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

MONTHLY UPDATE PURSUANT TO CATALIST RULE 704(22)

Capitalised terms not defined herein shall have the meanings ascribed to them in the Company's announcements dated 4 May 2021, 10 May 2021, 10 June 2021, 10 July 2021, 19 July 2021, 10 August 2021, 25 August 2021, 10 September 2021, 22 September 2021 and 7 October 2021.

The Judicial Managers (the "**JM**") of Sen Yue Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") would like to provide the following update pursuant to Catalist Rule 704(22):

(a) The state of any negotiations between the Company and its principal bankers

(i) The JM have recently received a term sheet from each of the two (2) potential investors mentioned in the Company's announcement dated 10 September 2021 (collectively referred to as the "**Potential Investors**") on 5 October 2021 and 8 October 2021, respectively, and are currently reviewing the terms and seeking clarification from the Potential Investors. Thereafter, the JM will consult the Committee of Creditors of both the Company and SMCI (as defined below) and other stakeholders and work towards entering into a binding agreement based on the finalised shortlisted offer by November 2021.

(ii) At the respective meetings of creditors of SMC Industrial Pte Ltd (under judicial management) ("**SMCI**") and the Company held on 7 October 2021, the JM tabled the statement of proposals for consideration by the creditors present at the meetings and updated them on the progress of the judicial management. The salient points of the statement of proposals are as follows:

- After concluding discussions with the Potential Investors and entry into a binding agreement based on the shortlisted offer, the JM will thereafter formulate a restructuring plan by way of a scheme of arrangement to address the debts of the Company and SMCI;
- Based on the indicative timeline, an extraordinary general meeting to seek the approval of the shareholders on the proposed scheme is expected to be convened in December 2021 and the scheme meeting to table the scheme for the approval of the creditors is expected to be convened in January 2022 (subject to a court hearing being fixed).

Subsequent to the update, the following resolutions tabled for consideration were approved by the respective creditors of the Company and SMCI unanimously.

1. Approval of the statement of proposals; and
2. Appointment and formation of a Committee of Creditors.

The objectives of the Committee of Creditors include acting as a representative body for the JM to consult and to deliberate on major issues, recommend or approve the courses of actions to be taken on matters such as debts recovery, compromise or arrangement with creditors, negotiations with potential investors and deliberation on the terms of the proposed restructuring plan under the scheme of arrangement. The members of Committee of Creditors were nominated by the creditors present and voting at the aforementioned meetings of creditors.

The Committee of Creditors of the Company comprised DBS Bank Ltd, Hong Kong and Shanghai Banking Corporation Limited and SYH Resources Pte. Ltd. as creditor representatives and Mr. Koh Mia Seng as shareholder representative. No nomination of employee representative was received and therefore the employee representative of the Company's Committee of Creditors was left vacant to be filled at the discretion of the Committee of Creditors.

The Committee of Creditors of SMCI comprised Advance Assembly Materials International Ltd, DBS Bank Ltd, Hong Kong and Shanghai Banking Corporation Limited, LG Energy Solution Wroclaw SP Z.O.O. and SP PowerAssets Limited as creditor representatives, Ms. Eileen See as employee representative and the JM of the Company as shareholder representative.

The abovementioned Committees of Creditors of the Company and SMCI shall replace the informal Committees of Creditors appointed in the respective creditors' meeting of the Company and SMCI held on 3 August 2021, as disclosed in the Company's announcement dated 10 August 2021.

(iii) In order to implement the statement of proposals, the JM will apply to court by end of October 2021 to seek an extension of the judicial management order, which is expiring on 6 November 2021, so as to formulate a restructuring plan to address the debts of the Company and those of SMCI by way of a scheme of arrangement.

(b) <u>The Company's future direction, or other material development that may have a significant impact on the Company's financial position</u>

Discussions remain ongoing with suppliers of the Group to facilitate SMCI's continued operations, with no material developments in this regard and on recovery of amounts owing to SMCI as at the date of this announcement.

The Company will make further announcements as and when there are material developments.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

Submitted by the Judicial Managers
For and On Behalf of the Company

Chee Yoh Chuang and Lin Yueh Hung
c/o RSM Corporate Advisory Pte Ltd
12 October 2021

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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.*

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