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## **YORKSHINE HOLDINGS LIMITED**

**煜新控股有限公司\***

*(Incorporated in Singapore with limited liability)*

*(Company Registration No. 198902648H)*

**Hong Kong Stock Code: 1048**

**Singapore Stock Code: MR8**

### **OVERSEAS REGULATORY ANNOUNCEMENT**

This overseas regulatory announcement is a reproduction of the announcement made by YORKSHINE HOLDINGS LIMITED (the “**Company**”) for compliance with Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Please refer to the attached announcement on the next page issued on the Singapore Exchange Securities Trading Limited on 26 April 2019.

On behalf of the Board  
**YORKSHINE HOLDINGS LIMITED**  
**Zhu Jun**  
*Executive Chairman and Executive Director*

Hong Kong, 26 April 2019

*As at the date of this announcement, the Board comprises three executive Directors, being Mr. Zhu Jun (Executive Chairman), Ms. Wang Jianqiao and Mr. Lei Yonghua; one non-executive Director, being Dr. Ouyang Qian; and three independent non-executive Directors, being Mr. Tang Chi Loong, Mr. Foo Teck Leong and Mr. William Robert Majcher.*

\* *For identification purpose only*

# YORKSHINE HOLDINGS LIMITED

Registration No. 198902648H

Incorporated in the Republic of Singapore

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## REPLY TO SGX QUERIES

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*Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings as given to them in the Company's announcement on 16 April 2019 "Audited Full Year Financial Statements and Dividend Announcement for the year ended 30 April 2018" (the "Announcement").*

The Board of Directors of Yorkshine Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in its email dated 25 April 2019 and wishes to respond as follows:-

### **SGX-ST's Queries:-**

#### **Query 1:**

With reference to the audited financial statements for the year ended 30 April 2018 ("FY2018"), please provide an explanation for an increase in trade and other receivables from US\$5,535,000 in FY2017 to US\$7,971,000 in FY2018.

#### **The Company's responses to Query 1 are as follows:-**

The increase is due to an increase in advanced payment to supplier and value-added tax ("**VAT**") receivables of US\$1.2 million and US\$0.9 million respectively. Yorkshine New Material (Taizhou) Limited 新煜新材料(泰州)有限公司 ("**YNMT**"), which has been under revitalization, resumed production in May 2018. The advanced payment to supplier was made in April 2018 and grouped under Trade and other receivables in FY2018. VAT receivables increased from US\$3.5 million to US\$4.4 million.

#### **Query 2:**

It is disclosed on page 22 that another impairment loss of US\$1,800,000 was recognised in respect of a disposal after the reporting period of equity interest of XHDD in September 2018. In this regard, please disclose the following information.

- (i) How the amount of impairment was determined; and
- (ii) The Board's confirmation as to whether it satisfied with the reasonableness of the methodologies used to determine amount of impairment.

#### **The Company's responses to Query 2 are as follows:-**

- (i) The net asset value of XHDD as at 30 April 2018 is of value RMB18.4 million. The consideration on disposing of 60% of the equity interest of XHDD in September 2018 was RMB4.2 million. Accordingly, the net valuation of XHDD at disposal was RMB7.0 million.

The difference between RMB18.4 million and RMB7.0 million was RMB11.4 million which is approximately equivalent to US\$1.8 million. The loss of disposal for this event after reporting period was recognised as an impairment loss in the Group's profit or loss for FY2018.

- (ii) The Board confirms that it is satisfied with the reasonableness of the methodologies used to determine amount of impairment.

#### **Query 3:**

Please provide the Board's assessment on the recoverability of the Group's trade and other receivables and the basis for such an assessment.

#### **The Company's responses to Query 3 are as follows:-**

Aging of the Group's trade and other receivables are being monitored. The Directors are of the opinion that no further allowance for impairment of trade and other receivables as at 30 April 2018 is necessary as there was no recent history of significant default in respect of these trade and other receivables. Furthermore, the advanced payment to supplier mentioned under Query 1 above have been cleared upon the receipt of material from supplier.

### **BY ORDER OF THE BOARD**

Zhu Jun

Executive Chairman and Executive Director

26 April 2019