



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

RESPONSE TO SGX QUERIES ON FINANCIAL STATEMENT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020

Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Company's announcement dated 10 February 2021 ("Announcement").

Shen Yao Holdings Limited (the "**Company**") has received the following queries from the Singapore Exchange Securities Trading Limited (the "**SGX Queries**") in relation to the financial statement and dividend announcement for the second quarter ended 31 December 2020. The board of directors (the "**Board**") of the Company has provided the following responses to the SGX Queries.

SGX Query 1:

Please disclose the nature of inventories of S\$12.15m in the current assets category. Please provide information on the Group's inventory turnover days.

Response:

The nature of inventories as at 31 December 2020 is set out below:

	31.12.2020 S\$'000
Raw materials, at cost	1,654
Gold in circuit and in safe, at net realisable value	6,471
Stockpile of unprocessed ore, at net realisable value	4,025
Total	12,150

The Group's inventory turnover days was 51 days for the second quarter ended 31 December 2020.

SGX Query 2:

Please disclose a breakdown of current trade and other payables amounting to S\$15.22m as at 31 Dec 2020. For other payables, please disclose the aging and nature of these other payables and whether the counterparties are related parties.

Response:

The breakdown of trade and other payables amounting to S\$15.22 million as at 31 December 2020 is set out below:

	31.12.2020 S\$'000
Trade payables	3,179
Other payables and accruals	
-accrued employee benefits	5,357
-accrued royalty	2,245
-accrued geology and mining	877
-others	3,569
	12,048
Total	15,227

The aging of the others is as follows:

	Not past due	Past due 1 to 30 days	Past due 31 to 60 days	Past due more than 60 days	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
OTHERS					
Newcrest royalty fees	653	-	433	664	1,750
Director fees	59	30	30	21	140
Accrued professional fees	Not applicable				210
Accrued operating expenses	Not applicable				1,469
Total					3,569

Save for the Director's fees as disclosed above, all other payables are to unrelated counterparties.

BY ORDER OF THE BOARD

Yao Liang
Executive Director
19 February 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, W Capital Markets 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 Chia Beng Kwan, Registered Professional, W Capital Markets Pte Ltd, 65 Chulia Street, #43-01 OCBC Centre, Singapore 049513, Telephone (65) 65133541.