



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

APPLICATION FOR AN EXTENSION OF TIME TO COMPLY WITH RULE 704(7) OF THE LISTING MANUAL SECTION B: RULES OF CATALIST

The board of directors (the “**Board**”) of Shen Yao Holdings Limited (the “**Company**”) and together with its subsidiaries (the “**Group**”) wishes to inform that the Company has, through its Sponsor, submitted to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), an application to request for extension of time for the Company to appoint Independent Director to fill the vacancy in its Audit Committee by 31 May 2023 (from the deadline of 28 February 2023) (the “**Extension of Time**”) (the “**Application**”), so as to comply with Rule 704(7) of the Catalist Rules.

On 7 November 2022, the Company announced the resignation of Mr. Zhan Shu as the Independent Director of the Company, with effect from 30 November 2022. Mr Zhan Shu was then, a Non-Executive Independent Director, Chairman of Nominating Committee and member of the Audit Committee and Remuneration Committee. Since 30 November 2022 and up to the date of this Application, the Company has not been able to appoint an Independent Director to replace Mr. Zhan Shu.

Following the resignation of Mr. Zhan Shu, the Audit Committee of the Company is unable to meet the requirement of Rule 704(7) of the Catalist Rules. The Company is also not in compliance with provisions 2.2, 4.2, 6.2 and 10.2 of the Singapore Code of Corporate Governance 2018 with regards to the compositions of the Board, the Audit Committee, Nominating Committee and Remuneration Committee of the Company respectively. Rule 704(7) of the Catalist Rules requires the Audit Committee members to make up the minimum number of three (3) members, and provides that in the event of any retirement or resignation which renders the Audit Committee unable to meet the minimum number (not less than three (3)), the issuer should endeavour to fill the vacancy within two (2) months, but in any case, not later than three (3) months. Accordingly, pursuant to Rule 704(7) of the Catalist Rules, the Company is required to appoint one additional Independent Director to fill the vacancy in its Audit Committee to ensure that there are not less than three (3) members in its Audit Committee, latest by 28 February 2023 (“**Deadline**”).

As at the date of this Application, the Company is not able to meet the requirement of Rule 704(7) of the Catalist Rules as the Company has not been able to find a suitable candidate who fits the Company’s requirements and who is willing to able to become its Independent Director. The Group’s main business is in gold mining, mine development and exploration in Australia. The previous Independent Director, Mr Zhan Shu has extensive mining experience and was based in Australia. For the replacement of Mr Zhan Shu, the Company would like to continue to have a diversity of Board members in terms of their skills, experience and background. In this regard, the Company wishes to appoint an Independent Director who has explicit knowledge and experience in mining.

Further to the announcement made by the Company dated 6 February 2023 in relation to a potential candidate for directorship, the Company has decided not to proceed with the identified candidate. Since November 2022, the Company has been actively looking out for suitable candidates and had so far identified two (2) candidates who could satisfy these requirements. However, upon further discussion, none of these candidates were eventually appointed by the Company due to concerns over their ability to devote sufficient time to attend meetings/discussions of the Company on top of their existing commitments. In addition, there is also a rather limited pool of candidates who has both mining and directorship experience, hence making it more difficult for the Company to find a suitable and willing candidate.

The Company is currently working to appoint an Independent Director to fill the vacancy in its Audit Committee and comply with Rule 704(7) and hopes that SGX-ST would grant the Extension of Time.

The Company confirms that the Extension of Time, if granted, is not and will not be in contravention of any laws and regulations governing the Company, including, *inter alia*, the Constitution of the Company.

Shareholders should note that there is no certainty that the application for the Extension of Time will be approved by the SGX-ST.

The Company will make further announcements to update shareholders on the status of the extension of time application, in due course.

BY ORDER OF THE BOARD

Yao Liang
Group Executive Chairman and Group Chief Executive Officer
17 February 2023

*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 Ms Sheila Ong, Registered Professional, W Capital Markets Pte. Ltd., 65 Chulia Street, #43-01 OCBC Centre, Singapore 049513, Telephone (65) 6513 3543.