



SHEN YAO HOLDINGS LIMITED
(Company Registration No. 202042117W)
(Registered in Singapore)

- (I) **APPLICATION FOR EXTENSION OF TIME OF SIX (6) MONTHS TO COMPLY WITH RULE 1017(1) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") LISTING MANUAL SECTION B: RULES OF CATALIST ("CATALIST RULES"); AND**
 - (II) **ENTRY INTO LOAN AGREEMENT**
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1. INTRODUCTION

The board of directors (the "**Board**") of Shen Yao Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers shareholders of the Company ("**Shareholders**") to:

- i. the announcement of the Company dated 26 September 2024 in relation to the notification of the Company's cash company status (the "**Cash Company Announcement**") pursuant to Rule 1017(1) of the Catalist Rules; and
- ii. the announcements of the Company dated:-
 - a. 14 March 2025;
 - b. 13 February 2025;
 - c. 10 January 2025;
 - d. 4 December 2024; and
 - e. 26 November 2024

in relation to the monthly update pursuant to Rule 1017(1)(b) of the Catalist Rules,
(collectively, the "**Announcements**")

Unless otherwise defined, capitalized terms in this announcement shall have the same meanings as ascribed to them in the Announcements.

2. BACKGROUND

Pursuant to Rule 1017(2) of the Catalist Rules, the SGX-ST will proceed to remove the Company from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash company. The issuer may (through its sponsor) apply to the Exchange for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, of which the acquisition must be completed in the 6-month extension period. In accordance with the Cash Company Announcement, the 12-month period pursuant to Rule 1017(2) of the Catalist Rules commenced on 22 March 2024 and will conclude on 22 March 2025.

3. EOT APPLICATION

The Board wishes to update Shareholders that the Company had, on 21 March 2025, through its sponsor submitted an application to the SGX-ST for an extension of time of six (6) months, from 22 March 2025 to 22 September 2025, to satisfy the requirements for a new listing and to demonstrate the applicability of Catalist Rules 1017(1) and (2) ("**EOT Application**").

4. NEW LINE OF BUSINESS AND RATIONALE FOR THE EOT APPLICATION

The Company has actively been in search of a new viable business in order to satisfy the requirements set out under Catalist Rule 1017(1). On 21 March 2025, the Company entered into an agent agreement with JCS INVD PTE LTD. (“**JCS**”) (“**Agent Agreement**”). Pursuant to the Agent Agreement, the Company shall use its best efforts to secure 3,500,000 tons of coal for JCS within a 24-month period from the execution date of the Agent Agreement and the Company shall also be responsible for coordinating the negotiation and finalisation of the purchase terms with suppliers of the coal. The Company intends to actively pursue and secure additional agreements of a similar nature and scope and transform itself into a commodities trading company, being part of the value chain in the mining and resources industry, a core business of the Company. The new business activities conducted under the Agent Agreement, together with the anticipated future contracts of a comparable character, shall be a new line of business of the Company (“**New Business**”).

The approval of the EOT Application will afford the Company and its management team with additional time to, *inter alia*, fulfil the obligations of the Agent Agreement and pursue similar contractual arrangements. The EOT Application, if granted, will also allow the Company to grow the New Business and allow sufficient track record to demonstrate that such New Business is operational, viable and sustainable, thereby supporting the Company’s exit from its cash company status.

5. ENTRY INTO LOAN AGREEMENT

The Company had, on 3 March 2025, entered into loan agreement (“**Loan Agreement**”) amounting to S\$1.8 million (“**Loan**”) with Mr Yeo Hock Huat (“**Mr Yeo**”), the Chairman of the Company. Pursuant to the terms of the Loan Agreement, the Loan bears an interest rate of 5.0% per annum, shall be repaid together with any accrued interest in full within 18 months from the date of disbursement or such later date that the parties may mutually agree to in writing, is unsecured and is intended to provide additional funding for the Company’s working capital requirements, including but not limited to, operating expenses.

As Mr Yeo is the Chairman of the Company, he is regarded as an “interested person” within the meaning defined in Chapter 9 of the Catalist Rules. Accordingly, the Loan constitutes an interested person transaction under Chapter 9 of the Catalist Rules.

Based on the latest audited consolidated financial statements of the Company for the financial year ended 30 June 2022, the Group’s latest audited net tangible assets was approximately S\$32.0 million as at 30 June 2022 (“**Latest NTA**”).

Pursuant to Rule 909 of the Catalist Rules, in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. In this case, as the Loan bears an interest rate of 5.0% per annum and the tenure of the Loan is 18 months, the value at risk is S\$135,000, which represents approximately 0.4% of the Latest NTA.

Pursuant to Rule 905(1) of the Catalist Rules, as the value at risk to the Company for the Loan did not exceed the relevant threshold of 3% of the Latest NTA, an immediate announcement of the entry into the Loan is not required, and Shareholders’ approval is not necessary. Nevertheless, the Company wishes to make a voluntary disclosure of the Loan as the proceeds of such Loan will avail the Company with necessary funding for its working capital requirements, and will also allow the Company to progress on building the New Business.

The Company will provide further updates to shareholders of the Company as and when there are material developments.

The shares of the Company have been suspended from trading on the SGX-ST since 24 March 2023. Shareholders of the Company are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, Shareholders of the

Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Pang Kee Chai, Jeffrey
Executive Director and Group Chief Executive Officer
24 March 2025

*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Mr Alex Tan, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.