

YORKSHINE HOLDINGS LIMITED

Registration No. 198902648H

Incorporated in the Republic of Singapore

REPLY TO SGX QUERIES

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 "Disposal of subsidiaries and grant of conditional waiver from Rule 1014(2) of the Listing Manual of the SGX-ST" (the "Announcement").

The Board of Directors of Yorkshire 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 22 April 2019 and wishes to respond as follows:-

SGX-ST's Queries:-

Query 1:

We refer to the announcement of 16 April 2019 titled: "Disposal of subsidiaries and grant of conditional waiver from Rule 1014(2)". Pursuant to Listing Rule 1002(3)(c), the net asset and net profit figures used for comparison with the transaction(s) under consideration will be taken from the latest announced consolidated accounts. Please disclose the information required under Listing Rule 1010(5), 1010(6), 1010(7) and 1010(13) based on the latest announced consolidated accounts.

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

Rule	Company's reply
<i>1010 (5) The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation.</i>	There is no open market value for the shares in the Target Subsidiaries as they are not publicly traded. Based on the audited consolidated financial statements of the Group for the financial year ended 30 April 2018 ("FY2018"), the book value and the net tangible liability of the Target Subsidiaries was approximately US\$33.61 million.
<i>1010 (6) In the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds.</i>	Based on the audited consolidated financial statements of the Group for FY2018, the Disposals are expected to result in an excess over the book value of the Disposal Shares of US\$33,499,000 because the Target Subsidiaries are in a net capital deficit position. The use of proceeds arising from the Disposal was disclosed in the Announcement at paragraph 2.6.
<i>1010 (7) The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on the disposal.</i>	Based on the audited consolidated financial statements of the Group for FY2018, the net loss before tax attributable to the Disposal Shares was US\$3,029,572, and the Disposals are expected to result in a gain on disposal of US\$33.6 million to the Group because the Target Subsidiaries are in a net capital deficit position.

<p>1010(13) The relative figures that were computed on the bases set out in Rule 1006.</p>	<p>The relative figures for the Disposals computed on the applicable bases set out in Rule 1006 of the Listing Manual of the SGX-ST, based on the audited consolidated financial statements of the Group for FY2018 announced on 16 April 2019 are set out below:</p>			
<p>Rule</p>	<p>Bases of computation</p>	<p>Disposals</p>	<p>Group</p>	<p>Relative figure</p>
<p>1006(a)</p>	<p>Net liability of value of assets being disposed of, compared with the Group's net liability value</p>	<p>US\$32,797,836</p>	<p>US\$9,561,909</p>	<p>343.01%¹</p>
<p>1006(b)</p>	<p>Net loss attributable to the assets disposed of, compared with the Group's net loss</p>	<p>US\$3,029,572</p>	<p>US\$13,383,192</p>	<p>22.64%²</p>
<p>1006(c)</p>	<p>Aggregate value of consideration received, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares</p>	<p>US\$100</p>	<p>US\$68,083,296</p>	<p>Not meaningful³</p>
<p>1006(d)</p>	<p>The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue</p>	<p>-</p>	<p>-</p>	<p>Not applicable, as this is not an acquisition and there is no issuance of equity securities by the Company</p>
<p>1006(e)</p>	<p>Aggregate volume or amount of proved and probable reserves to the disposed of, compared with the aggregate of the Group's proved and probable reserves</p>	<p>-</p>	<p>-</p>	<p>Not applicable, as this is not a disposal of mineral, oil or gas assets by a mineral, oil and gas company.</p>
<p><u>Note:</u></p> <ol style="list-style-type: none"> 1. This relative figure was (779.73)% in the Announcement, based on the unaudited consolidated financial statements of the Group for the half year ended 31 October 2017 ("1HFY2018"). 2. This relative figure was (18.86)% in the Announcement, based on the unaudited consolidated financial statements of the Group for 1HFY2018. 3. Not meaningful, given the Consideration of US\$100, compared to the market capitalization of the Company of approximately US\$68,083,296 (determined by multiplying the 191,484,269 issued shares of the Company by S\$0.48, being the weighted average price of the Company's shares transacted on 31 July 2017, the last full market day preceding the suspension of trading of the shares of the Company on the SGX-ST, and using an exchange rate of US\$1 : S\$1.35). 				

Query 2:

Listing Rule 1010(8) states that the effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year.

Listing Rule 1010(9) states that the effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year.

Please disclose the information required under Listing Rule 1010(8) and 1010(9) based on the financial results of the issuer for the most recently completed financial year.

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

The proforma financial effects of the Group after the Disposals set out below are for illustrative purposes only and should not be taken as an indication of the actual future financial performance or position of the Group following the Disposals, nor a projection of the future financial performance or position of the Group after completion of the Disposals.

The proforma financial effects of the Disposals are based on the Group's audited consolidated financial statements for FY2018.

(a) Net tangible assets/(liabilities) ("NTA") per share

Assuming that the Disposal had been completed on 30 April 2018, the NTA per share of the Group would be as follows:

	Before the Disposal	After the Disposal
NTA (US\$'000)	(12,344)	21,264
Number of issued shares ('000)	191,484	191,484
NTA per share (US cents)	(0.96)	11.10

(a) Earnings/(loss) per share ("EPS")

Assuming the Disposal had been effected on 1 May 2017, the EPS of the Group would be as follows:

	Before the Disposal	After the Disposal
Net profit/(loss) after tax (US\$'000)	(13,383)	20,217
Weighted average number of issued shares ('000)	191,484	191,484
EPS (US cents)	(6.99)	10.56

BY ORDER OF THE BOARD

Zhu Jun
Executive Chairman and Executive Director
24 April 2019