

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.



Yi Hua Holdings Limited

益華控股有限公司

(In Liquidation)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2213)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by Yi Hua Holdings Limited (In Liquidation) (the "**Company**"), together with its subsidiaries, the "**Group**") pursuant to Rule 13.24A of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Reference is made to the Company's announcements dated 7 September 2010 and 2 November 2020 (the "**Announcements**"). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

UPDATE ON BUSINESS OPERATIONS OF THE GROUP

Reference is made to the Company's announcement dated 31 March 2020 of its unaudited annual results for the year ended 31 December 2019 (the "**Results Announcement**"). As disclosed in the Results Announcement, the Company is an investing holding company, while the Group is principally engaged in the operations of department stores in the People's Republic of China ("**PRC**"), and the Group has expanded its operations into property investment, property development and property management business following certain acquisitions from 2016 to 2018.

As at the date of this announcement, the Liquidators were advised by the management of certain PRC subsidiaries of the Company that the department store of the Group located in Guzhen town, Zhongshan city, Guangdong Province, the PRC had ceased operation in the third quarter of 2020.

The Group has been reviewing the operation of each of its department stores and looking for opportunities for business/corporate restructuring, in an aim to improve its business and financial performance, and enhance efficiency on deployment of working capital and other resources.

UPDATE ON AN ASSOCIATE OF THE COMPANY

The Liquidators are aware that on 9 November 2020, a notice (the "**Notice**") from the Intermediate People's Court of Zhongshan City, Guangdong Province, the PRC (中國廣東省中山市中級人民法院) (the "**Zhongshan Court**"), was sent to an associate of the Company, namely Subor Cultural Development Company Limited (the "**Associate**"), in relation to an bankruptcy and liquidation application filed by an

individual against the Associate (the "**Application**"). In the Notice, the Zhongshan Court requested the Associate to provide certain information for its review on the Application.

UPDATE ON THE PROGRESS OF RESUMPTION

As disclosed in the Company's announcements dated 7 September 2020 and 2 November 2020, the Stock Exchange has set out following Resumption Guidance for the Company:

- (i) have the winding-up order against the Company withdrawn or dismissed and the appointment of any liquidators (provisional or not) discharged;
- (ii) publish all outstanding financial results and address any audit modifications;
- (iii) inform the market of all material information for shareholders and investors to appraise the Company's position; and
- (iv) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules.

The Liquidators have been in discussion with various parties to explore the possibility of a restructuring of the Group and to consider various options available to the Company in formulating a viable resumption proposal. As at the date of this announcement, no binding agreement has been entered into. Further announcements will be made by the Company to update the shareholders of the Company and the public in this regard as and when appropriate.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange, which has been suspended with effect from 3:33 p.m. on 18 August 2020, remains suspended and will continue to be so until further notice.

The Company will keep the public informed by making further announcements as appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

For and on behalf of
Yi Hua Holdings Limited
(In Liquidation)
Lai Kar Yan (Derek)
Ho Kwok Leung Glen
Joint and Several Liquidators
acting as agents without personal liability

Hong Kong, 16 November 2020

At the date of this announcement, the executive Directors are Mr. Chen Jianren, Mr. Fan Xinpei, Mr. Leung Wai Kwan and Mr. Wu Kai; the non-executive Directors are Mr. Chen Daren and Mr. Chen Wenhan; and the independent non-executive Directors are Mr. Chong Ning and Ms. Chan Man Sze.