

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

UPDATE ON SMCI REVIEW AND LETTER OF DEMAND FROM SP POWERASSETS LTD

Capitalised terms not defined herein shall have the meanings ascribed to them in the Company's half year results ended 31 March 2020 released on 15 July 2020 and the Company's announcements dated 14 September 2020, 16 September 2020, 1 October 2020 and 6 October 2020 (the "Announcements").

The Board of Directors (the "**Board**") of Sen Yue Holdings Limited (the "**Company**") and together with its subsidiaries (the "**Group**") wishes to update Shareholders that:

- (a) RSM had completed their financial review of SMCI and SMCI is currently evaluating its options with its creditors. SMCI had on 30 October 2020 received a letter from DBS' lawyers dated 27 October 2020 stating, *inter alia*:
- (i) SMCI must either settle all amounts owing to DBS under the banking facilities of S\$6,284,632.85 and US\$8,969,313.15 and under the hire purchase agreements of S\$65,856.46, interest accruing thereon and legal costs on an indemnity basis or submit a suitable repayment proposal on terms satisfactory to DBS within 7 days from the date of the letter, otherwise DBS will enforce its rights accordingly; and
 - (ii) in the meantime, SMCI must to continue to engage RSM as the special accountant. RSM's engagement may not be terminated without DBS' prior written consent, otherwise the banking facilities extended by DBS may be terminated without further reference to SMCI.

SMCI is in the midst of preparing the repayment proposal and has requested for an extension of time from DBS to provide the same by 16 November 2020. The Company further confirms that RSM continues to be engaged by SMCI as stipulated by DBS.

- (b) The Company's Executive Chairman, Mr Koh Mia Seng, has executed a personal guarantee in favour of SP PowerAssets Ltd ("**SPPA**") to, *inter alia*, guarantee to SPPA to pay on demand the guaranteed obligations when SMCI does not pay such amounts when due. Guaranteed obligations refer to all monies, debts and liabilities of any nature from time to time due, owing or incurred by SMCI to SPPA under or in connection with the contracts between SMCI and SPPA. SMCI has also agreed with SPPA on an 18-month repayment plan to settle the Total Outstanding Sum in full by 28 February 2022.

The Company will update Shareholders as and when further material developments occur.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

KOH MIA SENG
Executive Chairman
3 November 2020

*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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