

# YORKSHINE HOLDINGS LIMITED

(Company Registration No. 198902648H)

(Incorporated in Singapore)

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## QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

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Yorkshine Group Limited (f.k.a: Novo Group Limited) the “**Company**”, and, together with its subsidiaries, the “**Group**”) was placed on the Watch-List (the “**Watch-List**”) pursuant to Rule 1311 of the Listing Manual (the “**Listing Manual**”) of the SGX-ST on 3 September 2014.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide the following quarterly update:

### Update on Financial Position and Major Corporate Events

Please refer to the audited results announcement of the Company for the three months from 1 February 2017 to 30 April 2017 (“**4QFY2017**”) released on 1 August 2018 for full details.

### Material Development and Future Direction

The Group’s revenue for 4QFY2017 decreased by approximately 83% from approximately US\$6.6 million for the three months from 1 February 2016 to 30 April 2016 (“**4QFY2016**”) to approximately US\$1.1 million in 4QFY2017.

The decrease in trading revenue was mainly due to the shrinking of letter of credit of the Group.

The gross profit for 4QFY2017 arrives at US\$94,000 and for 4QFY2016 was US\$569,000, the G.P ratio was consistent at 8.6% for both periods.

### Future Prospects

#### (i) **Manufacturing Business**

Considering the Group has a strong team of competent and experienced personnel, coupled with an indisputable power technology, high-quality-level products as well as comparatively newer machine and equipment, the Group intends to revitalize the operations at the factory in Taizhou.

#### (ii) **Organic Beer**

On 20 July 2017, the Company announced that on the same date, STAR PROMISE INVESTMENTS LIMITED (the “**Subscriber**”), a wholly-owned subsidiary of the Company, Mr. Sun Bao Gang, Ms. Wu Ching Man and ORGANIC BEER HONG KONG LIMITED (the “**Target Company**”) entered into a Subscription and Shareholders’ Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe, and the Target Company has conditionally agreed to issue and allot to the Subscriber, subject to fulfillment of certain conditions, new ordinary shares in the Target Company (representing 60% of the issued share capital of the Target Company immediately after the subscription) at the subscription price of HK\$8 million, which was determined based on various factors including the costs of acquisition or leasing of machinery and equipment necessary for the operation of the Business and as general working capital for the operation of the Business to the Target Company. The subscription price will be satisfied in cash and will be funded by internal resources.

Please also refer to the Company's announcement dated 31 July 2018 for further details on the Company's updates on its resumption plan and business operations.

The Board will continue to review the available options to meet the requirements of Rule 1314(1) of the Listing Manual and removal from the Watch-List.

**BY ORDER OF THE BOARD**

**Zhu Jun**

Executive Chairman and Executive Director

1 August 2018