



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

- (I) **APPLICATION FOR SECOND EXTENSION OF TIME FOR THE RELEASE OF RESULTS ANNOUNCEMENT FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2022 (“HY2023”)**
 - (II) **APPLICATION FOR AN EXEMPTION FROM OR EXTENSION OF TIME FOR THE REQUIREMENT TO RELEASE OF RESULTS ANNOUNCEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2023 (“3QFY2023”)**
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Capitalised terms used but not defined herein shall have the meaning as ascribed to them in the announcements dated 18 January 2023, 6 February 2023 and 17 February 2023 (collectively, the “**Past Announcements**”).

1. INTRODUCTION

- 1.1 The Board of the Company refers to the Past Announcements in relation to the request for extension of time and the receipt of no objection from the SGX-ST to the Company's request of extension of time to 31 March 2023 to release the HY2023 Results Announcement and Use of Funds under Rules 705(2) and 705(6) of the Catalist Rules, respectively.
- 1.2 The Board wishes to announce that the Company had today submitted the following applications (the “**Applications**”), through its Sponsor, to the SGX-ST:
 - (i) a further extension of time to announce the HY2023 Results Announcement and the Use of Funds, collectively (“**Second Extension of Time for Results Announcement**”) from 31 March 2023 to no later than 31 May 2023;
 - (ii) an exemption from the requirement to announce its quarterly financial statements pursuant to the requirements under Rule 705(2) in respect of the Company's financial statements for the financial period ended 31 March 2023 (“**3QFY2023**”) and for the period during which its principal subsidiary, Balmaine Gold Pty Ltd (“**Balmaine**”), is under voluntary administration; and
 - (iii) an extension of time to announce: (i) the use of funds/cash by the Company (being a mineral, oil and gas company) in respect of financial period of 3QFY2023; and (ii) the quarterly financial statements for 3QFY2023 in the event that the abovementioned exemption is not granted, from 15 May 2023 to no later than 31 July 2023.

2. REASONS FOR THE APPLICATIONS

The Company has made the Applications due to the following reasons:

- (a) In relation to the HY2023 Results, there was a delay in the receipt of the reporting pack from GPG Group originally due from GPG Group on 1 March 2023 as the Finance Manager at Ballarat resigned on 21 February 2023, leaving four finance positions to be fulfilled. As the Finance Manager has many days of leave left, she did not serve notice and left the Group on the same day without handover. As announced on the SGXNet, the Group received notice of demand from Arete Capital Advisory Pty Ltd on 1 February 2023 and notice of default from Balmaine's lenders on 2 February 2023 and subsequently, statutory demands from Balmaine's creditors on 24 February 2023. Accordingly, while the Finance Manager was with the GPG Group, she was busy

working on cashflow projections, managing the creditors and suppliers and did not have time to do financial reporting. After the departure of the Finance Manager, there was only one junior accountant remaining who joined the GPG Group in January 2023.

- (b) As mentioned in the Past Announcements, the finance team is located at Ballarat, which is far away from the major cities like Melbourne and Sydney, with a very small candidate pool available, the Company has faced difficulties in recruiting qualified personnel to fill the vacancies despite setting attractive remuneration packages. GPG Group has filled two vacancies as of now, with a new Financial Controller and Senior Accountant who started work on 22 March 2023. It will take some time for the new joiners to familiarize themselves with the reporting process and be able to deliver the reporting pack required for the HY2023 Results Announcement and the 3QFY2023 results announcement respectively to the Company.
- (c) The Company announced on 13 March 2023 that an administrator (the “**Administrator**”) has been appointed with respect to Balmaine, an indirect wholly-owned subsidiary of the Company, commencing the voluntary administration process. As such, the Administrator has since taken over control of the operations and financial affairs of Balmaine. Based on the Company’s understanding from the Administrator, the Administrator has appointed their internal accountant to oversee the reporting function. The Administrator will also continue to recruit finance staff to fill the remaining vacancies. However, as the present finance members are very new, the Administrator is unable to provide a definitive timeline as to when they can provide the reporting packs to the Company. Meanwhile, the Company’s finance team in Singapore will continue to provide assistance to the Ballarat team, where necessary, to expedite the preparation of the financials. In this regard, the Company has set a target to release the HY2023 results by 31 May 2023 and will work closely with the Administrator to achieve this;
- (d) Consequent to the above, extensions of time will also be required for the Company to prepare the 3QFY2023. The Company notes that under Rule 705(2B), an issuer is not required to comply with quarterly reporting if it is undergoing judicial management, winding up or provisional liquidation. As an Administrator has been appointed over Balmaine which is the Company’s principal subsidiary, it is now under the control of the Administrator. The directors and shareholder of Balmaine are unable to control the operations and financial affairs of Balmaine. This process is similar to a judicial management in Singapore. As such, the Company would like to seek an exemption, in reliance on Rule 705(2B) from the requirement to announce the 3QFY2023 results and for the period during which Balmaine is under voluntary administration.
- (e) In the event that the abovementioned exemption is not granted, the Company would like to seek for an extension of time to announce the 3QFY2023 from 15 May 2023 to no later than 31 July 2023.

The Company will provide further updates to shareholders on the Applications in due course.

BY ORDER OF THE BOARD

Yao Liang
Group Executive Chairman and Group Chief Executive Officer
29 March 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.*

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