

RESPONSE TO SGX QUERIES ON THE FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

Yongmao Holdings Limited (the "Company") has received queries from the Singapore Exchange Securities Trading Limited (the "SGX-ST") regarding the Full year Results for the financial year ended 31 March 2016 ("FY2016") announced on 25 May 2016 ("the FY2016 Announcement"). The Company's responses to the queries of SGX-ST are set out below:

A) The Company recorded a material increase from RMB81.3 million to RMB95.6 million in the Amounts owing by related parties:

I. Please provide an explanation for the increase in the "amounts owing by related parties"

The increase is mainly due to slower repayment by Jiangsu Hengxingmao Financial Leasing Co., Ltd., a People's Republic of China ("PRC")'s subsidiary of Tat Hong Holdings Ltd ("Tat Hong"). This is in line with the overall slower repayment in the PRC market. Tat Hong is a controlling shareholder of the Company, holding 23.95% of the issued and paid up capital of the Company. The total trade amount owing by Tat Hong and its subsidiaries ("Tat Hong Group") reported at RMB92.8 million as at 31 March 2016 as compared to RMB77.8 million as at 31 March 2015.

In view of the above, Yongmao Holdings Limited and its subsidiaries ("the Group") have also further increased the amount owing to/advance from the Tat Hong Group of the amount of RMB32.5 million as at 31 March 2016 as compared to RMB16.7 million as at 31 March 2015.

Considering the net amount owing by Tat Hong Group and the amount owing to/advance from Tat Hong Group, overall balance slightly decreased by RMB0.9 million for the reporting period.

Subsequent to year end, Tat Hong Group has made payment to the Group for the amount of RMB40.5 million. The following table shows the net outstanding balance subsequent to the repayment:

	Group	
	RMB'000	RMB'000
	31 Mar 2016	31 Mar 2015
Amount owing from (trade)	92,816	77,825
Amount owing to/advance from (trade)	(5,603)	(7,124)
Amount owing to/advance from (non-trade)	(26,926)	(9,556)
Net amount owing from Tat Hong Group	60,287	61,145
Repayment made subsequent to year end	(40,454)	
Net amount subsequent to repayment	19,833	

II. Please provide details of the related parties.

The details of the related parties are as follows:

	Group	
	RMB'000	RMB'000
	31 Mar 2016	31 Mar 2015
China Nuclear Huaxing Tat Hong Machinery Construction Co. Ltd (中核华兴达丰机械工程有限公司)	3,729	6,258
Shanghai Tat Hong Equipment Rental Co., Ltd (上海达丰机械租赁有限公司)	9,844	9,772
Jiangsu Zhongjian Tathong Equipment Rental Co., Ltd. (江苏中建达丰机械租赁有限公司)	904	884
Jiangsu Hengxingmao Financial Leasing Co., Ltd. (江苏恒兴茂融资租赁公司)	76,876	59,671
Beijing Tat Hong Zhaomao Equipment Rental Co., Ltd. (北京达丰兆茂机械租赁有限公司)	1,164	1,115
Changzhou Tat Hong Zhao Mao (常州达丰兆茂机械有限公司)	299	125
Tat Hong Group	92,816	77,825
Others	2,768	3,460
	95,584	81,285

BY ORDER OF THE BOARD

Tian Ruo Nan
Chief Executive Officer
29 June 2016