



**SHEN YAO HOLDINGS LIMITED**  
(Registered in the Republic of Singapore)  
(Company Registration Number: 202042117W)

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- **APPOINTMENT OF EXECUTIVE DIRECTOR**
  - **APPOINTMENT OF VICE CHAIRMAN OF THE BOARD**
  - **CHANGES TO THE COMPOSITION OF THE BOARD**
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The board of directors (the “**Board**” or “**Directors**”) of Shen Yao Holdings Limited (the “**Company**” and together with its subsidiaries the “**Group**”) wishes to announce the following appointments to the Board with effect from 1 January 2022:

**(A) APPOINTMENT OF EXECUTIVE DIRECTOR**

Mr Wang Yong (“**Mr Wang**”) will be appointed as an Executive Director of the Company with effect from 1 January 2022. Concurrently, he will retain the appointment of Chief Operating Officer of the Group and General Manager (Balmaine).

The detailed template announcement, pursuant to Rule 704(6) of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), containing the particulars of Mr Wang, will be released separately to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) via SGXNet.

**(B) APPOINTMENT OF VICE CHAIRMAN OF THE BOARD OF DIRECTORS**

Mr Sun Shu (“**Mr Sun**”), the Lead Independent Director, will be appointed as the Non-Executive Vice Chairman of the Board of Directors with effect from 1 January 2022.

**(C) CHANGES TO THE COMPOSITION OF THE BOARD**

Following the above appointments, the composition of the Board shall be reconstituted as follows with effect from 1 January 2022:

Yao Liang (Executive Chairman, Chief Executive Officer)  
Wang Yong (Executive Director, Chief Operating Officer)  
Yao Yilun (Non-Executive Non-Independent Director)  
Sun Shu (Non-Executive Vice Chairman, Independent Director)  
Zhan Shu (Independent Director)  
Pang Kee Chai (Independent Director)

The composition of the Audit Committee, Nominating Committee and Remuneration Committee remain unchanged.

**(D) DEVIATIONS FROM PROVISIONS PRESCRIBED IN THE CODE OF CORPORATE GOVERNANCE (THE “CODE”)**

Following the appointment of Mr Wang, the Board will comprise six (6) Directors, two (2) of whom are Executive Directors, one (1) is a Non-Executive, Non-Independent Director and three (3) are Non-Executive Independent Directors. One of the Executive Directors, Mr Yao Liang, is also the Chairman of the Board.

Provision 2.2 of the Code states that Independent Directors should make up a majority of the Board where the Chairman is not independent. Provision 2.3 of the Code states that Non-Executive Directors should make up a majority of the Board.

Notwithstanding that the composition of the Board does not comply with Provision 2.2 of the Code, the Board believes there are sufficient strong and independent elements given that all the members of the Audit Committee, Nominating Committee and Remuneration Committee consist of Non-Executive Independent Directors. Further, Non-Executive Directors make up a majority of the Board.

The Board has also considered the independence of the Independent Directors and believes that they have demonstrated a strong character of independence, are able to provide objective advice and insights to the Board and management, and in performing their duties, have always taken into consideration the interests of the Company and its shareholders (the “**Shareholders**”).

In addition, Mr Sun has been Lead Independent Director since 28 April 2020 and will be Non-Executive Vice Chairman of the Board with effect from 1 January 2022. He will be providing leadership where the Chairman is conflicted. Mr Sun also facilitates communication within the Board and between the Board and Shareholders where necessary. Mr Sun’s responsibilities include chairing Board meetings in the absence of Mr Yao Liang, working with Mr Yao Liang in leading the Board, and providing a channel to Non-Executive Directors for confidential discussions on any concerns and to resolve any conflicts of interests as and when necessary. As Lead Independent Director and Non-Executive Vice Chairman, Mr Sun will be available to Shareholders where they have concerns and for which contact through the normal channels of the Chairman, the Chief Executive Officer or the Financial Controller of the Company has failed to resolve or is inappropriate.

As set out on pages 19 to 21 of the Company’s annual report for the financial year ended 30 June 2021, the Board believes that the Company’s board composition remains consistent with the intent of Principles 2 and 3 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interests of the Company and to ensure that there is a clear division of responsibilities between the leadership of the Board and management, and that no one individual has unfettered powers of decision making.

By order of the Board

**Yao Liang**  
Executive Director  
31 December 2021

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*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.*

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