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## **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 2020, 2 November 2020, 16 November 2020, 28 January 2021 and 17 February 2021 (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**

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 Jiangmen City of Guangdong Province, the PRC had ceased operation in the first quarter of 2021.

The Group has been reviewing the operation of its department store business 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 THE PROGRESS OF RESUMPTION**

As disclosed in the announcement dated 17 February 2021, non-binding term sheets in relation to the proposed restructuring of the Group have been received by the Liquidators from potential investors and the Liquidators have been in negotiation with the parties with an aim to enter into a definitive agreement with one selected investor. As at the date of this announcement, the aforementioned negotiation with investors tendered non-binding term sheets has ceased as the key terms with regards to the definitive agreement cannot be mutually agreed and finalized.

The Liquidators are currently identifying potential investors. 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.

**There is no guarantee that the proposed restructuring of the Group or the resumption of trading in the shares of the Company on the Stock Exchange will take place. 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, 17 May 2021

*At the date of this announcement, the executive Directors are Mr. Chen Jianren, Mr. Fan Xinpei and Mr. Wu Kai; the non-executive Directors are Mr. Chen Daren and Mr. Chen Wenhan; and the independent non-executive Director is Mr. Chong Ning.*