

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



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

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 472)**

**(1) UPDATE ON THE ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2019  
AND  
(2) PROPOSED CHANGE OF AUDITORS**

**(1) UPDATE ON THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019**

Reference is made to the announcement of New Silkroad Culturaltainment Limited (the “**Company**”) dated 31 March 2020 in relation to the unaudited annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2019 (the “**2019 Preliminary Results Announcement**”). Unless otherwise required, capitalised terms used in this announcement shall have the same meanings as those defined in the 2019 Preliminary Results Announcement.

**AUDITORS’ AGREEMENT ON THE 2019 ANNUAL RESULTS**

As stated in the 2019 Preliminary Results Announcement, the annual results of the Group for the year ended 31 December 2019 (the “**2019 Annual Results**”) contained therein had not been agreed by the Company’s auditors.

The Board is pleased to announce that the auditing process of the 2019 Annual Results has been completed and the Company has obtained the agreement from the Company’s auditors, HLB Hodgson Impey Cheng Limited (“**HLB**”), on the 2019 Annual Results (including the figures contained in the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto) as set out in the 2019 Preliminary Results Announcement, in accordance with the requirement of Rule 13.49(2) of the Listing Rules.

The 2019 Annual Results remain substantially the same as the 2019 Preliminary Results Announcement, except for the reclassifications of certain expenses in the consolidated statement of profit or loss as detailed below which have no impact on the financial results of the Company:

## **MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED 2019 ANNUAL RESULTS**

	<b>Audited figures</b> <b>2019</b> <i>HK\$'000</i>	<b>Disclosed in the</b> <b>2019 Preliminary</b> <b>Results</b> <b>Announcement</b> <b>2019</b> <i>HK\$'000</i>	<b>Differences</b>  <i>HK\$'000</i>	<i>Notes</i>
Selling and distribution expenses	49,823	42,837	6,986	<i>(a)</i>
Administrative and other operating expenses	100,506	168,583	(68,077)	<i>(c)</i>
Impairment loss of goodwill	61,091	-	<u>61,091</u>	<i>(b)</i>
Net effect on the financial results of the Company			<u>-</u>	

*Notes:*

- (a) The difference represents a reclassification of advertising expenses from administrative and other operating expenses to selling and distribution expenses.
- (b) The difference represents a separate disclosure of impairment loss of goodwill on entertainment business reclassified from administrative and other operating expenses.
- (c) The difference represents a combined effect of note (a) and note (b).

## **SCOPE OF WORK OF HLB**

The work performed by HLB in respect of the 2019 Annual Results did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by HLB on the 2019 Preliminary Results Announcement or this announcement.

## **(2) PROPOSED CHANGE OF AUDITORS**

The Board further announces that upon recommendation of the Company's audit committee (the "**Audit Committee**"), the auditors of the Company for the year ending 31 December 2020 will be changed from HLB to Elite Partners CPA Limited ("**Elite Partners**").

HLB has been acting as the auditors of the Company since 2006. The Board considers that changing the auditors of the Company at an appropriate time will encourage the independence of its auditors and will therefore enhance and facilitate the level of corporate governance of the Company. As such, the Board resolved not to re-appoint HLB as auditors of the Company at the forthcoming annual general meeting of the Company (“AGM”) to be held in June 2020.

HLB has confirmed that there are no matters that need to be brought to the attention of the shareholders of the Company (the “Shareholders”). The Board and the Audit Committee also confirmed that there is no disagreement between the Company and HLB and that there are no other matters in respect of the non-reappointment of HLB that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its sincere gratitude to HLB for its professional and quality services rendered to the Company during the past years.

The Board also resolved to propose the appointment of Elite Partners as auditors of the Company for the financial year ending 31 December 2020 at the AGM to fill the vacancy and to hold office until the conclusion of the next following annual general meeting of the Company, subject to the approval by the Shareholders at the AGM.

Further details of the proposed change of auditors, together with a notice of the AGM, will be included in the circular to be despatched to the Shareholders together with the annual report for the year ended 31 December 2019 on or before 15 May 2020.

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

Hong Kong, 8 May 2020

*As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Ma Chenshan, 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.*