

YORKSHINE HOLDINGS LIMITED
(Company Registration Number: 198902648H)
(Incorporated in Singapore)

NOTIFICATION OF DELISTING

Reference is made to the following announcements previously made by Yorkshire Holdings Limited (“**Company**”) on:

- (a) 23 May 2019 in relation to, *inter alia*, receipt of a notification of delisting dated 21 May 2019 from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”);
- (b) 16 July 2019 in relation to, *inter alia*, the Company’s submission of an appeal to the SGX-ST on 27 May 2019, seeking a review of SGX-ST’s rejection of the Company’s application for extensions of time to submit a resumption of trading proposal and to exit the watch-list pursuant to Listing Rules 1304 and 1315;
- (c) 29 July 2019 in relation to, *inter alia* SGX-ST’s subsequent rejection of the abovementioned appeal and decision to delist the Company; and
- (d) 18 December 2019, in respect of the cancellation of the Company’s listing on The Stock Exchange of Hong Kong Limited with effect from 9.00 a.m. on 27 December 2019.

Pursuant to Listing Rule 1306, the Company or its controlling shareholder(s) must comply with Listing Rule 1309 which requires the Company or its controlling shareholder(s) to provide a reasonable exit offer to the Company’s shareholders (“**Shareholders**”). Trading in the shares of the Company on SGX-ST has been suspended since 3 August 2017.

Company not in a position to provide a reasonable exit offer to Shareholders

The board of directors of the Company (the “**Board**”) wishes to inform the Shareholders that the Company is not presently able to provide a reasonable exit offer to Shareholders.

The Board is of the view that the Group would not be able to realise the full value of its assets if it were to undertake a voluntary liquidation and/or sell off its assets, especially in the current depressed economic climate resulting from the Covid-19 pandemic. In addition, the valuation of the Group’s main assets, being the factory and equipment located in Taizhou, have decreased.

The cash position on 31 October 2019 (US\$259,000) has further deteriorated since the COVID-19 outbreak that seriously affected the sales of tinsplate products in China and the operation in YNMT has ceased since the Chinese New Year holidays in the end of January 2020. There have been no sales orders and, with the net liabilities position and the lack of working capital, YNMT’s operation is not expected to resume anytime shortly. As a result, the Company does not have sufficient cash flow to make an exit offer.

To present the latest financial position of the Group, an audit was performed on the principal and only operating subsidiary, Yorkshire New Material (Taizhou) Limited (“**YNMT**”), for the financial period ended 31 January 2020 (“**YNMT Audit**”). YNMT’s principal business is the manufacturing and sale of tinsplate products, and it owns the main assets of the Group, being the factory and equipment located in Taizhou. Based on YNMT Audit, YNMT has net liabilities of RMB47,465,070.42 (approximately US\$6,816,560 applying an exchange rate of RMB6.9632 : US\$1.00) as at 31 January 2020.

The Company had further engaged Jiangsu Zhengxing Land & Real Estate Asset Appraisal Consulting Limited (“Independent Valuer”) on 24 April 2020 to conduct an appraisal of fair market value for 100 percent of shareholders’ equity at YNMT by the base date of appraisal - January 31, 2020 (“Valuation Report”). Based on the Valuation Report, the Independent Valuer has determined that the fair market value of YNMT’s net assets is approximately negative RMB43,182,700 (approximately negative US\$[6,201,560] applying an exchange rate of RMB6.9632 : US\$1.00) as at 31 January 2020.

For prudence, the Company also sought a second opinion and separately engaged Jiangsu Tungfang Real Estate Appraisal, Planning & Surveying Limited Company (江苏同方房地产资产评估规划勘测有限公司) to perform a fixed assets valuation on YNMT’s fixed assets and land use rights. The figures and findings are consistent with the Valuation Report prepared by the Independent Valuer.

Factors which led to a drop in net assets of the Company for the financial period ended 31 October 2019 to a net liability position as at 31 January 2020 includes:

1. The net liabilities position was mainly because of the diminished in value of the fixed assets include plants and machineries based on the revaluation by Independent Valuer.
2. The revaluation on the fixed assets are based on the actual inspection of plants and machineries carried out by the Independent Valuer.
3. The decrease in value of fixed assets and plant is exacerbated by the ceasing of operation in YNMT.

Both the findings of the YNMT Audit Report and the Valuation Report in respect of the financial position of the sole operating subsidiary of the Group, YNMT, as at 31 January 2020 support the Board’s opinion that the Group would not be able to realise the full value of its net assets of US\$15,465,000 as reflected in its unaudited financial statements for the financial period ended 31 October 2019. The Board believe that a compulsory liquidation is not likely to yield any residual value for the shareholders in view of the net liabilities positions shown in both the Independent Valuation Report and the Audited Report of YNMT.

The English translations of the YNMT Audit report and the Valuation Report are annexed to this announcement for the reference of Shareholders at Annex A and Annex B, respectively.

Controlling Shareholder not in a position to provide a reasonable exit offer to Shareholders

Mr Zhu Jun, the executive chairman, executive director and controlling shareholder of the Company, has informed the Company that he is also not in a position to provide a reasonable exit offer.

Date of Delisting

The Company will update Shareholders after consultation with the SGX-ST as to the date it will be delisted from the SGX-ST / After consultation with the SGX-ST, the Company will be delisted from the SGX-ST with effect from 9.00 a.m. on 8th September 2020 and there will be no exit offer from the Company nor its controlling shareholder.

The Company will continue to exist as an unlisted public limited company with all its existing Shareholders after it is delisted from the SGX-ST.

Return of Share Certificates

The Company wishes to inform Shareholders that shares held with The Central Depository (Pte) Limited (“CDP”) prior to the delisting date will be withdrawn from the CDP once the Company has been delisted from SGX-ST. Physical share certificates will be returned to the Shareholders by Boardroom Corporate & Advisory Services Pte Ltd, by ordinary post at the Shareholders’ own risk to their respective addresses as such addresses appear in the record of CDP for their physical safe-keeping after the

delisting. Share certificates belonging to investors under the CPF Investment Scheme (“**CPFIS**”) and the Supplementary Retirement Scheme (“**SRS**”), as the case may be, will be forwarded to their respective agent banks included under the CPFIS and the SRS, as the case may be, for their safe-keeping.

The Company will keep Shareholders informed of any developments in this regard and will make such further announcements as and when appropriate.

BY ORDER OF THE BOARD

Zhu Jun
Executive Chairman and Executive Director
27 August 2020