SEN YUE HOLDINGS LIMITED
森跃控股有限公司

(Incorporated in Singapore with Unique Entity No.: 200105909M)
SGX Stock Code: **5BS**

BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE UPDATE

1. Introduction

The board of Directors (the "**Board**") of Sen Yue Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to provide the following business operations and financial performance update.

2. Tripartite Agreement

As announced by the Company on 12 December 2021, a tripartite agreement was entered into amongst SYH Resources Pte Ltd, SMC Industrial Pte Ltd ("**SMCI**") and the supplier ("**Supplier**") (collectively the "**Parties**" and the "**Agreement**"), whereby the Supplier would provide constant supply of contract waste for a period of 11 months starting from the date of first shipment, or until 31 December 2022 (the "**Supplies**"), whichever is later. Under the Agreement, SMCI agreed to make additional payment equivalent to 30% of the pro-forma invoice for the Supplies to repay its outstanding debts.

As stated on page 72 of the Group's Annual Report for the financial year ended 30 September 2021 ("**FY2021 Annual Report**") announced on 29 December 2022, the Supplier of SMCI was an excluded creditor pursuant to the scheme of arrangement sanctioned by the Singapore High Court which came into effect on 2 August 2022 (the "**Schemes**").

To date, the Group has received the final shipments of waste supply under the Agreement. Correspondingly, SMCI has fully settled all outstanding debts excluded from the Schemes for an amount approximating S$7.5 million, as stated on page 72 of the Company's FY2021 Annual Report. That said, all parties have fulfilled its obligations under the Agreement.

3. Financial Performance for FY2022

As announced by the Company on 27 January 2023, the Group reported a net profit of S$0.72 million and an increase in e-waste finished goods ("**Inventories**") of S$2.39 million for the unaudited interim condensed financial statements for the six months ended 31 March 2022 ("**1H2022**").

Following 1H2022, both the Group and Supplier had progressed and completed to fulfil each respective obligations under the Agreement as mentioned above. During the second half of the financial year ended 30 September 2022 ("**2H2022**"), the lithium battery recycling business under the Group's Commodities segment registered a significant increase in revenue as compared to 1H2022. The Group's ED Coating segment, on the other hand, remained profitable for 2H2022.

Based on the above and our preliminary review of the Group's unaudited consolidated financial results for the financial year ended 30 September 2022 ("**FY2022**"), the Group expects to revert from a loss after tax of S$5.5 million in FY2021 to a commendable net profit in FY2022, supported by an improvement in its Group's business performance while making its progress to normalcy under the helm of the new management.

The Company will make further announcement to the Group's unaudited full year financial results announcement for FY2022, which will be released on or before 28 February 2023.

By Order of the Board

Yap Meng Sing
Executive Chairman and Chief Executive Officer

15 February 2023

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

About Sen Yue Holdings Limited

Sen Yue Holdings Limited ("**Sen Yue**" or the "**Company**" and together with its subsidiaries, the "**Group**") is an established metallurgical solutions provider for products used across a diverse range of industries including micro motor, automotive, electrical & electronics, audio visual, screw & fastener, luggage & power tools, bicycles, and general hardware. The main business activities of the Group are classified into three broad business segments: (i) Metal Components, (ii) ED coating, and (iii) Commodities.

The **Metal Components** segment involves the manufacturing and sales of perforated materials including speaker nets and frames, tool and die, and other metal components. It is complemented by the **ED Coating** segment that acts as a secondary and finishing process on metal components, offering coating services such as electrodeposition ("**ED**") coating, powder coatings, spray-painting, and silk-screening.

The **Commodities** segment is streamlined to providing waste management solutions, treatment, recovery and recycling of metal scraps, industrial waste and electronic waste such as spent lithium-ion batteries.

Sen Yue is listed on the Singapore Exchange Securities Trading Limited under the stock code **5BS**.