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新絲路文旅有限公司
NEW SILKROAD CULTURALTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 472)

COMPLETION OF DISPOSAL OF THE MACKENZIE CREEK SECURITIES

Reference is made to the announcements of New Silkroad Culturaltainment Limited (the “**Company**”) dated 11 October 2019 and 8 November 2019 in respect of, among others, the disposal of the Mackenzie Creek Securities (collectively, the “**Announcements**”). Unless defined otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The Board is pleased to announce that Closing took place on 29 November 2019 (Toronto time) in accordance with the Securities Purchase Agreement (the “**Agreement**”) whereby the Mackenzie Creek Securities were transferred to an affiliate of the Purchaser (the “**New Owner**”).

Given certain litigations in relation to the Mackenzie Creek Project (the “**Project**”) are still in progress and the uncertainty on the grant of the development approval for the second phase of the Project, the New Owner and NSR Toronto had agreed to amend the payment terms of the Consideration in exchange for the New Owner to grant the necessary waiver for Closing.

On Closing, the aggregate amount of CAD3,000,000 (equivalent to approximately HK\$17,760,000), which comprised the First Deposit, the Second Deposit and CAD 1,750,000 (equivalent to approximately HK\$10,360,000), was paid by the New Owner. The next installment of the Consideration, being CAD11,000,000 (equivalent to approximately HK\$65,120,000), will be paid by the New Owner when construction financing for the first phase of the Project is in place. The balance of the Consideration (the exact amount of which will depend on post-Closing adjustments in accordance with the terms of the Agreement) will be paid when the second phase of the Project has obtained the rezoning and site plan approvals. If, for any reason, these milestones have not been met by 30 June 2022, all outstanding Consideration will be payable on that date. To secure the New Owner's obligation to pay the outstanding Consideration, the New Owner has pledged the security interest in 51% of each of the Mackenzie Creek Securities in favour of NSR Toronto.

After Closing, the Group has ceased to hold any units and shares in the MC Entities, MC Entities have ceased to be subsidiaries and/or the associate of the Company and their financial results, assets and liabilities will no longer be consolidated into the Group's financial statements.

By Order of the Board
New Silkroad Culturaltainment Limited
Ng Kwong Chue, Paul
Executive Director

Hong Kong, 4 December 2019

The exchange rate of CAD1.00 to HK\$5.92 is used for the purpose of this announcement. The exchange rate used is for indication only and should not be taken as a representation that CAD could actually be converted into HK\$ at that rate or at all.

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Su Bo, Mr. Ng Kwong Chue, Paul, Mr. Zhang Jian, Mr. Hang Guanyu and Mr. Liu Huaming, and three independent non-executive Directors, namely Mr. Ting Leung Huel, Stephen, Mr. Tse Kwong Hon and Mr. Cao Kuangyu.