

SEN YUE HOLDINGS LIMITED
Registration Number 200105909M
(Incorporated in the Republic of Singapore)

UPDATE IN RELATION TO SMC INDUSTRIAL PTE LTD (“SMCI”)’S LOAN COVENANTS

Capitalised terms not defined herein shall have the meanings ascribed to them in the Company’s half year results ended 31 March 2020 released on 15 July 2020 (“HY Results Announcement”).

The Board of Directors (the “**Board**”) of Sen Yue Holdings Limited (the “**Company**” and together with its subsidiaries (the “**Group**”) refers to the HY Results Announcement disclosing, *inter alia*, the breach of bank loan covenants by SMCI and wishes to update shareholders that the Group’s principal lender, DBS Bank Ltd. (the “**Bank**”), has, as part of its considerations regarding the aforesaid non-compliance of bank loan covenants, requested SMCI to appoint a special accountant recommended by the Bank to undertake, *inter alia*, the following:

- (i) a financial review of SMCI, which includes, amongst others:
 - a. the financial position and performance of SMCI (including expenses incurred);
 - b. SMCI’s cash flow projections (including but not limited to the underlying assumptions in forming the cash flow projections); and
 - c. an assessment of SMCI’s ability to repay existing financial obligations
- (ii) a review of the ongoing business of SMCI (including the operations, cash flow requirements and collection from debtors)

(the “**SMCI Review**”).

Accordingly, RSM Corporate Advisory Pte Ltd has been appointed to conduct the SMCI Review. The Company will announce further material developments as and when they occur.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

KOH MIA SENG
Executive Chairman
14 September 2020

*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.*

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