



**德龙控股**  
DELONG HOLDINGS

**DELONG HOLDINGS LIMITED** (Reg. No 199705215G)

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RESPONSES TO QUERIES ON THE COMPANY'S FY2017 FINANCIAL RESULTS RELEASED ON 27 FEBRUARY 2018

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In response to the queries raised by the Singapore Exchange Limited in its email dated 6 April 2018, in relation to the Company's announcement released on 27 February 2018 titled "Financial Statements and Related Announcement", Delong Holdings Limited ("Group") wishes to provide the following additional information:-

**Question 1**

Please provide details on the circumstances resulting in the impairment charge of RMB50 million in respect of the Company's investment in Qingdao Kutesmart Co., Ltd; and

**Company's response**

As at 31 December 2017, the Company had carried out an assessment on Qingdao Kutesmart Co., Ltd ("Kutesmart") based on its operating and financial performances. The impairment loss was determined by comparing the carrying amount of cost against the Company's share in the net asset of Kutesmart, which is the best estimate of the recoverable amount. Based on the assessment, an impairment loss of RMB50.0 million was provided.

**Question 2**

Please provide a breakdown of "Other Private Equity Investments" amounting to RMB75,169,000.

**Company's response**

The detailed breakdown of "Other Private Equity Investments" is as follows:-

	RMB'000
Tai Yi Fund I, LP	3,256
LDV Partners Fund I, LP	7,203
Ocean Imagination LP	14,660
Alpha Global Investment LP	26,050
Shanghai MicuRx LP	15,000
Xin Yi Tai Fund Management LP	6,000
Tibet Boren Yutai Investment Centre LP	3,000
Total	<u>75,169</u>

By Order of the Board

Executive Chairman