: Borrower P	HK\$18,174,315	8% per annum	30 June 2022	Bronze pot, bronze tripod food container and furnace	119,140,000	23,674,315	20%

Borrower	Description	Date	Parties	Advance amount	Interest rate	Maturity date	Summary of Subject Artwork(s) held as collaterals	Referenced fair value of Subject Artwork(s) (HK\$)	Aggregate outstanding principal amount of Secured Advances as at the date of the Artwork Financing Agreement (HK\$)	Loan-to-value ratio (i.e. aggregate outstanding principal amount of Secured Advances as at the date of Artwork Financing Agreement/ referenced fair value of Subject Artwork(s)) (approximately)
6.	Borrower E, Beijing Phoenixstar, KSLF (HK) and Borrower P entered into an amendment agreement (the "Renewal Agreement E1-II") to further renew the Artwork Financing Agreement E1	22 June 2022	Lender: KSLF (HK) Auction agent: Beijing Phoenixstar Borrower: Borrower E Guarantor: Borrower P	HK\$15 million	8% per annum	30 June 2023	Bronze pot, bronze tripod food container, furnace, food vessels and food vessels with ears	222,490,000	40,500,000	18%
7.	Borrower E, Beijing Phoenixstar, KSLF (HK) and Borrower P entered into an amendment agreement (the "Renewal Agreement E2") to renew the Artwork Financing Agreement E2	29 June 2021	Lender: KSLF (HK) Auction agent: Beijing Phoenixstar Borrower: Borrower E Guarantor: Borrower P	HK\$5.5 million	8% per annum	30 June 2022	Bronze pot, bronze tripod food container and furnace	120,130,000	23,674,315	20%
8.	Borrower F and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement F1-I") to renew the Artwork Financing Agreement F1	31 December 2021	Lender: KSLF (HK) Borrower: Borrower F	RMB17.5 million	8% per annum	31 December 2022	Bronze food vessel, bronze food container and water container	114,101,700	21,470,750	19%
9.	Borrower F and KSLF (HK) entered into an amendment agreement to further renew (the "Renewal Agreement F1-II") the Artwork Financing Agreement F1	23 December 2022	Lender: KSLF (HK) Borrower: Borrower F	RMB17.5 million	8% per annum	31 December 2023	Patterned bronze food vessel, bronze food container and water container	174,702,000	27,047,500	15%
10.	Borrower F and KSLF (HK) entered into the Artwork Financing Agreement F2	31 January 2022	Lender: KSLF (HK) Borrower: Borrower F	HK\$7.5 million	8% per annum	30 January 2023	Patterned bronze food vessel, bronze food container and water container	156,997,700	28,970,750	18%
11.	Borrower F and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement F2") to renew the Artwork Financing Agreement F2	30 January 2023	Lender: KSLF (HK) Borrower: Borrower F	HK\$7.5 million	8% per annum	30 January 2024	Patterned bronze food vessel, bronze food container and water container	174,702,000	27,047,500	15%
12.	Borrower G and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement G1-I") to renew the Artwork Financing Agreement G1	28 December 2021	Lender: KSLF (HK) Borrower: Borrower G	RMB20 million	8% per annum	31 December 2022	Bronze food container	73,476,000	24,492,000	33%
13.	Borrower G and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement G1-II") to further renew the Artwork Financing Agreement G1	28 December 2022	Lender: KSLF (HK) Borrower: Borrower G	RMB20 million	8% per annum	31 December 2023	Bronze food container and boat-shaped bronze lamp	91,574,000	26,344,000	29%
14.	Borrower G and KSLF (HK) entered into the Artwork Financing Agreement G2	11 February 2022	Lender: KSLF (HK) Borrower: Borrower G	HK\$4 million	8% per annum	10 February 2023	Bronze food container and boat-shaped bronze lamp	98,018,000	28,492,000	29%
15.	Borrower G and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement G2 ") to renew the Artwork Financing Agreement G2	10 February 2023	Lender: KSLF (HK) Borrower: Borrower G	HK\$4 million	8% per annum	10 February 2024	Bronze food container and boat-shaped bronze lamp	91,574,000	26,344,000	29%

Borrower	Description	Date	Parties	Advance amount	Interest rate	Maturity date	Summary of Subject Artwork(s) held as collaterals	Referenced fair value of Subject Artwork(s) (HK\$)	Aggregate outstanding principal amount of Secured Advances as at the date of the Artwork Financing Agreement (HK\$)	Loan-to-value ratio (i.e. aggregate outstanding principal amount of Secured Advances as at the date of Artwork Financing Agreement/ referenced fair value of Subject Artwork(s)) (approximately)
16. Borrower H	Borrower H and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement H1") to renew the Artwork Financing Agreement H1	28 December 2021	Lender: KSLF (HK) Borrower: Borrower H	RMB5 million	8% per annum	31 December 2022	Bronze beans, bronze spoon, skeleton bronze vessels, dragon-head stove, food vessels	91,845,000	37,555,500	14%
17.	Borrower H and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement H2-I") to further renew the Artwork Financing Agreement H2	26 August 2021	Lender: KSLF (HK) Borrower: Borrower H	HK\$25 million	8% per annum	29 August 2022	Bronze beans, bronze spoon, skeleton bronze vessels, dragon-head stove, food vessels	225,608,819	37,932,000	17%
18.	Borrower H and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement H2-II") to renew the Artwork Financing Agreement H2	26 August 2022	Lender: KSLF (HK) Borrower: Borrower H	HK\$25 million	8% per annum	29 August 2023	Bronze beans, bronze spoon, skeleton bronze vessels, dragon-head stove, food vessels	214,715,287	38,752,000	18%
19.	Borrower H and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement H3-I") to renew the Artwork Financing Agreement H3	5 July 2021	Lender: KSLF (HK) Borrower: Borrower H	HK\$1.05 million	8% per annum	5 July 2022	Bronze beans, bronze spoon, skeleton bronze vessels, dragon-head stove, West Zhou-dynasty food vessels	253,346,575	38,982,000	15%
20.	Borrower H and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement H3-II") to renew the Artwork Financing Agreement H3	4 July 2022	Lender: KSLF (HK) Borrower: Borrower H	HK\$1.05 million	8% per annum	5 July 2023	Bronze beans, bronze spoon, skeleton bronze vessels, dragon-head stove, food vessels	247,317,576	39,173,000	16%
21. Borrower I	Borrower I, KSLF (HK) and Beijing Phoenixstar entered into an amendment agreement (the "Renewal Agreement I") to renew the Artwork Financing Agreement I	28 December 2021	Lender: KSLF (HK) Auction agent: Beijing Phoenixstar Borrower: Borrower I	HK\$20 million	8% per annum	31 December 2022	Bronze beans, bronze can, bronze food vessels and bronze tripod food container	95,518,800	20,000,000	21%
22. Borrower J	Borrower J and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement J") to renew the Artwork Financing Agreement J1	28 December 2021	Lender: KSLF (HK) Borrower: Borrower J	HK\$10 million	8% per annum	31 December 2022	Bronze drinking vessel with lid and bronze tripod food container	40,000,000	10,000,000	25%
23.	Borrower J and KSLF (HK) entered into the Artwork Financing Agreement J2	23 February 2022	Lender: KSLF (HK) Borrower: Borrower J	HK\$0.5 million	8% per annum	23 February 2023	Silver tripod cup, bronze drinking vessel with lid and bronze tripod food container	42,472,600	10,500,000	25%
24.	Borrower J and KSLF (HK) entered into the Artwork Financing Agreement J3	24 March 2022	Lender: KSLF (HK) Borrower: Borrower J	HK\$1.8 million	8% per annum	23 March 2023	Silver tripod cup and bronze drinking vessel with lid	51,074,900	12,300,000	24%
25. Borrower K	Borrower K and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement K-I") to renew the Artwork Financing Agreement K	20 September 2021	Lender: KSLF (HK) Borrower: Borrower K	RMB35 million	8% per annum	20 September 2022	Pieces of natural jade and patterned wine container	160,413,500	38,720,500	24%
26.	Borrower K and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement K-II") to further renew the Artwork Financing Agreement K	20 September 2022	Lender: KSLF (HK) Borrower: Borrower K	RMB35 million	8% per annum	20 September 2023	Pieces of natural jade and patterned wine container	160,413,500	38,720,500	24%

Borrower	Description	Date	Parties	Advance amount	Interest rate	Maturity date	Summary of Subject Artwork(s) held as collaterals	Referenced fair value of Subject Artwork(s) (HK\$)	Aggregate outstanding principal amount of Secured Advances as at the date of the Artwork Financing Agreement (HK\$)	Loan-to-value ratio (i.e. aggregate outstanding principal amount of Secured Advances as at the date of Artwork Financing Agreement/referenced fair value of Subject Artwork(s)) (approximately)
27. Borrower L	Borrower L and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement L1-I") to renew the Artwork Financing Agreement L1	16 September 2021	Lender: KSLF (HK) Borrower: Borrower L	HK\$20 million	8% per annum	20 September 2022	Modern Chinese oil paintings, traditional Chinese paintings and wine containers	177,648,803	40,000,000	23%
28.	Borrower L and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement L1-II") to further renew the Artwork Financing Agreement L1	16 September 2022	Lender: KSLF (HK) Borrower: Borrower L	HK\$20 million	8% per annum	20 September 2023	Modern Chinese oil paintings, traditional Chinese paintings and wine containers	178,477,693	40,000,000	22%
29.	Borrower L and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement L2-I") to renew the Artwork Financing Agreement L2	6 August 2021	Lender: KSLF (HK) Borrower: Borrower L	RMB20 million	8% per annum	6 August 2022	Modern Chinese oil paintings, traditional Chinese paintings and wine containers	171,816,973	40,000,000	23%
30.	Borrower L and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement L2-II") to further renew the Artwork Financing Agreement L2	5 August 2022	Lender: KSLF (HK) Borrower: Borrower L	RMB20 million	8% per annum	6 August 2023	Modern Chinese oil paintings, trading Chinese paintings and wine containers	166,207,166	40,000,000	24%
31. Borrower M	Borrower M and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement M-I") to renew the Artwork Financing Agreement M	30 June 2021	Lender: KSLF (HK) Borrower: Borrower M	HK\$30 million	8% per annum	30 June 2022	Bronze tripod food container and patterned tripod food container	132,264,000	30,000,000	23%
32.	Borrower M and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement M-II") to further renew the Artwork Financing Agreement M	30 June 2022	Lender: KSLF (HK) Borrower: Borrower M	HK\$30 million	8% per annum	30 June 2023	Bronze tripod food container and patterned tripod food container	128,887,000	30,000,000	23%
33. Borrower N	Borrower N and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement N") to renew the Artwork Financing Agreement N	30 June 2021	Lender: KSLF (HK) Borrower: Borrower N	HK\$26 million	8% per annum	30 June 2022	Buddha statue and patterned tripod food container	131,000,000	26,000,000	20%
34. Borrower O	Borrower O and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement O1-I") to renew the Artwork Financing Agreement O1	28 June 2021	Lender: KSLF (HK) Borrower: Borrower O	HK\$37.6 million	8% per annum	28 June 2022	Ice butterfly jade item and bronze wine vessel	188,500,000	37,600,000	20%
35.	Borrower O and KSLF (HK) entered into the Artwork Financing Agreement O2	28 February 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$11.5 million	8% per annum	27 February 2023	Tripod vessel with Chilong design	56,957,200	11,500,000	20%
36.	Borrower O and KSLF (HK) entered into the Artwork Financing Agreement O3	6 April 2022	Lender: KSLF (HK) Borrower: Borrower O	RMB11.2 million	8% per annum	31 March 2023	Tripod vessel with Chilong design, ice butterfly jade item and bronze wine vessel	245,457,200	62,498,560	25%
37.	Borrower O and KSLF (HK) entered into the Artwork Financing Agreement O4	19 April 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$2 million	8% per annum	18 April 2023	Tripod vessel with Chilong design, ice butterfly jade item and bronze wine vessel	245,457,200	64,330,560	26%
38.	Borrower O and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement O1-II") to renew the Artwork Financing Agreement O1	30 June 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$10,685,556	8% per annum	30 June 2023	Tripod vessel with Chilong design, ice butterfly jade item and bronze wine vessel with ritual inscription	243,663,000	37,138,356	15%

Borrower	Description	Date	Parties	Advance amount	Interest rate	Maturity date	Summary of Subject Artwork(s) held as collaterals	Referenced fair value of Subject Artwork(s) (HK\$)	Aggregate outstanding principal amount of Secured Advances as at the date of the Artwork Financing Agreement (HK\$)	Loan-to-value ratio (i.e. aggregate outstanding principal amount of Secured Advances as at the date of Artwork Financing Agreement/referenced fair value of Subject Artwork(s)) (approximately)
39.	Borrower O and KSLF (HK) entered into the Artwork Financing Agreement O5	28 July 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$885,000	8% per annum	27 July 2023	Tripod vessel with Chilong design, ice butterfly jade item and bronze wine vessel	243,041,400	38,118,556	16%
40.	Borrower O and KSLF (HK) entered into the Artwork Financing Agreement O6	29 August 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$2.5 million	8% per annum	31 March 2023	Tripod vessel with Chilong design, ice butterfly jade item and bronze wine vessel	240,999,000	40,743,996	17%
41.	Borrower O and KSLF (HK) entered into the Artwork Financing Agreement O7	4 November 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$1 million	8% per annum	3 November 2023	Tripod vessel with Chilong design, ice butterfly jade item and bronze wine vessel	237,750,400	41,708,156	18%
42.	Borrower P and KSLF (HK) entered into the Artwork Financing Agreement P1	26 August 2021	Lender: KSLF (HK) Borrower: Borrower P	HK\$17.5 million	8% per annum	25 August 2022	Patterned food vessel, food container with ears, bronze pot, bronze food tripod food container and furnaces	210,210,000	38,000,000	18%
43.	Borrower P and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement P1") to renew the Artwork Financing Agreement P1	25 August 2022	Lender: KSLF (HK) Borrower: Borrower O	HK\$17.5 million	8% per annum	25 August 2023	Patterned food vessel, food container with ears, bronze pot, bronze food tripod food container and furnaces	217,531,000	38,000,000	17%
44.	Borrower P and KSLF (HK) entered into the Artwork Financing Agreement P2	28 January 2022	Lender: KSLF (HK) Borrower: Borrower P	HK\$2.5 million	8% per annum	27 January 2023	Bronze wares, patterned food vessel, food container with ears, bronze pot, bronze food tripod food container and furnaces	222,471,000	40,500,000	18%
45.	Borrower P and KSLF (HK) entered into an amendment agreement (the "Renewal Agreement P2") to renew the Artwork Financing Agreement P2	27 January 2023	Lender: KSLF (HK) Borrower: Borrower O	HK\$2.5 million	8% per annum	27 January 2024	Bronze wares, patterned food vessel, food container with ears, bronze pot, bronze food tripod food container and furnaces	242,783,500	42,500,000	18%
46.	Borrower P and KSLF (HK) entered into the Artwork Financing Agreement P3	12 August 2022	Lender: KSLF (HK) Borrower: Borrower P	HK\$2 million	8% per annum	30 June 2023	Bronze wares, patterned food vessel, food container with ears, bronze pot, bronze food tripod food container and furnaces	242,783,500	42,500,000	18%

Borrower	Description	Date	Parties	Advance amount	Interest rate	Maturity date	Summary of Subject Artwork(s) held as collaterals	Referenced fair value of Subject Artwork(s) (HK\$)	Aggregate outstanding principal amount of Secured Advances as at the date of the Artwork Financing Agreement (HK\$)	Loan-to-value ratio (i.e. aggregate outstanding principal amount of Secured Advances as at the date of Artwork Financing Agreement/ referenced fair value of Subject Artwork(s)) (approximately)
47. Borrower Q	Borrower Q and Beijing Phoenixstar entered into an amendment agreement (the "Renewal Agreement Q") to renew the Artwork Financing Agreement Q	26 February 2022	Lender: Beijing Phoenixstar Borrower: Borrower Q	RMB6 million	12% per annum	31 March 2022	Silver wares and bronze mirror	25,706,835	7,419,000	29%

Financing arrangements under the Artwork Financing Agreements

Under each of the Artwork Financing Agreements, the Borrower, also the consignor, has transferred and delivered certain artwork(s) (the "Subject Artwork(s)") to the Lender for auction. Upon completion of inspection and confirmation, the Lender provided an advance in respect of the auction proceeds (i.e. the advance amount) to the Borrower. The Subject Artwork(s) shall be security against the fulfilment of all the Borrower's obligations under the Artwork Financing Agreements (including but not limited to the principal amount of advance, interest, other payables and cost and expenses for enforcement).

The Borrower shall pay interest annually to the Lender, which have accrued from the date on which the advance is made to the Borrower. In the event of any default in payment subsisting for more than seven (7) days, the Lender is entitled to declare the advance and interest immediately payable.

If an auction for the Subject Artwork(s) is not held or there is no successful bid for the Subject Artwork(s) upon the expiration of the financing term, the Borrower shall repay in full the principal amount of the advance and all interest accrued, failing which the Lender shall have the right to dispose of the Subject Artwork(s) at its sole discretion.

Upon full repayment of the principal amount by the Borrower of the advance and all interest accrued, the Lender shall release and deliver the Subject Artwork(s) to the Borrower.

Credit Policy

The principal amount of each advance to be provided by the Lenders to the Borrowers under the Artwork Financing Agreements was determined based on a discounted value of the Subject Artworks at a loan-to-value ratio determined by the Group with reference to

a range of factors in its credit assessment exercise, including but not limited to the nature, quality, price volatility and transferability of the Subject Artwork(s), the background and credit condition of the Borrowers and the prevailing market condition etc.

The value of the Subject Artwork(s) shall be based on valuation by inhouse and/or external artwork experts with the requisite qualifications, expertise and experience in artwork appraisal assignments.

FUNDING OF THE SECURED ADVANCES

The Group financed the Secured Advances with its internal resources.

INFORMATION ON THE BORROWERS

Borrower A is a PRC resident and is principally engaged in the trading of artworks.

Borrower B is a PRC resident and is principally engaged in the trading of artworks.

Borrower C is a PRC resident and is principally engaged in the trading of artworks.

Borrower D is a company established in the PRC with limited liability and is principally engaged in the trading, promotion and exhibition of artworks. Its ultimate beneficial owners are PRC residents, who holds 100% of the issued share capital of Borrower D.

Borrower E is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the trading of artworks. Its ultimate beneficial owner is Borrower P, who holds the entire issued share capital of Borrower E.

Borrower F is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the investment holdings. Its ultimate beneficial owner is a Hong Kong resident, who holds 100% of the issued share capital of Borrower F.

Borrower G is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the investment in artworks. Its ultimate beneficial owner is a Hong Kong resident, who holds 100% of the issued share capital of Borrower G.

Borrower H is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the trading in arts and antique. Its ultimate beneficial owner is a PRC resident, who holds 100% of the issued share capital of Borrower H.

Borrower I is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the antique trading business. Its ultimate beneficial owner is a PRC resident, who holds 100% of the issued share capital of Borrower I.

Borrower J is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the antique collection and trading business. Its ultimate beneficial owner is a Hong Kong resident, who holds 100% of the issued share capital of Borrower J.

Borrower K is a company established in the PRC with limited liability and is principally engaged in the artworks sales and investment business. Its ultimate beneficial owners are PRC residents, who holds 100% of the equity interest in Borrower K.

Borrower L is a company established in the PRC with limited liability and is principally engaged in the artworks sales and investment business. Its ultimate beneficial owners are PRC residents, who holds 100% of the equity interest in Borrower L.

Borrower M is a Hong Kong resident and is principally engaged in the artworks investment business.

Borrower N is a PRC resident and is principally engaged in the artworks investment business.

Borrower O is a company established in the PRC with limited liability and is principally engaged in the artworks investment business. Its ultimate beneficial owner is owners are PRC residents, who holds 100% of the equity interest in Borrower O.

Borrower P is a PRC resident and is principally engaged in the artworks investment business. She holds the entire issued share capital of Borrower E.

Borrower Q is a PRC resident and is principally engaged in the artworks investment business.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, (i) each of the Borrowers is owned by individual collectors and none of them has any relationship with each other (save that Borrower E is wholly-owned by Borrower P); and (ii) each of the Borrowers and its respective ultimate beneficial owners is an Independent Third Party. All the Borrowers were introduced to the Company by the business partners or through the auctions or promotion events held by the Group. Other than the provision of the Secured Advances, the Company (and its connected persons) has no agreements, arrangements, understanding or otherwise with each of the Borrowers and its ultimate beneficial owners.

INFORMATION OF KSLF (HK)

KSLF (HK) is a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in provision of auction and related services.

INFORMATION OF BEIJING PHOENIXSTAR

Beijing Phoenixstar was a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company before its deregistration on 15 September 2022. It was principally engaged in the auction and related businesses.

INFORMATION OF BEIJING PHOENIXSTAR CONSULTANCY

Beijing Phoenixstar Consultancy is a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in the cultural and art businesses.

INFORMATION OF THE COMPANY AND THE GROUP

The Company is an investment holding company incorporated in Bermuda as an exempted company with limited liability and is principally engaged in (i) auction business and arts and collections related business; (ii) trading business including making and sales of wine; and (iii) properties investment and development.

The Group, focusing on the development model of enhancing technological transformation of cultural industry, endeavours to leverage on the business network of the parent group, in particular, in the arts and culture industry, to expand and develop with digital innovation, the operation of cultural artworks auction, international artwork trading platform (the eight service centres), cultural industrial parks and cultural tourism. With reference to 2022 Annual Report, Hainan International Arts and Cultural Trading Centre Company Limited, which is held by the Company, commenced operations in digital art trading in 2022 following the establishment of the Hainan Free Trade Port. The pioneering operations have obtained the first cultural relics auction license in the Hainan Free Trade Port, and also been granted permission to engage in the auctioning of cultural relics that comply with pertinent laws and regulations. This development is of considerable significance for both the Hainan Free Trade Port and the Group, as it aids in the hub for international cultural artwork exchange and trading in South China, and serves as a new catalyst for future growth in the Group.

REASONS FOR ENTERING INTO THE ARTWORK FINANCING AGREEMENTS

The terms of each of the Artwork Financing Agreements were negotiated on an arm's length basis between the Group and the respective Borrowers, and were entered into on normal commercial terms. In the auction operations of the Group, along with the provision of auction services, the Group also provides art financing services to the consignors whereby the Group, having the benefit of the consigned artwork(s) as security, will provide the Secured Advances to consignors.

The Directors consider that the granting of the Secured Advances is financial assistance provided by the Company within the meaning of the Listing Rules. The Group had reviewed the Borrowers' financial and business background and performed search on the

Borrowers' credit history in order to assess the credit risk of the Borrowers. As revealed in the search results, none of the Borrowers has default history. In addition, the Group was able to obtain securities (i.e. the Subject Artwork(s)) from the Borrowers in respect of the provision of the Secured Advances to the Borrowers. The value appraisal report is sufficient to give a true and fair picture of the values of the Subject Artworks, and the principal amount of advance made by the Lenders to the Borrowers all represented a relatively substantial discount to the appraised values of the Subject Artworks. Based on the above assessment, the Directors considered the credit risks relating to the provision of Secured Advances to the Borrowers are relatively low.

The Artwork Financing Arrangements motivated the consignors to appoint the Group for auction of their artwork, which facilitated the auction business volume. The interest income generated from the Artwork Financing Arrangements provided the Group with a diversified and stable revenue source.

Having considered the abovementioned factors, the Directors consider that the terms of each of the Artwork Financing Agreements are fair and reasonable and the entering into of each of the Artwork Financing Agreements is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

Set out below are details of the implications under the Listing Rules in respect of the Artwork Financing Agreements and the transactions contemplated thereunder:

Borrower	Transaction	Listing Rules implications
1. Borrower A	Renewal Agreement A	The Renewal Agreement A and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
2. Borrower B	Renewal Agreement B	The Renewal Agreement B and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
3. Borrower C	Renewal Agreement C	The Renewal Agreement C and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
4. Borrower D	Renewal Agreement D	The Renewal Agreement D and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.

Borrower	Transaction	Listing Rules implications
5. Borrower E	Renewal Agreement E1-I	<p data-bbox="834 236 1449 506">As the Renewal Agreement E1-I was entered into by the Group with the same party within a 12-month period after the entering into of a renewal agreement dated 30 June 2020 for an advance in the principal amounts of HK\$5.5 million, the transactions contemplated under the Renewal Agreement E1-I and the aforementioned renewal agreement are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 549 1449 676">The Renewal Agreement E1-I and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
6.	Renewal Agreement E1-II	<p data-bbox="834 725 1449 1029">As the Renewal Agreement E1-II was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement E2, the Artwork Financing Agreement P1 and the Artwork Financing Agreement P2, the transactions contemplated under the Renewal Agreement E1-II and the Renewal Agreement E2, the Artwork Financing Agreement P1 and the Artwork Financing Agreement P2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 1072 1449 1200">The Renewal Agreement E1-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
7.	Renewal Agreement E2	<p data-bbox="834 1247 1449 1442">As the Renewal Agreement E2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement E1-I, the transactions contemplated under the Renewal Agreement E2 and the Renewal Agreement E1-I are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 1485 1449 1619">The Renewal Agreement E2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
8. Borrower F	Renewal Agreement F1-I	<p data-bbox="834 1661 1449 1753">The Renewal Agreement F1-I and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
9.	Renewal Agreement F1-II	<p data-bbox="834 236 1447 470">As the Renewal Agreement F1-II was entered into by the Group with the same party within a 12-month period after the entering into of the Artwork Financing Agreement F2, the transactions contemplated under the Renewal Agreement F1-II and the Artwork Financing Agreement F2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 512 1447 646">The Renewal Agreement F1-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
10.	Artwork Financing Agreement F2	<p data-bbox="834 689 1447 923">As the Artwork Financing Agreement F2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement F1-I, the transactions contemplated under the Artwork Financing Agreement F2 and the Renewal Agreement F1-I are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 966 1447 1100">The Artwork Financing Agreement F2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
11.	Renewal Agreement F2	<p data-bbox="834 1142 1447 1342">As the Renewal Agreement F2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement F1-II, the transactions contemplated under the Renewal Agreement F2 and the Renewal Agreement F1-I are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1385 1447 1519">The Renewal Agreement F2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
12. Borrower G	Renewal Agreement G1-I	<p data-bbox="834 1561 1447 1649">The Renewal Agreement G1-I and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
13.	Renewal Agreement G1-II	<p data-bbox="834 236 1447 470">As the Renewal Agreement G1-II was entered into by the Group with the same party within a 12-month period after the entering into of the Artwork Financing Agreement G2, the transactions contemplated under the Renewal Agreement G1-II and the Artwork Financing Agreement G2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 512 1447 644">The Renewal Agreement G1-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
14.	Artwork Financing Agreement G2	<p data-bbox="834 687 1447 921">As the Artwork Financing Agreement G2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement G1-I, the transactions contemplated under the Artwork Financing Agreement G2 and the Renewal Agreement G1-I are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 963 1447 1095">The Artwork Financing Agreement G2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
15.	Renewal Agreement G2	<p data-bbox="834 1138 1447 1340">As the Renewal Agreement G2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement G1-II, the transactions contemplated under the Renewal Agreement G2 and the Renewal Agreement G1-II are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1383 1447 1510">The Renewal Agreement G2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
16. Borrower H	Renewal Agreement H1	<p data-bbox="823 236 1447 506">As the Renewal Agreement H1 was entered into by the Group with the same party within a 12-month period after the entering into of a renewal agreement dated 28 December 2021 for an advance in the principal amount of HK\$7 million, the transactions contemplated under the Renewal Agreement H1 and the aforementioned renewal agreement are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 549 1447 676">The Renewal Agreement H1 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
17.	Renewal Agreement H2-I	<p data-bbox="823 725 1447 1029">As the Renewal Agreement H2-I was entered into by the Group with the same party within a 12-month period after the entering into of two renewal agreements dated 4 December 2020 and 21 December 2020 for two advances in the principal amounts of RMB5 million and HK\$7 million, respectively, the transactions contemplated under the Renewal Agreement H2-I and the two aforementioned renewal agreements are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1072 1447 1200">The Renewal Agreement H2-I and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
18.	Renewal Agreement H2-II	<p data-bbox="823 1247 1447 1551">As the Renewal Agreement H2-II was entered into by the Group with the same party within a 12-month period after the entering into of an renewal agreement dated 28 December 2021 for an advance in the principal amount HK\$7 million and the Renewal Agreement H1, the transactions contemplated under the Renewal Agreement H2-II and the two aforementioned renewal agreements are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1593 1447 1717">The Renewal Agreement H2-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
19.	Renewal Agreement H3-I	<p data-bbox="834 236 1449 576">As the Renewal Agreement H3-I was entered into by the Group with the same party within a 12-month period after the entering into of three renewal agreements dated 19 August 2020, 4 December 2020 and 21 December 2020 for three advances in the principal amounts of HK\$25 million, RMB5 million and HK\$7 million, respectively, the transactions contemplated under the Renewal Agreement H3-I and the three aforementioned renewal agreements are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 619 1449 746">The Renewal Agreement H3-I and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
20.	Renewal Agreement H3-II	<p data-bbox="834 789 1449 1129">As the Renewal Agreement H3-II was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement H2-II, Renewal Agreement H1 and an renewal agreement dated 28 December 2021 for an advance in the principal amounts of HK\$7 million, the transactions contemplated under the Renewal Agreement H3-II, the Renewal Agreement H2-II, Renewal Agreement H1 and the aforementioned renewal agreement are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 1172 1449 1300">The Renewal Agreement H3-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
21. Borrower I	Renewal Agreement I	<p data-bbox="834 1342 1449 1438">The Renewal Agreement I and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.</p>
22. Borrower J	Renewal Agreement J1	<p data-bbox="834 1481 1449 1576">The Renewal Agreement J1 and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
23.	Artwork Financing Agreement J2	<p>As the Artwork Financing Agreement J2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement J1, the transactions contemplated under the Artwork Financing Agreement J2 and the Renewal Agreement J1 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p>The Artwork Financing Agreement J2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
24.	Artwork Financing Agreement J3	<p>As the Artwork Financing Agreement J3 was entered into by the Group with the same party within a 12-month period after the entering into of the Artwork Financing Agreement J2 and Renewal Agreement J1, the transactions contemplated under the Artwork Financing Agreement J3, Artwork Financing Agreement J2 and the Renewal Agreement J1 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p>The Artwork Financing Agreement J3 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
25. Borrower K	Renewal Agreement K-I	The Renewal Agreement K-I and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
26.	Renewal Agreement K-II	The Renewal Agreement K-II and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
27. Borrower L	Renewal Agreement L1-I	<p>As the Renewal Agreement L1-I was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement L2-I, the transactions contemplated under the Renewal Agreement L1-I and the Renewal Agreement L2-I are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p>The Renewal Agreement L1-I and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
28.	Renewal Agreement L1-II	<p data-bbox="834 236 1449 470">As the Renewal Agreement L1-II was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement L2-II, the transactions contemplated under the Renewal Agreement L1-II and the Renewal Agreement L2-II are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 512 1449 646">The Renewal Agreement L1-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
29.	Renewal Agreement L2-I	<p data-bbox="834 689 1449 959">As the Renewal Agreement L2-I was entered into by the Group with the same party within a 12-month period after the entering into of the renewal agreement dated 14 September 2020 for an advance in the principal amounts of HK\$20 million, the transactions contemplated under the Renewal Agreement L2-I and the aforementioned renewal agreement are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1002 1449 1136">The Renewal Agreement L2-I and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
30.	Renewal Agreement L2-II	<p data-bbox="834 1178 1449 1412">As the Renewal Agreement L2-II was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement L1-I, the transactions contemplated under the Renewal Agreement L2-II and the Renewal Agreement L1-I are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1455 1449 1583">The Renewal Agreement L2-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
31. Borrower M	Renewal Agreement M-I	<p data-bbox="834 1625 1449 1725">The Renewal Agreement M-I and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.</p>
32.	Renewal Agreement M-II	<p data-bbox="834 1768 1449 1868">The Renewal Agreement M-II and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
33. Borrower N	Renewal Agreement N	The Renewal Agreement N and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
34. Borrower O	Renewal Agreement O1-I	The Renewal Agreement O1-I and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
35.	Artwork Financing Agreement O2	The Artwork Financing Agreement O2 and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.
36.	Artwork Financing Agreement O3	<p>As the Artwork Financing Agreement O3 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement O1-I and Artwork Financing Agreement O2, the transactions contemplated under the Artwork Financing Agreement O3 and the Renewal Agreement O1-I and Artwork Financing Agreement O2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p>The Artwork Financing Agreement O3 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
37.	Artwork Financing Agreement O4	<p>As the Artwork Financing Agreement O4 was entered into by the Group with the same party within a 12-month period after the entering into of the Artwork Financing Agreement O3, the Renewal Agreement O1-I and the Artwork Financing Agreement O2, the transactions contemplated under the Artwork Financing Agreement O4 and the Artwork Financing Agreement O3, the Renewal Agreement O1-I and the Artwork Financing Agreement O2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p>The Artwork Financing Agreement O4 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
38.	Renewal Agreement O1-II	<p data-bbox="834 236 1449 561">As the Renewal Agreement O1-II was entered into by the Group with the same party within a 12-month period after the entering into of the Artwork Financing Agreement O2, the Artwork Financing Agreement O3 and the Artwork Financing Agreement O4, the transactions contemplated under the Renewal Agreement O1-II and the Artwork Financing Agreement O2, the Artwork Financing Agreement O3 and the Artwork Financing Agreement O4 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 602 1449 725">The Renewal Agreement O1-II and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
39.	Artwork Financing Agreement O5	<p data-bbox="834 768 1449 1129">As the Artwork Financing Agreement O5 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement O1-II, the Artwork Financing Agreement O2, the Artwork Financing Agreement O3 and the Artwork Financing Agreement O4, the transactions contemplated under the Artwork Financing Agreement O5 and the Renewal Agreement O1-II, the Artwork Financing Agreement O2, the Artwork Financing Agreement O3 and the Artwork Financing Agreement O4 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 1170 1449 1293">The Artwork Financing Agreement O5 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
40.	Artwork Financing Agreement O6	<p data-bbox="834 1336 1449 1730">As the Artwork Financing Agreement O6 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement O1-II, the Artwork Financing Agreement O2, the Artwork Financing Agreement O3, the Artwork Financing Agreement O4 and the Artwork Financing Agreement O5, the transactions contemplated under the Artwork Financing Agreement O6 and the Renewal Agreement O1-II, the Artwork Financing Agreement O2, the Artwork Financing Agreement O3, the Artwork Financing Agreement O4 and the Artwork Financing Agreement O5 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="834 1770 1449 1893">The Artwork Financing Agreement O6 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
41.	Artwork Financing Agreement O7	<p data-bbox="823 236 1449 676">As the Artwork Financing Agreement O7 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement O1-II, the Artwork Financing Agreement O2, the Artwork Financing Agreement O3, the Artwork Financing Agreement O4, the Artwork Financing Agreement O5 and Artwork Financing Agreement O6, the transactions contemplated under the Artwork Financing Agreement O7 and the Renewal Agreement O1-II, the Artwork Financing Agreement O2, the Artwork Financing Agreement O3, the Artwork Financing Agreement O4, the Artwork Financing Agreement O5 and Artwork Financing Agreement O6 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 719 1449 853">The Artwork Financing Agreement O7 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
42. Borrower P	Artwork Financing Agreement P1	<p data-bbox="823 895 1449 1166">As the Artwork Financing Agreement P1 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement E1-I and Renewal Agreement E2, the transactions contemplated under the Artwork Financing Agreement P1 and the Renewal Agreement E1-I and Renewal Agreement E2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1208 1449 1336">The Artwork Financing Agreement P1 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
43.	Renewal Agreement P1	<p data-bbox="823 236 1449 544">As the Renewal Agreement P1 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement E1-II and a renewal agreement dated 29 June 2021 (the “Renewal Agreement E2-II”) further renewing the Artwork Financing Agreement P1, the transactions contemplated under the Renewal Agreement P1 and the Renewal Agreement E1-II and Renewal Agreement E2-II are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 580 1449 715">The Renewal Agreement P1 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
44.	Artwork Financing Agreement P2	<p data-bbox="823 757 1449 1029">As the Renewal Agreement P2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement P1, the Renewal Agreement E1-I and Renewal Agreement E2, the transactions contemplated under the Renewal Agreement P2 and the Renewal Agreement P1, the Renewal Agreement E1-I and Renewal Agreement E2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1066 1449 1204">The Renewal Agreement P2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
45.	Renewal Agreement P2	<p data-bbox="823 1247 1449 1583">As the Renewal Agreement P2 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement E1-II, Renewal Agreement E2-II, Renewal Agreement P1 and Artwork Financing Agreement P3, the transactions contemplated under the Renewal Agreement P2 and the Renewal Agreement E1-II, Renewal Agreement E2-II, Renewal Agreement P1 and Artwork Financing Agreement P3 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p data-bbox="823 1619 1449 1751">The Renewal Agreement P2 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>

Borrower	Transaction	Listing Rules implications
46.	Artwork Financing Agreement P3	<p>As the Renewal Agreement P3 was entered into by the Group with the same party within a 12-month period after the entering into of the Renewal Agreement E1-II, Renewal Agreement E2-II, Renewal Agreement P1 and Artwork Financing Agreement P2, the transactions contemplated under the Renewal Agreement P3 and the Renewal Agreement E1-II, Renewal Agreement E2-II, Renewal Agreement P1 and Artwork Financing Agreement P2 are aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.</p> <p>The Renewal Agreement P3 and the transactions contemplated thereunder, on an aggregate basis, constitute a DT and are subject to the DT Requirements and Exemptions.</p>
47. Borrower Q	Renewal Agreement Q	The Renewal Agreement Q and the transactions contemplated thereunder constitute a DT and are subject to the DT Requirements and Exemptions.

As one or more of the applicable percentage ratios (under Rule 14.07 of the Listing Rules) in respect of the Secured Advances above exceed 5% but all are less than 25%, each of the Secured Advances above constituted a DT under Chapter 14 of the Listing Rules at the relevant time.

The Company should have complied with the relevant notification and announcement requirements under Chapter 14 of the Listing Rules in respect of the Secured Advances, which constituted DTs, as and when such obligations arose. Regrettably, the management team had misunderstood the application of the requirements under Chapter 14 of the Listing Rules.

REMEDIAL MEASURES

The Board recognises, for the avoidance of future occurrence of non-compliance of the Listing Rules, the need to enhance its internal control and compliance measures. The Board has implemented the following actions and procedures:

- (i) the Company has engaged legal advisers and financial advisers to advise the management team on the latest application and requirements of the Listing Rules and compliance practice for financing arrangements;
- (ii) the Company has re-circulated and enhanced the internal communication guideline to the management team and responsible staff of the Company regarding the reporting procedure for notifiable transactions, connected transactions and/or other transactions required to be disclosed under the Listing Rules;

- (iii) the compliance department of the Group shall work closely and check with the subsidiaries/business units of the Group as to potential transactions that are expected to be finalized (including obtaining sufficient particulars). Based on the information provided, the compliance department of the Group shall advise the compliance requirements under the Listing Rules. If required, the compliance department of the Group shall report the details of the transaction to senior management or the Board (as appropriate) as soon as possible and shall arrange notification, publication and/or shareholders' approval in accordance with the Listing Rules;
- (iv) the Company has designated an executive Director with extensive business and financial management experience for overseeing the internal control and compliance in respect of the art financing business of the Group, with the assistance of the management team;
- (v) the Company will arrange to provide additional training on regulatory compliance matters to the management team on a regular basis to increase their awareness and knowledge of the Listing Rules implications; and
- (vi) the Company will work more closely with and seek advices in a timely fashion from its legal advisers and financial advisers on compliance issues.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

- “Artwork Financing Agreement A” the artwork financing agreement dated 26 December 2017 entered into between Beijing Phoenixstar and Borrower A for auction and art financing in the principal amount of RMB10 million, as amended and supplemented from time to time
- “Artwork Financing Agreement B” the artwork financing agreement dated 7 June 2018 entered into between Beijing Phoenixstar and Borrower B for auction and art financing in the principal amount of RMB6 million, as may be amended and supplemented from time to time
- “Artwork Financing Agreement C” the artwork financing agreement dated 11 June 2019 entered into between Beijing Phoenixstar and Borrower C for auction and art financing in the principal amount of RMB10 million, as amended and supplemented from time to time
- “Artwork Financing Agreement D” the artwork financing agreement dated 17 August 2020 entered into between Beijing Phoenixstar and Borrower D for auction and art financing in the principal amount of RMB21 million, as amended and supplemented from time to time

“Artwork Financing Agreement E1”	the artwork financing agreement dated 18 April 2017 entered into between KSLF (HK), Beijing Phoenixstar and Borrower E for auction and art financing in the principal amount of HK\$25 million, as amended and supplemented from time to time
“Artwork Financing Agreement E2”	the artwork financing agreement dated 28 November 2019 entered into between KSLF (HK) and Borrower E for auction and art financing in the principal amount of HK\$5.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement F1”	the artwork financing agreement dated 20 December 2018 entered into between KSLF (HK) and Borrower F for auction and art financing in the principal amount of RMB17.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement F2”	the artwork financing agreement dated 30 January 2023 entered into between KSLF (HK) and Borrower F for auction and art financing in the principal amount of HK\$7.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement G1”	the artwork financing agreement dated 20 December 2018 entered into between KSLF (HK) and Borrower G for auction and art financing in the principal amount of HK\$20 million, as amended and supplemented from time to time
“Artwork Financing Agreement G2”	the artwork financing agreement dated 11 February 2022 entered into between KSLF (HK) and Borrower G for auction and art financing in the principal amount of HK\$4 million, as amended and supplemented from time to time
“Artwork Financing Agreement H1”	the artwork financing agreement dated 20 June 2019 entered into between KSLF (HK) and Borrower H for auction and art financing in the principal amount of RMB5 million, as amended and supplemented from time to time
“Artwork Financing Agreement H2”	the artwork financing agreement dated 29 August 2019 entered into between KSLF (HK) and Borrower H for auction and art financing in the principal amount of HK\$25 million, as amended and supplemented from time to time
“Artwork Financing Agreement H3”	the artwork financing agreement dated 6 July 2020 entered into between KSLF (HK) and Borrower H for auction and art financing in the principal amount of RMB5 million, as amended and supplemented from time to time

“Artwork Financing Agreement I”	the artwork financing agreement dated 9 March 2018 entered into between KSLF (HK), Beijing Phoenixstar and Borrower I for auction and art financing in the principal amount of HK\$20 million, as amended and supplemented from time to time
“Artwork Financing Agreement J1”	the artwork financing agreement dated 2 July 2018 entered into between KSLF (HK) and Borrower J for auction and art financing in the principal amount of HK\$10 million, as amended and supplemented from time to time
“Artwork Financing Agreement J2”	the artwork financing agreement dated 23 February 2022 entered into between KSLF (HK) and Borrower J for auction and art financing in the principal amount of HK\$0.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement J3”	the artwork financing agreement dated 24 March 2022 entered into between KSLF (HK) and Borrower J for auction and art financing in the principal amount of HK\$1.8 million, as amended and supplemented from time to time
“Artwork Financing Agreement K”	the artwork financing agreement dated 16 September 2019 entered into between KSLF (HK) and Borrower K for auction and art financing in the principal amount of RMB35 million, as amended and supplemented from time to time
“Artwork Financing Agreement L1”	the artwork financing agreement dated 16 September 2019 entered into between KSLF (HK) and Borrower L for auction and art financing in the principal amount of RMB25 million, as amended and supplemented from time to time
“Artwork Financing Agreement L2”	the artwork financing agreement dated 7 August 2022 entered into between KSLF (HK) and Borrower L for auction and art financing in the principal amount of HK\$20 million, as amended and supplemented from time to time
“Artwork Financing Agreement M”	the artwork financing agreement dated 24 December 2019 entered into between KSLF (HK) and Borrower M for auction and art financing in the principal amount of HK\$30 million, as amended and supplemented from time to time
“Artwork Financing Agreement N”	the artwork financing agreement dated 15 January 2020 entered into between KSLF (HK) and Borrower N for auction and art financing in the principal amount of HK\$26 million, as amended and supplemented from time to time

“Artwork Financing Agreement O1”	the artwork financing agreement dated 29 June 2020 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of RMB34,338,898, as amended and supplemented from time to time
“Artwork Financing Agreement O2”	the artwork financing agreement dated 28 February 2022 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of HK\$11.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement O3”	the artwork financing agreement dated 6 April 2022 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of RMB11.2 million, as amended and supplemented from time to time
“Artwork Financing Agreement O4”	the artwork financing agreement dated 19 April 2022 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of HK\$2 million, as amended and supplemented from time to time
“Artwork Financing Agreement O5”	the artwork financing agreement dated 28 July 2022 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of HK\$885,000, as amended and supplemented from time to time
“Artwork Financing Agreement O6”	the artwork financing agreement dated 29 August 2022 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of HK\$2.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement O7”	the artwork financing agreement dated 4 November 2022 entered into between KSLF (HK) and Borrower O for auction and art financing in the principal amount of HK\$1 million, as amended and supplemented from time to time
“Artwork Financing Agreement P1”	the artwork financing agreement dated 26 August 2021 entered into between KSLF (HK) and Borrower P for auction and art financing in the principal amount of HK\$17.5 million, as amended and supplemented from time to time
“Artwork Financing Agreement P2”	the artwork financing agreement dated 28 January 2022 entered into between KSLF (HK) and Borrower P for auction and art financing in the principal amount of HK\$2.5 million, as amended and supplemented from time to time

“Artwork Financing Agreement P3”	the artwork financing agreement dated 12 August 2022 entered into between KSLF (HK) and Borrower P for auction and art financing in the principal amount of HK\$2 million, as amended and supplemented from time to time
“Artwork Financing Agreement Q”	the artwork financing agreement dated 26 January 2019 entered into between Beijing Phoenixstar and Borrower Q for auction and art financing in the principal amount of RMB6 million, as may be amended and supplemented from time to time
“Artwork Financing Agreements”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Beijing Phoenixstar”	Beijing Phoenixstar International Auction Co., Ltd.* (北京景星麟鳳國際拍賣有限公司), which was established under the laws of the PRC as a limited liability company and an indirect wholly-owned subsidiary of the Company before its deregistration on 15 September 2022
“Beijing Phoenixstar Consultancy”	Beijing Phoenixstar Information Consultancy Company Limited* (北京景星麟鳳信息諮詢有限公司), a company established under the laws of the PRC as a limited liability company and an indirect wholly-owned subsidiary of the Company
“Borrower A”	a PRC resident and the borrower under Artwork Financing Agreement A
“Borrower B”	a PRC resident and the borrower under Artwork Financing Agreement B
“Borrower C”	a PRC resident and the borrower under Artwork Financing Agreement C
“Borrower D”	a company established in the PRC with limited liability and the borrower under Artwork Financing Agreement D
“Borrower E”	a company incorporated under the laws of British Virgin Islands with limited liability and the borrower under Artwork Financing Agreement E
“Borrower F”	a company incorporated under the laws of British Virgin Islands with limited liability and the borrower under Artwork Financing Agreement F

“Borrower G”	a company incorporated under the laws of British Virgin Islands with limited liability and the borrower under Artwork Financing Agreement G
“Borrower H”	a company incorporated under the laws of British Virgin Islands with limited liability and the borrower under Artwork Financing Agreement H
“Borrower I”	a company incorporated under the laws of British Virgin Islands with limited liability and the borrower under Artwork Financing Agreement I
“Borrower J”	a company incorporated under the laws of British Virgin Islands with limited liability and the borrower under Artwork Financing Agreement J
“Borrower K”	a company established under the laws of the PRC with limited liability and the borrower under Artwork Financing Agreement K
“Borrower L”	a company established under the laws of the PRC with limited liability and the borrower under Artwork Financing Agreement L
“Borrower M”	a Hong Kong resident and the borrower under Artwork Financing Agreement M
“Borrower N”	a PRC resident and the borrower under Artwork Financing Agreement N
“Borrower O”	a company established under the laws of the PRC with limited liability and the borrower under Artwork Financing Agreement O
“Borrower P”	a company established under the laws of the PRC with limited liability and the borrower under Artwork Financing Agreement P
“Borrower Q”	a PRC resident and the borrower under Artwork Financing Agreement Q
“Borrower(s)”	collectively, Borrower A, Borrower B, Borrower C, Borrower D, Borrower E, Borrower F, Borrower G and Borrower H, Borrower I, Borrower J, Borrower K, Borrower L, Borrower M, Borrower N, Borrower O, Borrower P and Borrower Q, and a “Borrower” shall refer to any of the Borrowers

“Company”	DTXS Silk Road Investment Holdings Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 620)
“Director(s)”	the director(s) of the Company
“DT”	a discloseable transaction of the Company under Chapter 14 of the Listing Rules
“DT Requirements and Exemptions”	the reporting and announcement requirements, and the exemption from the circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules
“Final Result Announcement”	the announcement of the final results for the financial year ended 31 December 2022 of the Company published on 31 March 2023
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party(ies)”	person or company who or which is not a connected person of the Company
“KSLF (HK)”	China King Sing Lun Fung Company Limited, a company incorporated under the law of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Lender”	the lender under the Artwork Financing Agreements, i.e. KSLF (HK) and/or Beijing Phoenixstar and/or Beijing Phoenixstar Consultancy
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Renewal Agreement A”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement B”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement C”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement

“Renewal Agreement D”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement E1-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement E1-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement E2”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement F1-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement F1-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement F2”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement G1-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement G1-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement G2”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement HI”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement H2-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement H2-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement H3-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement H3-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement

“Renewal Agreement J”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement K-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement K-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement L1-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement L1-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement L2-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement L2-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement M-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement M-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement N”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement O1-I”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement O1-II”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement P1”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement P2”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Renewal Agreement Q”	has the meaning ascribed to it in the section headed “The Artwork Financing Agreements” of this announcement
“Secured Advances”	collectively, the advances made under the Artwork Financing Agreements

“Shareholder(s)”	the shareholder(s) of the Company
“Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“2022 Annual Report”	the annual report of the Company for the financial year ended 31 December 2022, published on 28 April 2023
“%”	per cent.

By Order of the Board
DTXS Silk Road Investment Holdings Company Limited
Wong Kwok Tung Gordon Allan
Executive Director and Co-Chief Executive Officer

Hong Kong, 14 July 2023

As at the date of this announcement, the Board comprises five Executive Directors, namely Mr. Lu Jianzhong (Chairman), Mr. Yang Xingwen, Mr. Huang Dahai, Mr. Wong Kwok Tung Gordon Allan (Co-Chief Executive Officer) and Mr. Sun Liming (Co-Chief Executive Officer); and three Independent Non-executive Directors, namely Mr. Tsang Yok Sing, Jasper, Mr. Tse Yung Hoi and Mr. Kwok Chi Shing.

* *For identification purpose only*