

CIRCULAR DATED 3 JUNE 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY

If you are in any doubt as to any action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

If you have sold or transferred all your ordinary shares (“**Shares**”) in the capital of Shen Yao Holdings Limited (the “**Company**”), please forward this Circular, the Notice of EGM (as defined herein) and the accompanying Proxy Form to the purchaser, the transferee, the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

This Circular 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 Circular 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 Circular, including the correctness of any of the statements made or opinions expressed or reports contained in this Circular.

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) 6513 3541.

This Circular has been made available on the SGX-ST’s website at the URL: <https://www.sgx.com/> and the Company’s website at the URL: <http://shenyaoholdings.com/>. **Printed copies of this Circular will NOT be despatched to shareholders of the Company (“Shareholders”).**

Due to the current COVID-19 outbreak in Singapore, Shareholders will not be allowed to attend the EGM (as defined herein) in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate in the EGM by (a) watching the EGM proceedings via a “live” webcast or listening to the EGM proceedings via a “live” audio feed, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy at the EGM. Please see Section 7 of this Circular and the Section “Notes” in the Notice of EGM set out on page 9 and pages N-2 to N-3 herein for these alternative arrangements.

With the constantly evolving COVID-19 situation, the situation is fluid and the Company may be required to change its EGM arrangements at short notice, including any precautionary measures required or recommended by government agencies, in order to curb the spread of COVID-19. Shareholders should check the SGX-ST’s website at the URL: <https://www.sgx.com/> and the Company’s website at the URL: <http://shenyaoholdings.com/> for updates on the EGM.



SHEN YAO HOLDINGS LIMITED

(Company Registration No. 202042117W)
(Registered in Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED CHANGE OF AUDITORS FROM ERNST & YOUNG LLP TO BAKER TILLY TFW LLP

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	26 June 2022 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	29 June 2022 at 10.00 a.m.
Place of Extraordinary General Meeting	:	The EGM to be convened and held by electronic means.

Please refer to Section 7 of this Circular and Section “Notes” in the Notice of EGM set out on page 9 and pages N-2 to N-3 herein for further details.

TABLE OF CONTENTS

SECTION	PAGE
1. INTRODUCTION	5
2. PROPOSED CHANGE OF AUDITORS	5
3. INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS	8
4. DIRECTORS' RECOMMENDATIONS	8
5. CONSENTS	8
6. EXTRAORDINARY GENERAL MEETING	9
7. ACTION TO BE TAKEN BY SHAREHOLDERS	9
8. NO DESPATCH OF DOCUMENTS	10
9. DOCUMENTS FOR INSPECTION	10
10. DIRECTORS' RESPONSIBILITY STATEMENT	10
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:-

“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Act” or “Companies Act”	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time.
“AGM”	:	An annual general meeting of the Company.
“Audit Committee”	:	The Audit Committee of the Company for the time being.
“Auditors”	:	The auditors of the Company for the time being.
“Baker Tilly”	:	Baker Tilly TFW LLP
“Board of Directors”, “Board” or “Directors”	:	The board of Directors of the Company.
“Catalist”	:	The Catalist board of the SGX-ST.
“Catalist Rules”	:	Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as the same may be amended, varied or supplemented from time to time.
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 3 June 2022.
“Company”	:	Shen Yao Holdings Limited
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time.
“Documents”	:	Has the meaning ascribed in Section 8 of this Circular.
“EGM”	:	The extraordinary general meeting of the Company, to be held by way of electronic means on 29 June 2022 at 10.00 a.m., notice of which is set out on pages N-1 to N-3 of this Circular.
“EY”	:	Ernst & Young LLP
“Group”	:	The Company and its subsidiaries.
“Latest Practicable Date”	:	1 June 2022, being the latest practicable date prior to the printing of this Circular
“Order”	:	The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as may be amended, modified or supplemented from time to time.
“Professional Clearance Letter”	:	Shall have the meaning ascribed to it in Section 2.3 of this Circular.
“Proposed Change of Auditors”	:	The proposed change of Auditors from EY to Baker Tilly.

DEFINITIONS

“ Securities Account ”	:	A securities account maintained by a Depositor with CDP.
“ SFA ”	:	The Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified and supplemented from time to time.
“ SFRS(I) 2 ”	:	Singapore Financial Reporting Standards (International) 2
“ SGX-ST ”	:	Singapore Exchange Securities Trading Limited
“ Shares ”	:	Ordinary shares in the capital of the Company.
“ Shareholders ”	:	Registered holders of Shares except that where the registered holder of Shares is CDP, the term “ Shareholders ” shall, in relation to the Shares, mean the person to whose direct Securities Accounts maintained with CDP are credited with Shares.

In this Circular:-

- (i) The terms “**Depositor**”, “**Depository Register**”, and “**Depository Agent**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.
- (ii) The terms “**subsidiary**”, “**related company**”, and “**substantial Shareholder**” shall have the same meanings ascribed to them respectively in the Companies Act.
- (iii) Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.
- (iv) References to persons shall include corporations.
- (v) The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.
- (vi) Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted up to the date of this Circular. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or any modification thereof and used in this Circular shall, unless otherwise defined in this Circular, have the same meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or such modification thereof, as the case may be.
- (vii) Any reference to a time of a day or date in this Circular shall be a reference to Singapore time or date, unless otherwise stated.
- (viii) Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

SHEN YAO HOLDINGS LIMITED

(Company Registration No. 202042117W)
(Registered in Singapore)

Directors:

Mr Yao Liang (*Executive Chairman, Chief Executive Officer*)
Mr Yao Yilun (*Non-Executive, Non-Independent Director*)
Mr Sun Shu (*Non-Executive Vice Chairman, Lead Independent Director*)
Mr Zhan Shu (*Non-Executive, Independent Director*)
Mr Pang Kee Chai (*Non-Executive, Independent Director*)

Registered Office:

9 Temasek Boulevard
#24-01 Suntec Tower 2
Singapore 038989

3 June 2022

To: The Shareholders of Shen Yao Holdings Limited

Dear Sir/Madam,

1. INTRODUCTION

The Board of Directors is proposing to convene the EGM, to be held on 29 June 2022 at 10.00 a.m. to seek approval of the Shareholders in relation to the Proposed Change of Auditors.

The purpose of this Circular is to provide Shareholders with information relating to, and to explain the rationale for, the Proposed Change of Auditors.

Shareholders are also advised to read the Company's announcements dated 4 April 2022, 12 May 2022 and 26 May 2022 in relation to the Proposed Change of Auditors.

2. PROPOSED CHANGE OF AUDITORS

2.1 Background and Rationale

EY has served as auditors of the Company since 18 June 2021 and was re-appointed as the Company's auditors at the last AGM held on 30 November 2021, to hold office until the conclusion of the next AGM.

On 15 November 2021, the Company announced that EY has included a disclaimer of opinion in their Independent Auditors' Report dated 15 November 2021 in relation to the consolidated financial statements of the Group and the Company for the financial year ended 30 June 2021.

It was mentioned in the same announcement (and a subsequent announcement dated 18 November 2021) that the difficulties experienced by EY arose due to a series of organisational and operational restructuring exercises that were undertaken by the Company with the intention of streamlining the Group's operational processes. This resulted in high staff attrition within Golden Point Group Pty Ltd ("**GPG**"), the key operating subsidiary of the Company, including the loss of several key personnel within the finance team who had the relevant background information on the historical financial information of the Group and who understood the requirements of an audit.

The departure of many such individuals happened within a short span of time and the Company had waived the requirement for some of these personnel to serve a notice period (due mainly to the sensitive nature of their job scope). As such, there was a lack of handover of certain background information and responsibilities. Consequently, historical financial information and processes were not properly communicated and/or documented prior to their departure. In addition, the remaining members of the finance team had difficulties understanding the requirements

LETTER TO SHAREHOLDERS

and fulfilling the information requests of the Auditors as they lacked in-depth commercial and financial experience in the mining industry and the understanding on the historical knowledge and background as to how the balances in some of the accounts were captured and maintained over the years.

Following the loss of several key personnel within the finance team in the second half of 2021, GPG is currently still in the process of rebuilding its finance team and strengthening the competency of the team.

As a result, management believes that the Group will benefit from the appointment of Baker Tilly, who prior to EY, had served as the auditors of the Company for the period between 14 September 2015 to 18 June 2021 and is familiar with the operations and financial processes of the Group, as the auditors of the Company.

Pursuant to Section 205AB(5) of the Act, the resignation of EY will take effect upon the later of (a) the day (if any) specified by EY in the notice of resignation; (b) the day on which ACRA notifies EY and the Company of its consent to the resignation; or (c) the day (if any) fixed by ACRA. Further, pursuant to Rule 712(3) of the Catalyst Rules and Section 205AF of the Companies Act, the appointment of Baker Tilly shall be specifically approved by Shareholders at an EGM.

The appointment of Baker Tilly as Auditors will therefore take effect upon the later of (a) the date of approval of the Proposed Change of Auditors by Shareholders at the EGM, and (b) the date of ACRA's consent to EY's resignation, and if so appointed, Baker Tilly will hold office until the conclusion of the next AGM of the Company.

In connection with the Proposed Change of Auditors, EY had on 29 March 2022, applied to ACRA to seek ACRA's consent to resign as Auditors of the Company and its Singapore-incorporated subsidiaries. On 26 May 2022, EY received the approval from ACRA for EY's resignation as Auditors, following which EY had on the same day, provided its notice of resignation as Auditors of the Company and its Singapore-incorporated subsidiaries.

Baker Tilly had on 1 April 2022, given its written consent to act as Auditors of the Company and its Singapore-incorporated subsidiaries, subject to the approval of Shareholders at the EGM.

The Proposed Change of Auditors will not result in any changes in the scope of audit.

The Board wishes to express their appreciation for the past services rendered by EY.

2.2 Information on Baker Tilly and the Audit Engagement Partner-in-Charge

Baker Tilly is a firm of Chartered Accountants in Singapore registered with ACRA. It is one of the top 10 largest accounting and business advisory firms in Singapore and has 19 partners and a staff strength of about 300. It has significant experience acting as auditors for companies listed on the SGX-ST. Baker Tilly is an independent member of Baker Tilly International, which is globally one of the top 10 largest accounting and business advisory networks by combined revenue and with member firms in more than 148 territories.

For more information on Baker Tilly, please visit its website at the URL <https://www.bakertilly.sg/>.

The engagement partner-in-charge from Baker Tilly will be Mr William Ng Wei Lun. Mr Ng has more than 15 years of audit and assurance experience providing services to a variety of clients, including those in the resources industry. His current and former clients include public listed companies, multinational companies, funds and fund management companies, small and medium-sized companies across a broad spectrum of industries as well as not-for-profit organisations. He also has experience in initial public offerings and due diligence engagements.

LETTER TO SHAREHOLDERS

The engagement partner-in-charge when Baker Tilly served as Auditors of the Company for FY2016 to FY2020 was Mr Khor Boon Hong. The Board is cognisant of the requirements under Rule 713(1) of the Catalist Rules and have taken this into consideration in its deliberation on the Proposed Change of Auditors.

2.3 Compliance with Rules 712 and 715 of the Catalist Rules

Following a review of the proposals from various audit firms which have experience in auditing public listed companies in Singapore, the Board, in consultation with the Audit Committee, and taking into consideration the requirements under Rules 712 and 715 of the Catalist Rules, has determined that Baker Tilly is best suited to meet the existing needs and audit requirements of the Group.

The Audit Committee is of the opinion that Baker Tilly will be able to meet the audit requirements of the Group after considering, *inter alia*, the Audit Quality Indicators Disclosure Framework issued by ACRA, the adequacy of the resources and experience of Baker Tilly and the engagement partner in auditing companies in the mining business, the other audit engagements of Baker Tilly, the size and complexity of the Group, the number and experience of supervisory and professional staff of Baker Tilly assigned to the audit, the fee structure and audit arrangements proposed by Baker Tilly.

In accordance with the requirements under Rule 712(3) of the Catalist Rules:

- (a) EY has confirmed to Baker Tilly, via its professional clearance letter dated 31 March 2022 (“**Professional Clearance Letter**”), that it is not aware of any professional reasons why Baker Tilly should not accept the appointment as Auditors;
- (b) the Company confirms that there were no disagreements with EY on accounting treatments within the last 12 months;
- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Shareholders;
- (d) the rationale for the Proposed Change of Auditors is set out in Section 2.1 of this Circular; and
- (e) the Company confirms that it complies with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Baker Tilly as its Auditors.

Upon obtaining Shareholders’ approval of the Proposed Change of Auditors, Baker Tilly will be appointed as the Auditors of the Company as well as its Singapore-incorporated subsidiaries.

Baker Tilly will also be appointed as auditors of all other foreign-incorporated subsidiaries of the Company save for Signature Metals Limited and its subsidiaries (“**Signature Metals Group**”). Currently, there are minimal activities undertaken by the Signature Metals Group hence it is not considered a significant subsidiary of the Group. The Signature Metals Group is currently being audited by Kingston & Knight Audit Pty Ltd and the Company intends to retain Kingston & Knight Audit Pty Ltd as the auditors of the Signature Metals Group. Pursuant to Rule 716(1) of the Catalist Rules, the Directors and the Audit Committee confirm that they are satisfied that such audit arrangements would not compromise the standard and effectiveness of the audit of the Company and the Group.

2.4 Statement of the Audit Committee in respect of the Proposed Change of Auditors

Having reviewed and deliberated on the Proposed Change of Auditors, taking into consideration the rationale for the Proposed Change of Auditors and the requirements under the Catalist Rules, the Audit Committee has recommended the Proposed Change of Auditors.

LETTER TO SHAREHOLDERS

3. INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and substantial Shareholders, as recorded in the register of Directors' shareholders and the register of substantial Shareholders of the Company are as follows:

Directors and/or substantial Shareholders	Direct Interest		Deemed Interest	
	(No. of Shares)	(%) ⁽¹⁾	(No. of Shares)	(%) ⁽¹⁾
Directors				
Yao Liang	–	–	18,008,044,936 ⁽²⁾	53.43
Yao Yilun	–	–	18,008,044,936 ⁽²⁾	53.43
Sun Shu	–	–	–	–
Zhan Shu	–	–	–	–
Pang Kee Chai	–	–	–	–
Substantial Shareholders (other than Directors)				
Yao Capital Pte. Ltd.	18,008,044,936	53.43	–	–
Sheng Investment Pte. Ltd.	5,000,000,000	14.83	–	–
Lai Ka Wai	–	–	5,000,000,000 ⁽³⁾	14.83

Notes:

- (1) Based on the total number of 33,706,206,055 issued Shares as at the Latest Practicable Date.
- (2) Mr Yao Liang and Mr Yao Yilun own 51% and 49% of the issued share capital of Yao Capital Pte. Ltd. respectively. Accordingly, each of Mr Yao Liang and Mr Yao Yilun are deemed interested in the Shares held by Yao Capital Pte. Ltd. pursuant to Section 4 of the SFA.
- (3) Mr Lai Ka Wai owns 95% of the issued share capital of Sheng Investment Pte. Ltd. Accordingly, Mr Lai Ka Wai is deemed interested in the Shares held by Sheng Investment Pte. Ltd. pursuant to Section 4 of the SFA.

Save as disclosed in this Circular, none of the Directors has any interest, direct or indirect, in the Proposed Change of Auditors (other than through their respective shareholdings in the Company (if any)). To the best of the knowledge of the Directors, none of the substantial Shareholders has any interest, direct or indirect, in the Proposed Change of Auditors (other than through their respective shareholdings in the Company).

4. DIRECTORS' RECOMMENDATIONS

The Directors, having taken into account the Audit Committee's recommendations, are satisfied that Baker Tilly will be able to meet the audit requirements of the Group and are of the opinion that the Proposed Change of Auditors is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution in relation to the Proposed Change of Auditors to be proposed at the EGM.

Shareholders who may require specific advice should consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser(s).

5. CONSENTS

Each of Baker Tilly and EY has given and has not withdrawn its consent to the issue of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular.

LETTER TO SHAREHOLDERS

6. EXTRAORDINARY GENERAL MEETING

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the “**Order**”), the EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will convene and be held by way of electronic means on 29 June 2022 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the Proposed Change of Auditors as set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Due to the mandatory safe distancing measures issued by the Singapore Ministry of Health in relation to the COVID-19 outbreak, the Company will convene and the EGM will be held by way of electronic means only and Shareholders will not be allowed to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate in the EGM by (a) watching the EGM proceedings via a “live” webcast or listening to the EGM proceedings via a “live” audio feed, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy at the EGM. Please refer to the Section entitled “Notes” in the Notice of EGM set out on page N-2 for further details.

Shareholders will not be able to vote online at the EGM. Instead, if Shareholders (whether individual or corporate) wish to exercise their votes, they must submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf.

After the publication of the notice of general meeting, Shareholders will be allowed at least 7 calendar days to submit their questions. All substantial and relevant questions received from shareholders prior to the EGM will be addressed by the Board of Directors and/or management at least 48 hours prior to the closing date and time for the lodgement of the proxy forms.

Shareholders (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the Proxy Form, failing which the appointment will be treated as invalid.

The Proxy Form must be submitted to the Company no later than 10.00 a.m. on 26 June 2022 through any one (1) of the following means:

- by depositing a physical copy at the registered office of the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
- by sending a scanned PDF copy by email to main@zicoholdings.com.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Shareholders to submit completed Proxy Forms by post, Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email.

Persons who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including SRS investors) and who wish to participate in the EGM by (a) observing and/or listening to the EGM proceedings via the “live” webcast or the “live” audio feed in the manner provided in Note 2 in the Notice of EGM set out on page N-2; (b) submitting questions in advance of the EGM in the manner provided in Note 3 in the Notice of EGM set out on page N-2; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should approach their respective relevant intermediaries (which would include, in the case of SRS investors, their respective SRS operators) through which they hold such Shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the EGM.

LETTER TO SHAREHOLDERS

Persons who hold their Shares through relevant intermediaries (including SRS investors) who wish to appoint the Chairman of the EGM as proxy should approach their respective relevant intermediaries to submit their votes by 10.00 a.m. on 17 June 2022, in order to allow sufficient time for their relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf not less than seventy-two (72) hours before the time fixed for holding the EGM.

8. NO DESPATCH OF DOCUMENTS

In line with the relevant provisions under the Order, no printed copies of the Circular, the Notice of EGM and the Proxy Form (collectively, the “**Documents**”) will be despatched to Shareholders.

The Documents are available on the SGX-ST’s website at the URL: <http://www.sgx.com> and may be found at the URL: <https://www.sgx.com/securities/companyannouncements> and is also available on the Company’s website at the URL: <http://www.shenyaoholdings.com>.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection by Shareholders between 9.00 a.m. and 5.00 p.m. at the office of the Company at 9 Temasek Boulevard, #24-01 Suntec Tower 2, Singapore 038989 from the date of this Circular up to and including the date of the EGM. Shareholders who wish to inspect the following documents should call the Company at +65 6690 6860 to make an appointment so that the relevant arrangements can be made in view of the COVID-19 safe distancing measures.

- (a) the Constitution;
- (b) the notice of resignation from EY;
- (c) the Professional Clearance Letter; and
- (d) the letter of consent to act as Auditors from Baker Tilly.

10. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Change of Auditors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully
For and on behalf of the Board of
SHEN YAO HOLDINGS LIMITED

Yao Liang
Executive Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

SHEN YAO HOLDINGS LIMITED

(Company Registration No. 202042117W)
(Registered in Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined or the context otherwise requires, all capitalized terms herein shall bear the same meaning as used in the circular dated 3 June 2022 issued by the Company (the “**Circular**”).

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of the members of Shen Yao Holdings Limited (the “**Company**”) will convene and be held by electronic means on 29 June 2022 at 10.00 a.m., for the purpose of considering and, if thought fit, passing with or without amendment, the ordinary resolutions as set out below.

ORDINARY RESOLUTION – PROPOSED CHANGE OF AUDITORS

That:

- (a) Baker Tilly TFW LLP be and is hereby appointed as auditors of the Company in place of Ernst & Young LLP to hold office until the conclusion of the next annual general meeting of the Company at a fee and on such terms to be agreed between the Directors and Baker Tilly TFW LLP (the “**Proposed Change of Auditors**”); and
- (b) the Directors and each of them be and are hereby authorised to implement, effect, complete and do all such acts and things (including without limitation executing all such documents as may be required) as the Directors or any of them may consider necessary, desirable or expedient for the purposes of or in connection with and to give effect to this resolution as they or he may think fit.

Notes:

In accordance with Rule 712(3) of the Catalist Rules:

- (1) *Ernst & Young LLP has confirmed to Baker Tilly TFW LLP, via its professional clearance letter dated 31 March 2022, that it is not aware of any professional reasons why Baker Tilly TFW LLP should not accept the appointment as Auditors;*
- (2) *the Company confirms that there were no disagreements with Ernst & Young LLP on accounting treatments within the last 12 months;*
- (3) *the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Shareholders;*
- (4) *the rationale for the Proposed Change of Auditors is set out in Section 2.1 of the Circular; and*
- (5) *the Company confirms that it complies with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Baker Tilly TFW LLP as its Auditors.*

For and on behalf of the Board
SHEN YAO HOLDINGS LIMITED

Yao Liang
Executive Director

3 June 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- No attendance in person:** Due to the mandatory safe distancing measures issued by the Singapore Ministry of Health as of the date of this notice and pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**"), as amended, varied or supplemented from time to time, the EGM will convene and be held by way of electronic means and members of the Company will NOT be allowed to attend the EGM in person.
- "Live" webcast and "live" audio feed:** Members of the Company will be able to watch the EGM proceedings through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, members must pre-register by clicking on the link and submit the online registration form at the URL: <https://septusasia.com/shenyaoegm2022> ("**Pre-registration Website**"), no later than 10.00 a.m. on 26 June 2022. After authentication, members of the Company will receive email instructions on how to access the webcast and audio feed of the EGM proceedings by 10.00 a.m. on 28 June 2022 ("**Instructions Email**"). Members of the Company who do not receive the Instructions Email by 10.00 a.m. on 28 June 2022, but who have registered by the deadline of 10.00 a.m. on 26 June 2022, should contact Septus Singapore Pte Ltd by email at webcast@septusasia.com. Members of the Company MUST NOT forward the unique link to other persons who are not members of the Company and who are not entitled to attend the EGM. This is also to avoid any technical disruptions or overload to the "live" webcast and "live" audio feed.
- Submission of questions:** Members of the Company may also submit questions related to the Proposed Change of Auditors to be tabled for approval at the EGM. All questions, together with the members' full names, identification numbers, contact numbers, email addresses and manner in which they hold shares in the Company, must be submitted no later than 6.00 p.m. on 10 June 2022 (the "**Submission Deadline**") via the Pre-registration Website at the URL: <https://septusasia.com/shenyaoegm2022> or email webcast@septusasia.com. Please note that members will not be able to ask questions at the EGM and accordingly, it is important for members to submit their questions by the Submission Deadline. The Company will address substantial and relevant questions relating to the Proposed Change of Auditors to be tabled for approval at the EGM (if any) as received from members of the Company before the EGM. The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on the SGX-ST's website at the URL: <http://www.sgx.com> and the Company's website at the URL: <http://www.shenyaoholdings.com>, and the minutes will include the responses to the questions (if any) referred to above.
- Voting solely via appointing Chairman of EGM as proxy:** The "live" webcast will not provide for online voting. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must submit a proxy form to appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, such member (whether individual or corporate) must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the proxy form appointing the Chairman of the EGM as proxy ("**Proxy Form**"), failing which the appointment will be treated as invalid. The Chairman of the EGM, as proxy, need not be a member of the Company. The Proxy Form must be submitted through any one (1) of the following means: (a) by depositing a physical copy at the registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 or (b) by sending a scanned PDF copy by email to main@zicoholdings.com, in each case, by 10.00 a.m. on 26 June 2022 (being not less than 72 hours before the time fixed for holding the EGM), and failing which, the Proxy Form will not be treated as valid. In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email. The Company shall be entitled to, and will, treat any valid instrument appointing the Chairman of the EGM which was delivered by a member to the Company before 10.00 a.m. on 26 June 2022 as a valid instrument appointing the Chairman of the EGM as the member's proxy to attend, speak and vote at the EGM if: (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on the Proposed Change of Auditors; and (b) the member has not withdrawn the appointment. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.
- Investors who hold through Relevant Intermediaries (including SRS investors):** Investors whose Shares are held with relevant intermediaries under Section 181(1C) of the Singapore Companies Act ("**Relevant Intermediaries**"), such as SRS investors, who wish to participate in the EGM by (a) observing and/or listening to the EGM proceedings through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone in the manner provided in Note (2); and (b) submitting questions in advance of the EGM in the manner provided in Note (3) above should approach their respective Relevant Intermediaries through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the EGM. Investors whose shares are held through Relevant Intermediaries who wish to appoint the Chairman of the EGM as proxy, should approach their respective intermediaries such as SRS operators to submit their voting instructions at least seven (7) working days prior to the date of the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ACCESS TO DOCUMENTS OR INFORMATION RELATING TO EGM

In line with guidance provided by the SGX-ST in its regulatory announcement dated 13 April 2020 (as amended from time to time) entitled “Additional Guidance on the Conduct of General Meetings During Safe Management Period”, printed copies of this notice and all documents relating to the business of the EGM (“**EGM Documents**”), will not be sent to members of the Company. Instead, the EGM Documents can be accessed at the Company’s website at the URL: <http://www.shenyaoholdings.com> and on the SGX-ST’s website at the URL: <https://www.sgx.com/securities/companyannouncements>.

FURTHER INFORMATION

For further information on the conduct of the EGM and the alternative arrangements, members of the Company can refer to the Company’s website at the URL: <http://www.shenyaoholdings.com>.

Members of the Company who wish to remotely observe the EGM proceedings are reminded that the EGM is private. The invitation to attend the EGM via audio-visual webcast and audio-only stream is not to be forwarded to anyone who is not a member of the Company or who is not authorised to attend the EGM.

RECORDING OF THE EGM PROCEEDINGS IS STRICTLY PROHIBITED.

As the COVID-19 situation is still evolving, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the EGM, including implementing measures to take into account the requirements, guidelines and recommendations of regulatory bodies and government agencies from time to time. Accordingly, the Company may be required to change its EGM arrangements at short notice. Members of the Company are advised to closely monitor announcements made by the Company on the SGX-ST’s website at the URL: <http://www.sgx.com> and the Company’s website at the URL: <http://www.shenyaoholdings.com> for updates on the EGM.

The Company seeks the understanding and co-operation of all members of the Company in enabling the Company to hold and conduct the EGM in compliance with the safe distancing measures to stem the spread of COVID-19 infections.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the members’ personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts the personal data privacy terms set out in the Notice of EGM.

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SHEN YAO HOLDINGS LIMITED

(Company Registration No. 202042117W)
(Registered in Singapore)

PROXY FORM

IMPORTANT

1. Alternative arrangements relating to, amongst others, attendance, submission of questions in advance and voting by proxy at the EGM are set out in the Company's announcement dated 3 June 2022 which, together with the Notice of Extraordinary General Meeting dated 3 June 2022, have been uploaded on SGXNET on the same day. The announcement and the Notice of Extraordinary General Meeting can also be accessed at the Company's corporate website at the URL: <http://www.shenyaoholdings.com>.
2. A member will not be able to attend the EGM in person. Please see Note 2 below for further details.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

This Proxy Form has been made available on the Company's corporate website at the URL: <http://www.shenyaoholdings.com> and SGXNET. A printed copy of this Proxy Form will not be despatched to members of the Company.

I/We*, _____ (Name), NRIC/Passport number* _____

of _____ (Address)

being a member/members of Shen Yao Holdings Limited (the "**Company**"), hereby appoint the **Chairman of the Meeting** as my/our proxy/proxies to vote for me/us on my/our behalf at the Extraordinary General Meeting ("**EGM**" or the "**Meeting**") of the Company, to be held by way of electronic means on 29 June 2022 at 10.00 a.m. and at any adjournment thereof.

The proxy shall vote on the resolution set out in the Notice of Extraordinary General Meeting dated 3 June 2022 in accordance with my/our directions as indicated hereunder.

No.	Ordinary Resolution relating to	For ⁽¹⁾	Against ⁽¹⁾	Abstain ⁽¹⁾
1	Proposed Change of Auditors			

(1) Voting will be conducted by poll. If you wish to appoint the Chairman of the Meeting, as your proxy, to cast all your votes for or against a Resolution, please indicate with a "✓" in the space provided under "For" or "Against". If you wish to appoint the Chairman of the Meeting, as your proxy, to abstain from voting on a Resolution, please indicate with a "✓" in the space provided under "Abstain". Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to vote "For" or "Against" or to abstain from voting. In the absence of specific directions, the appointment of the Chairman of the Meeting as your proxy will be treated as invalid.

Dated this _____ day of June 2022

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF



Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore (the “**Securities and Futures Act**”), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the form of proxy shall be deemed to relate to all the Shares held by you.
 2. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time), the EGM will be held by way of electronic means and members of the Company will NOT be allowed to attend the EGM in person.
 3. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at EGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM. In appointing the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in this Proxy Form, failing which the appointment will be treated as invalid.
 4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
 5. The Proxy Form must be submitted:
 - (a) by depositing a physical copy at the registered office of the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) by sending a scanned PDF copy by email to main@zicoholdings.com.
- in each case, not later than 10.00 a.m. on 26 June 2022, and failing which, the Proxy Form will not be treated as valid.
6. This Proxy Form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where this Proxy Form is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised. Where this Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.
 7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative with respect to the EGM, in accordance with Section 179 of the Companies Act (Cap. 50) of Singapore and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
 8. A member of the Company who holds his/her shares through a Relevant Intermediary* (including CPFIS Members or SRS investors) and who wish to exercise his/her votes by appointing the Chairman of the Meeting as proxy should approach his/her Relevant Intermediary (including his/her CPF Agent Bank or SRS Approved Bank) to submit his/her voting instructions at least seven (7) working days prior to the date of the EGM.

*A Relevant Intermediary is:

- (a) banking corporation licensed under the Banking Act (Cap. 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36) of Singapore in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy:

By submitting a Proxy Form appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 3 June 2022.

General:

The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.