

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”), the Company is required by the SGX-ST to announce its quarterly financial statements in view of the disclaimer of opinions issued by the Company's auditors in the audited financial statements of the Group for the financial year ended 30 September 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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**Unaudited Condensed Interim Financial Statements
for the First Quarter Ended 31 December 2022**

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(A) Condensed interim statement of profit or loss and other comprehensive income

	Group		Change %
	1Q2023	1Q2022	
	(unaudited) S\$'000	(unaudited) S\$'000	
Revenue	29,467	5,235	>100
Cost of sales	(14,015)	(4,096)	>100
Gross profit	15,452	1,139	>100
Other operating income	331	79	>100
Distribution expenses	(193)	(61)	>100
Administrative expenses	(1,681)	(1,495)	12
Other operating expenses	(1,295)	(132)	>100
Finance expenses	(64)	(422)	(85)
Profit/ (Loss) before income tax	12,550	(892)	n.m.
Income tax expense	(194)	(211)	(8)
Profit/ (Loss) for the period	12,356	(1,103)	n.m.
Other comprehensive income/(loss)			
<i>Items that will may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations	(470)	(80)	>100
Total comprehensive income/(loss) for the period, net of tax	11,886	(1,183)	n.m.
Profit/ (Loss) per share attributable to owners of the Company			
Basic and diluted (cents) ^[1]	0.42	(0.11)	n.m.
Total comprehensive profit/(loss) for the period attributable to owners of the Company			
Basic and diluted (cents) ^[1]	0.40	(0.12)	n.m.

n.m. denotes not meaningful

^[1] Basic profit/(loss) per share is calculated on the Group's profit/(loss) for the respective periods attributable to owners of the Company divided by the weighted average number of ordinary shares in issue of 2,947,826,233 (1Q2022: 984,280,038) during the respective periods.

Diluted profit/(loss) per share is calculated on the same basis as basic profit/(loss) per share as there were no dilutive potential ordinary shares in the respective periods.

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(B) Condensed interim statements of financial position

	Note	Group		Company	
		As at	As at	As at	As at
		31.12.2022 (unaudited) S\$'000	30.09.2022 (unaudited) S\$'000	31.12.2022 (unaudited) S\$'000	30.09.2022 (unaudited) S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	8	23,357	24,155	-	-
Right-of-use assets		2,067	2,183	-	-
Investment in subsidiaries		-	-	9,464	9,464
Other receivables		36	40	-	-
Total non-current assets		25,460	26,378	9,464	9,464
Current assets					
Cash and bank balances		19,641	11,299	2,867	827
Trade and other receivables		10,933	12,727	3,222	4,002
Inventories		13,368	7,672	-	-
Total current assets		43,942	31,698	6,089	4,829
Total assets		69,402	58,076	15,553	14,293
LIABILITIES					
Current liabilities					
Loans and borrowings	10	3,592	4,038	-	426
Financial guarantee liabilities		1,077	1,077	1,077	1,077
Trade and other payables		8,756	10,377	5,675	5,539
Lease liabilities		440	452	-	-
Income tax payable		106	56	-	-
Total current liabilities		13,971	16,000	6,752	7,042
Non-current liabilities					
Loans and borrowings		5,444	5,799	-	-
Other payables		101	106	-	-
Lease liabilities		1,623	1,727	-	-
Deferred tax liabilities		2,008	2,090	-	-
Total non-current liabilities		9,176	9,722	-	-
Total liabilities		23,147	25,722	6,752	7,042
EQUITY					
Capital and reserves					
Share capital	9	55,261	53,246	55,261	53,246
Other reserves		2,552	3,022	-	-
Accumulated losses		(11,558)	(23,914)	(46,460)	(45,995)
Equity attributable to owners of the Company		46,255	32,354	8,801	7,251
Total equity and liabilities		69,402	58,076	15,553	14,293
Net asset value per ordinary share (cents) ^[1]		1.43	1.18	0.27	0.27

[1] Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current period reported on and immediately preceding financial year.

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(C) Condensed interim statements of changes in equity

Group	Share capital	Merger deficit	Translation reserve	Revaluation reserve	Capital reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 01.10.2022 (unaudited)	53,246	(3,454)	(8,746)	12,617	2,605	(23,914)	32,354
Profit for the period	-	-	-	-	-	12,356	12,356
Other comprehensive loss	-	-	(470)	-	-	-	(470)
Total comprehensive income/(loss) for the period, net of tax	-	-	(470)	-	-	12,356	11,886
Issuance of new shares, representing transactions with owners, recognised directly in equity	2,015	-	-	-	-	-	2,015
Balance at 31.12.2022 (unaudited)	55,261	(3,454)	(9,216)	12,617	2,605	(11,558)	46,255

Group	Share capital	Merger deficit	Translation reserve	Revaluation Reserve	Capital Reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 01.10.2021 (audited)	46,246	(3,454)	(7,791)	9,418	2,605	(49,065)	(2,041)
Loss for the period	-	-	-	-	-	(1,103)	(1,103)
Other comprehensive loss	-	-	(80)	-	-	-	(80)
Total comprehensive loss for the period, net of tax	-	-	(80)	-	-	(1,103)	(1,183)
Issuance of new shares, representing transactions with owners, recognised directly in equity	-	-	-	-	-	-	-
Balance at 31.12.2021 (unaudited)	46,246	(3,454)	(7,871)	9,418	2,605	(50,168)	(3,224)

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(C) Condensed interim statements of changes in equity (cont'd)

	Share capital	Accumulated losses	Total
Company	S\$'000	S\$'000	S\$'000
Balance at 01.10.2022 (unaudited)	53,246	(45,995)	7,251
Loss for the period, representing total comprehensive income for the period	-	(465)	(465)
Issuance of new shares, representing transactions with owners, recognised directly in equity	2,015	-	2,015
Balance at 31.12.2022 (unaudited)	55,261	(46,460)	8,801

	Share capital	Accumulated losses	Total
Company	S\$'000	S\$'000	S\$'000
Balance at 01.10.2021 (audited)	46,246	(48,135)	(1,889)
Loss for the period, representing total comprehensive loss for the period	-	(47)	(47)
Issuance of new shares, representing transactions with owners, recognised directly in equity	-	-	-
Balance at 31.12.2021 (unaudited)	46,246	(48,182)	(1,936)

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(D) Condensed interim consolidated statement of cash flows

	Group	
	1Q2023 (unaudited) S\$'000	1Q2022 (unaudited) S\$'000
Cash flows from operating activities		
Profit/ (Loss) before tax	12,550	(892)
Adjustments for:		
(Reversal of)/ allowance on inventories	(85)	63
Reversal of expected credit loss on trade receivables	(275)	-
Depreciation of property, plant and equipment	550	562
Depreciation of right-of-use assets	115	109
Gain on disposal of property, plant and equipment	(1)	-
Increase in fair value of financial assets at fair value through profit or loss	-	(35)
Post-employment benefits	6	5
Interest expenses	64	422
Interest income	(21)	(10)
Effects of exchange rate changes	(199)	153
	12,704	377
Changes in working capital:		
Inventories	(5,611)	(221)
Trade and other receivables	2,315	929
Trade and other payables	(1,695)	430
Cash generated from operations	7,713	1,515
Tax paid	(413)	(486)
Net cash from operating activities	7,300	1,029
Cash flows from investing activities		
Interest received	21	10
Purchase of plant and equipment	(222)	(174)
Net proceeds from disposal of plant and equipment	-	-
Net cash used in investing activities	(201)	(174)
Cash flows from financing activities		
Interest paid	-	(22)
Repayment of bank borrowings	(798)	(19)
Principal payment of lease liabilities	(120)	(201)
Proceeds from issuance of shares	2,015	-
Net cash from/ (used in) financing activities	1,097	(242)

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(D) Condensed interim consolidated statement of cash flows (cont'd)

	Group	
	1Q2023	1Q2022
	(unaudited)	(unaudited)
	S\$'000	S\$'000
Net increase in cash and cash equivalents	8,196	623
Cash and cash equivalents at beginning of financial period	11,261	16,360
Effects of exchange rate changes on cash and cash equivalents	147	17
Cash and cash equivalents at end of financial period	19,604	17,000
Group		
Cash and cash equivalents as per statement of financial position comprising:		
Cash at bank	18,771	16,629
Fixed deposits with financial institutions	870	555
Cash and cash equivalents as per statement of financial position	19,641	17,184
Fixed deposits pledged with financial institutions	(37)	(39)
Bank overdraft	-	(145)
Cash and cash equivalents as per consolidated statement of cash flows	19,604	17,000

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(E) Notes to the unaudited condensed interim financial statements

1 Corporate information

Sen Yue Holdings Limited (“Company”, together with its subsidiaries, the “Group”) is a company incorporated in Singapore. The Company’s registered office is at 3 Jalan Pesawat, Singapore 619361. The Company is listed on the Catalyst Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

As at the date of this announcement, the immediate and ultimate holding company is Electroloy Metal Pte. Ltd. (“Electroloy”), a company incorporated in Singapore.

These unaudited condensed interim consolidated financial statements as at and for the first quarter ended 31 December 2022 (“1Q2023”) comprise the Company and its subsidiaries (together referred to as the “Group”).

The principal activity of the Company is that of an investment holding company. The Group is organised into the following main business segments:

- (a) Metal components and tool and die (“Metal Components”);
- (b) Electro deposition coating (“ED Coating”); and
- (c) Commodities.

The Company and its wholly-owned subsidiary, SMC Industrial Pte Ltd (“SMCI”) were under judicial management during the financial period from 1 October 2021 to 17 August 2022. During this period, the judicial managers (“JMs”) took over the management of the affairs and business of the Company and SMCI from the Board of Directors (“Board”). Following the schemes of arrangement to address the debts of the Company and SMCI (the “Schemes”) unanimously approved by the creditors on 15 July 2022, sanctioned by the Court on 28 July 2022 and came into effect on 2 August 2022, the judicial management orders were discharged on 17 August 2022, and subsequently the JMs have been re-appointed as Scheme Managers.

1.1 Event During the Financial Period

(i) Application of Subscriptions of new shares by Investors

The JMs had on 1 April 2022 on behalf of the Company, entered into three separate definitive subscription agreements with Electroloy, Jiangmenshi Changxin Technology Limited (“Jiangmenshi”) and Di Lingbin (“Mr. Di”) (collectively the “Investors”) for an aggregated cash consideration of S\$9.02 million, comprising individually a “Proposed Subscription” and collectively “Proposed Subscriptions”. The Proposed Subscriptions comprising 1,750,000,000 shares (“Subscription Shares”) issued and allotted to Electroloy and an aggregate of 503,750,000 Subscription Shares issued and allotted to Jiangmenshi and Mr. Di, at an issue price of S\$0.004 per Subscription Share have been completed on 5 August 2022 and 23 November 2022 respectively.

Following the completion of the Proposed Subscription with Jiangmenshi and Mr. Di, the Company has allotted 503,750,000 new ordinary shares for an aggregate cash consideration of S\$2.02 million to Jiangmenshi and Mr. Di on 23 November 2022. Accordingly, the issued and paid-up capital of the Company has since increased from S\$53.25 million comprising 2,734,280,038 ordinary shares to S\$55.26 million comprising 3,238,030,038 shares as at the date of this announcement.

All new ordinary shares issued to Jiangmenshi and Mr. Di rank *pari passu* in all respects with the then existing shares for any dividends, rights, allotments or other distributions.

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(E) Notes to the unaudited condensed interim financial statements

1 Corporate information (cont'd)

1.1 Event During the Financial Period (cont'd)

(ii) Loan restructuring with a Principal Lender

The Group recorded bank borrowings owing to one of the principal lenders for an aggregate amount of S\$17.46 million as at the ascertainment date on 31 March 2021. The bank borrowings were secured by the following:

1. Corporate guarantee given by the Company
2. Personal guarantee by Mr. Koh Mia Seng, one of the directors of the Company
3. Mortgage over the leasehold building at No. 3 Jalan Pesawat, Singapore 619361
4. Assignment of four keymen life insurance policies

Pursuant to the Schemes, the secured claim for an aggregate amount of S\$12.18 million have been restructured under a Restructured Facility Agreement with salient terms provided below:

- The Group agrees to repay the Principal Lender of S\$1.20 million upon the execution of the Restructured Facility Agreement (the “**Upfront Sum**”). The Group has repaid the Upfront Sum on 25 August 2022.
- The Group will repay the balance of S\$6.80 million (“**Balance Sum**”) together with the applicable interest (as set out below) by way of 59 equal monthly principal payments at S\$0.11 million per month.
- Interest will be charged on the Balance Sum at the prevailing Singapore Dollars 3-month SORA (Singapore Overnight Rate Average) plus 2% per annum. Default interest shall be payable at the rate of 3.5% per annum above the aforementioned prescribed interest rate (both before and after judgement) on all sums payable and not paid when due or upon demand, as the case may be.
- The principal lender shall be entitled to retain the entire proceeds of four keyman insurance policies and shall have the absolute discretion to either terminate or continue to maintain the policies.

The provisional sum of unsecured claims for an aggregate amount of S\$5.28 million which has been concluded and finalised shall include the bank balances or overdrafts with the principal lender in October 2022.

(iii) Redemption of outstanding amount with CIMB Bank Berhad, Singapore Branch

The Group had on 31 October 2022 fully redeemed the outstanding amount under revolving credit facility amounting to S\$0.44 million comprising of interest charges and miscellaneous charges of approximately S\$15,000. As at the date of this announcement, the mortgage pledged over a freehold land and building of a subsidiary has been discharged.

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

2 Basis of Preparation (cont'd)

The unaudited condensed interim financial statements for the first quarter ended 31 December 2022 and its comparatives for the first quarter (“1Q2022”) and full year ended 30 September 2022 (“FY2022”) have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The unaudited condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited annual financial statements for FY2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The unaudited condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

Please refer to outstanding audit matters arising from latest audited financial statements discussed under Section F, Note 1.1(a).

2.1 New and amended standards adopted by the Group

The following standards have been issued and are relevant to the Group and the Company, but not yet effective:

		Effective for annual financial periods beginning on or after
SFRS(I) 10 and SFRS(I) 1-28	<i>Amendments to SFRS(I) 10 and SFRS(I) 1-28 Investments in Associates and Joint Ventures – Sale or contribution of assets between an investor and its associate or joint venture</i>	Deferred indefinitely, early application is still permitted
SFRS(I) 17 and Amendments to SFRS(I) 17	<i>Amendments to SFRS(I) 9 Financial Instruments</i>	1 January 2023
Amendments to SFRS(I) 1-2 and SFRS(I) Practice Statement 2	<i>Amendments to Illustrative Examples accompanying SFRS(I) 16 Leases</i>	1 January 2023
Amendments to SFRS(I) 1-8	<i>Amendments to SFRS(I) 1-41 Agriculture</i>	1 January 2023
Amendments to SFRS(I) 1-12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transactions</i>	1 January 2023
Amendment to SFRS(I) 17	<i>Initial Application of SFRS(I) 17 and SFRS(I) 9— Comparative Information</i>	1 January 2023
Amendments to SFRS(I) 16	<i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to SFRS(I) 1-1	<i>Non-current Liabilities with Covenants</i>	1 January 2024

The adoption of the abovementioned standards is not expected to have any material impact on the financial statements of the Group and the Company in the period of initial application.

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

2 Basis of Preparation (cont'd)

2.2 Use estimates and assumptions

The preparation of the unaudited condensed interim financial statements for 1Q2023 and 1Q2022 in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for FY2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Calculation of expected credit loss allowance;
- Allowance for inventories;
- Impairment in value of investment in subsidiaries;
- Depreciation of property, plant and equipment;
- Fair value measurements and valuation processes; and
- Impairment of plant and equipment and right-of-use ("ROU") assets.

3 Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

4 Segment and Revenue Information

For the purpose of resource allocation and assessment of segment performance, the Group's Chief Executive Officer ("CEO") who is the chief operating decision maker have focused on the business operating units which in turn, are segregated based on the types of goods supplied and services provided.

The Metal Components segment, ED Coating segment and Commodities segment offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the segments, the Group's CEO reviews internal management reports on at least a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- (a) Metal Components – includes manufacturing and sales of perforated materials, speaker nets, tool, die and other metal components;
- (b) ED Coating – includes ED coating services and secondary process; and
- (c) Commodities – trading of e-waste raw materials, commodities, which include copper, stainless steel, other special alloys.

There are varying levels of integration between the Metal Components and ED Coating reportable segments. This integration includes ED Coating services for metal component, shared customers, sale of equipment and provision of maintenance services and rental of industrial properties. Inter-segment pricing is determined on an arm's length basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

4 Segment and Revenue Information (cont'd)

The following is an analysis of the Group's revenue and results by reportable segment:

4.1 Reportable Segments

	Group			
	Revenue		Segments results	
	1Q2023	1Q2022	1Q2023	1Q2022
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	S\$'000	S\$'000	S\$'000	S\$'000
Metal Components	703	848	24	(163)
ED Coating	3,813	3,998	860	1,206
Commodities	25,192	632	12,209	(1,587)
Inter-Segment Elimination	(241)	(243)	(6)	2
	29,467	5,235	13,087	(542)
Unallocated items:				
Other operating income			1,347	181
Other operating expenses			(1,297)	(134)
Administrative expenses			(591)	(388)
Finance cost			4	9
Profit/(Loss) before income tax			12,550	(892)
Income tax expense			(194)	(211)
Profit/(Loss) after income tax			12,356	(1,103)
Segment assets				
Metal Components			6,622	6,133
ED Coating			21,737	19,071
Commodities			36,965	27,400
Total segment assets			65,324	52,604
Unallocated assets [#]			4,078	601
Consolidated total assets			69,402	53,205
Segment liabilities				
Metal Components			1,334	1,976
ED Coating			3,149	2,632
Commodities			16,351	45,739
Total segment liabilities			20,834	50,347
Unallocated liabilities [^]			2,313	6,082
Consolidated total liabilities			23,147	56,429

[#] Unallocated assets are mainly related to a portion of the cash and cash equivalents and property, plant and equipment which are utilised by more than one segment of the Group.

[^] Unallocated liabilities are mainly related to the Group's loans and borrowings from external parties which are utilised by more than one segment of the Group, as well as tax payable and trade and other creditors accounted by the Company which are not allocated to any segment of the Group.

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

4 Segment and Revenue Information (cont'd)

4.1 Reportable Segments (cont'd)

	Metal Components	ED Coating	Commodities	Unallocated	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Other segment information:					
<u>1Q2023 (unaudited)</u>					
<u>Group</u>					
Additions to property, plant and equipment	-	215	7	-	222
Depreciation of property, plant and equipment	13	177	351	9	550
Depreciation of ROU assets	-	13	102	-	115
Reversal of allowance for receivables	-	(91)	(184)	-	(275)
Fair value gain of financial Assets at FVTPL	-	-	-	-	-
<u>1Q2022 (unaudited)</u>					
<u>Group</u>					
Additions to property, plant and equipment	27	147	-	-	174
Depreciation of property, plant and equipment	13	163	382	4	562
Depreciation of ROU assets	-	-	109	-	109
Reversal of allowance for receivables	-	-	-	-	-
Fair value loss of financial Assets at FVTPL	-	-	(35)	-	(35)

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

4 Segment and Revenue Information (cont'd)

4.2 Disaggregation of Revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

Group	Metal	ED Coating	Commodities	Total
	Components			
	S\$'000	S\$'000	S\$'000	S\$'000
1Q2023 (unaudited)				
Primary geographical markets				
Singapore	340	4	25,192	25,536
Malaysia	260	2,762	-	3,022
People's Republic of China	-	-	-	-
Indonesia	-	812	-	812
Others	97	-	-	-
	697	3,578	25,192	29,467
Major products/service line				
Sale of goods	697	-	25,192	25,889
Revenue from the provision of ED coating services	-	3,578	-	3,578
	697	3,578	25,192	29,467
Timing of revenue recognition				
At a point in time	697	3,578	25,192	29,467
1Q2022 (unaudited)				
Primary geographical markets				
Singapore	-	-	633	633
Malaysia	848	3,025	-	3,873
People's Republic of China	-	-	-	-
Indonesia	-	729	-	729
Others	-	-	-	-
	848	3,754	633	5,235
Major products/ service line				
Sale of goods	848	-	633	1,481
Revenue from the provision of ED coating services	-	3,754	-	3,754
	848	3,754	633	5,235
Timing of revenue recognition				
At a point in time	848	3,754	633	5,235

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(E) Notes to the unaudited condensed interim financial statements (cont'd)

5 Financial Assets and Financial Liabilities

Fair value measurement

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amounts and fair values of financial assets and financial liabilities of the Group as at 30 September 2022 and 31 December 2022, including their levels in the fair value hierarchy are as follows:

Group	Carrying amount		Total S\$'000
	Amortised cost S\$'000	Other financial liabilities not measured at fair value S\$'000	
31.12.2022 (unaudited)			
Trade and other receivables	4,952	-	4,952
Cash and cash equivalents	19,641	-	19,641
	24,593	-	24,593
Loan and borrowings	-	9,036	9,036
Leases liabilities	-	2,063	2,063
Trade and other payables	-	8,857	8,857
Financial guarantee liabilities	-	1,077	1,077
	-	21,033	21,033
30.09.2022 (unaudited)			
Trade and other receivables	5,133	-	5,133
Cash and cash equivalents	11,299	-	11,299
	16,432	-	16,432
Loan and borrowings	-	9,837	9,837
Leases liabilities	-	2,179	2,179
Trade and other payables	-	10,483	10,483
Financial guarantee liabilities	-	1,077	1,077
	-	23,576	23,576

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(E) Notes to the unaudited condensed interim financial statements (cont'd)

5 Financial Assets and Financial Liabilities (cont'd)

	Carrying amount		
	Amortised cost	Other financial liabilities not measured at fair value	Total
	S\$'000	S\$'000	S\$'000
Company			
31.12.2022 (unaudited)			
Trade and other receivables	3,221	-	3,221
Cash and cash equivalents	2,867	-	2,867
	6,088	-	6,088
Loans and borrowings	-	-	-
Trade and other payables	-	5,675	5,675
Financial guarantee liabilities	-	1,077	1,077
	-	6,752	6,752
30.09.2022 (unaudited)			
Trade and other receivables	4,000	-	4,000
Cash and cash equivalents	827	-	827
	4,827	-	4,827
Loans and borrowings	-	426	426
Trade and other payables	-	5,539	5,539
Financial guarantee liabilities	-	1,077	1,077
	-	7,042	7,042

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(E) Notes to the unaudited condensed interim financial statements (cont'd)

6 Profit/(Loss) Before Income Tax

6.1 Significant Items

	Group		Change %
	1Q2023	1Q2022	
	(unaudited) S\$'000	(unaudited) S\$'000	
Reversal of credit loss on trade receivables	(275)	-	n.m.
Depreciation of:			
- property, plant and equipment ⁽¹⁾	550	562	(2)
- right-of-use assets ⁽¹⁾	115	109	6
Employee benefits expense	2,383	2,217	7
Raw materials, changes in finished goods and work-in-progress recognised as cost of sales	14,015	4,110	>100
Increase in fair value of financial assets at FVTPL	-	(35)	n.m.
(Reversal of)/ Impairment loss on inventories	(85)	63	n.m.
Net foreign exchange loss	1,295	132	>100
Interest expenses	64	422	(85)
Interest income	(21)	(10)	>100

⁽¹⁾ Included in cost of sales and administrative expenses.

7 Income Tax Expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the unaudited condensed interim consolidated statement of profit or loss are:

	Group	
	1Q2023	1Q2022
	(unaudited) S\$'000	(unaudited) S\$'000
Tax expense on operations - Current year tax expense	194	211

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(E) Notes to the unaudited condensed interim financial statements (cont'd)

8 Property, Plant and Equipment

8.1 Valuation of Freehold Land and Building ("Property Assets")

The management undertook annual review of the carrying amounts of Property Assets under property, plant and equipment for indicators of impairment. Where indicators of impairment were identified, the recoverable amounts were estimated based on internal or external valuations undertaken by the Group.

The fair value of the Group's Property Assets is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the comparison method and the depreciated replacement cost method of valuation to determine the fair value of the properties.

During the financial period under review, the Group reviewed the fair value of the Group's Property Assets for financial reporting purposes based on valuation report as at 30 September 2022. Accordingly, the management has assessed that the recoverable amount of the Group's Property Assets is above its carrying value and concluded that the Group's Property Assets are not impaired.

9 Share Capital

	Group and Company			
	As at 31.12.2022		As at 30.09.2022	
	(unaudited)		(unaudited)	
	No. of shares	S\$'000	No. of shares	S\$'000
At the beginning and the end of the financial period	2,734,280,038	53,246	984,280,038	46,246
Issuance of new shares	503,750,000	2,015	1,750,000,000	7,000
	3,238,030,038	55,261	2,734,280,038	53,246

During the financial period, an aggregate of 503,750,000 placement shares were allotted and issued to the subscribers, Jiangmenshi and Mr. Di at an issue price of S\$0.004 for each placement share, in accordance with the terms of the Subscription Agreement. Please refer to Section E, Note 1.1(i) for more details.

The Company did not hold any treasury shares as at 31 December 2022 and 30 September 2022.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 30 September 2022.

The Company did not have any outstanding options and convertible securities as at 31 December 2022 and 30 September 2022.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(E) Notes to the unaudited condensed interim financial statements (cont'd)

10 Loans and borrowings

	Group		Company	
	As at	As at	As at	As at
	31.12.2022 (unaudited) S\$'000	30.09.2022 (unaudited) S\$'000	31.12.2022 (unaudited) S\$'000	30.09.2022 (unaudited) S\$'000
Secured				
Loan	6,882	7,683	-	426
Trade bills	2,154	2,154	-	-
	<u>9,036</u>	<u>9,837</u>	<u>-</u>	<u>426</u>
Classified as:				
- Current	3,592	4,038	-	426
- Non-current	5,444	5,799	-	-
	<u>9,036</u>	<u>9,837</u>	<u>-</u>	<u>426</u>

Details of any collateral

The Group's restructured term loan as at reporting date are secured by:

- (i) legal mortgage over a leasehold property; and
- (ii) corporate guarantee given by the Company.

Please refer to Section E, Note 1.1(ii) for the developments subsequent to year end.

11 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules

OTHER INFORMATION

1 Review

The unaudited condensed interim consolidated statement of financial position of Sen Yue Holdings Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended 31 December 2022 and the explanatory notes have not been audited or reviewed.

At the FY2021 AGM held on 13 January 2023, the past auditor of the Company, Crowe Horwath First Trust LLP (“**Crowe**”) did not seek for re-appointment as auditor. As at the date of this announcement, the Group is in the progress of formalising the appointment for the new auditor, subject to approval of the Company’s shareholders at an extraordinary general meeting to be convened. Correspondingly, the prior year comparatives as at 30 September 2022 have not been audited. The Company will make the necessary announcement if there are any material variances between the audited and unaudited financial statements following the completion of the statutory audit of the Group’s financial statements for the full year ended 31 December 2022.

1.1 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
 - (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
- (a) Crowe has issued a disclaimer of opinion on the consolidated financial statements of the Group for the financial year ended 30 September 2021. The basis for the disclaimer of opinion was in relation to the following:
- (i) **Opening balances – Sales/purchase transactions with certain customers/ suppliers**
 - (ii) **Revenue and cost of sales**

The disclaimers of opinion were relating to legacy issues carried forward.

During the financial year ended 30 September 2020, the Company has engaged Foo Kon Tan Advisory Services Pte Ltd (“**FKT**”) to conduct an independent review in relation to the concerns raised in respect of potential relationships that the former Executive Chairman of the Company, Mr. Koh Mia Seng (“**Mr. Koh**”), may have interested party transaction with the Group. FKT disclosed in its report the high risk that some transactions between SMCI, a wholly-owned subsidiary of the Company, and the seven identified companies (“**Identified Entities**”) were interested person transactions and were not conducted on an arms’ length basis and/or may not be bona fide.

The Company has since ceased dealing with the Identified Entities and has discontinued the non-ferrous metal trading business.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

1 Review (cont'd)

1.1 (a) Updates on the efforts taken to resolve each outstanding audit issue (cont'd)

(iii) Ongoing investigation

In view of FKT's recommendation and as disclosed in the Company's announcement on 27 January 2021, the Company filed a report with the Commercial Affairs Department ("CAD") in relation to the matters highlighted by FKT. As at the date of this announcement, the investigation of CAD is still in progress. For more information, please refer to the Company's announcement dated 27 January 2021.

(iv) Joint venture ("JV") arrangement

SMCI has engaged a legal advisor to advise the Board on the above matter and will update shareholders on the same in due course. Electroloy, being one of the parties to the tripartite JV agreement, has become the major corporate shareholder of the Group following the completion of the subscription agreement. Consequently, re-negotiation of the terms to the JV agreement between SMCI and Electroloy may subject to shareholders' approval via general meeting.

As at the date of this announcement, the construction of the smelting facility has been suspended since FY2021.

(v) Existence, valuation and completeness of inventories

The disclaimer of opinion was in relation to inventories reported by SMCI.

Crowe was appointed as statutory auditors via the extraordinary general meeting held on 21 July 2022. Despite that Crowe attended the full inventories count exercise of SMCI on 3 October 2022, it was impractical for the management to perform alternative procedures to validate the inventory quantities as at 30 September 2021 due to constraint caused by substantial time lapse from the balance sheet date to the date of physical inventories count. Moreover, Crowe was not granted access to the audit working papers of the predecessor auditor.

Cost of finished goods and work-in-progress goods includes an appropriate share of production overheads and labour cost based on normal operation capacity. As disclosed in Note 12 to the financial statement of Annual Report 2021, the carrying amount of the finished goods balance was S\$12,000 and hence, the cost of conversion of finished goods was believed to be immaterial and hence was not included in the cost of finished goods.

Allowance for inventories obsolescence amounting to S\$1.73 million were reversed after the management's review of sales transactions during the financial year under audit and concluded that they had been either over-provided or realised during the financial year ended 30 September 2021. The management has also assessed and concluded that the provision for inventory obsolescence was not necessary based on the review of sales transactions subsequent to the financial year where the inventories were sold above their carrying amounts. The management will assess the valuation of the inventories in accordance with SFRS(I) 1-2 *Inventories* on an ongoing basis and will make necessary provision, if necessary.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

1 Review (cont'd)

1.1 (a) Updates on the efforts taken to resolve each outstanding audit issue (cont'd)

(vi) Valuation and impairment assessment of non-financial assets

(a) Valuation of leasehold factory building (“Leasehold Factory”)

The disclaimer of opinion was in relation to Leasehold Factory held by SMCI at 3 Jalan Pesawat Singapore 619361.

Management has engaged an independent valuer to determine the fair value of the Leasehold Factory which is required to be revalued based on the Group’s accounting policy. As at 30 September 2021, the balance tenure of the Leasehold Factory was 6.25 years and it was further understood that the lease extension after the expiry of the existing term is highly unlikely as Jurong Town Corporation may have redevelopment plans for the vicinity. Due to the nature of the lease and relatively shorter balance tenure lease, the management has reviewed the valuation model and concurred that basis and assumptions used by the certified valuer are appropriate.

(b) Impairment assessment of property, plant and equipment (“PPE”) and right-of-use assets (“ROU Assets”)

An asset is impaired when its carrying amount exceeds its recoverable amount. The management assessed the indication of impairment in accordance with para 12 – 14 of SFRS(I) 1-36 *Impairment of Assets* and concluded that the carrying amount of the PPE and ROU recorded by SMCI were lower than its recoverable amount. Hence, no further impairment losses were provided for PPE and ROU.

The management must act prudently in respect of any reversal of impairment losses for PPE and ROU. As disclosed in Note 5 to the financial statement of Annual Report 2021, there was lack of strong indicators suggesting the impairment loss already provided in the book may have partly or fully reversed or to determine an appropriate amount of reversal to be recognised in the profit and loss.

As evident in this announcement, SMCI has turned around to get back into the black with good amount of waste supplies to be processed, while making good progress to normalcy. Accordingly, the management has revised its estimates used in the discounted future cashflow and determined that the recoverable amount of plant and equipment and ROU assets through value in use is higher than its carrying amount had no impairment loss been recognised in prior periods. As at 30 September 2022, a reversal of impairment loss of S\$0.32 million and S\$0.66 million was made for in respect of the Group’s plant and equipment and ROU assets respectively in FY2022.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

1 Review (cont'd)

1.1 (a) Updates on the efforts taken to resolve each outstanding audit issue (cont'd)

(c) Impairment assessment of investment in subsidiaries

Management provided additional impairment losses for cost of investment in dormant subsidiaries which are not cash-generating units and some with negative net tangible assets (“NTA”) in FY2021. Accordingly, management believed that the recoverable amount of the respective investment in subsidiaries was close to the NTA reported by the respective subsidiaries. Hence, the management assessed that it was appropriate to determine impairment losses with respect to cost of investment based on net assets approach.

In tandem with the increase in valuation of a leasehold property held by a dormant subsidiary, the recoverable amount of the investment in the subsidiary has increased correspondingly. The management has determined that the recoverable amount of the investments subsidiaries is higher than its carrying amount and hence, a reversal of an impairment of S\$0.58 million in FY2022 was recorded.

(vii) Going concern assumption

The Group reported net profit of S\$12.36 million (1Q2022: net loss of S\$1.10 million) for the quarterly financial period ended 31 December 2022. In tandem with the profits reported by the Group, the Group recorded positive working capital of S\$29.97 million and net assets of S\$46.26 million. The Company is currently making progress to normalcy under the helm of new management and newly constituted Board.

As of the date of this announcement, the Group has utilised the proceeds from the placement exercise with Proposed Subscriptions, as well as its internally generated funds to fulfill its obligation to repay 50% of its debts pursuant to the Schemes.

As at the date of this announcement, the use of the proceeds from issuance of ordinary shares is presented in below table:

	Allocation of the Subscription Proceeds	Amount utilised as at the date of the date of this announcement	Balance
	S\$'000	S\$'000	S\$'000
Use of proceeds			
Repayment of debts pursuant to	6,993	5,640	1,353
Working capital purpose ^(a)	2,022	2,022	-
Total	9,015	7,662	1,353

Note (a): Purchase of raw materials of S\$0.66 million and payment of professional fee of S\$1.36 million.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

2 Review (cont'd)

1.1 (a) Updates on the efforts taken to resolve each outstanding audit issue (cont'd)

(vii) Going concern assumption (cont'd)

In light of the abovementioned developments, the Board believes that the use of the going concern assumption in the preparation for financial statements for 1Q2023 is appropriate on the following grounds:

1. the Group reported a commendable profit before tax of approximately S\$12.55 million;
2. the Group reported positive working capital of S\$29.97 million as at 31 December 2022;
3. the Company and SMCI had completed the repayment of first tranche of the Schemes and is making substantial progress into completion of the remaining tranche of the Schemes which came into effect on 2 August 2022;
4. the Group has raised capital for an aggregate cash consideration of S\$9.02 million by November 2022 following the completion of Subscription Agreement;
5. the Group recorded strong and healthy cash position of S\$19.64 million as at 31 December 2022 arising from a net positive operating cashflow of S\$7.30 million; and
6. as at the date of this announcement, no material factors or circumstances exist which indicate the Group is unable to preserve and maintain its revenue streams from its business operations over the next 12 months.

- (b) The Board refers to the outstanding audit issues in relation to JV arrangement. Due to inconsistent understanding of the JV arrangement amongst the parties and different interpretation to the terms of the JV agreement, the Company is unable to determine an appropriate accounting treatment to account for the transactions in relation to the JV arrangement. Consequently, the Company and the Board are unable to determine whether adjustments to the accompanying financial statements might be necessary in respect of this matter. In light of the foregoing, the Board is unable to determine whether the financial statements of the Group were fairly presented.

Save as disclosed, the Board confirm that, to the best of their knowledge, the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

2 Review of performance of the Group

2(a) Income Statement

(i) Revenue, cost of sales and gross profit

	Revenue		
	1Q2023	1Q2022	Change
	(unaudited)	(unaudited)	
S\$'000	S\$'000	%	
Metal Components	703	848	(17)
ED Coating	3,813	3,998	(5)
Commodities	25,192	632	>100
Inter-Segment Elimination	(241)	(243)	2
	29,467	5,235	>100

The Group reported an increase in revenue by S\$24.23 million or 463%, from S\$5.24 million in 1Q2022 to S\$29.47 million in 1Q2023. SMCI was under judicial management in 1Q2022 and the revenue from Commodities segment increased by \$24.56 million mainly due to normalisation of operating activity following the lifting of judicial management order placed on SMCI in August 2022, together with its operation transitioned into lithium battery recycling business.

In tandem with the increase in revenue, cost of sales increased by S\$9.92 million from S\$4.10 million in 1Q2022 to S\$14.02 million in 1Q2023.

As a result, the Group's gross profit increased from S\$1.14 million in 1Q2022 to S\$15.45 million in 1Q2023, the gross profit margin reported by the Group improved by 30.6 percentage point from 21.8% in 1Q2022 to 52.4% in 1Q2023.

Please refer to Section E, Note 4.1 of this announcement for further details.

(ii) Other operating income

Increase in operating income from S\$79,000 in 1Q2022 to S\$0.33 million in 1Q2023 was mainly due to reversal of impairment loss recognised on financial assets amounting to S\$0.28 million resulting from overall decrease in overdue account receivables.

(iii) Distribution expenses

In tandem with the increase in revenue from Commodities segment, distribution expenses increased by S\$0.13 million from S\$61,000 in 1Q2022 to S\$0.19 million in 1Q2023.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

2 Review of performance of the Group (cont'd)

2(a) Income Statement (cont'd)

(iv) Administrative expenses

The Group's administrative expenses increased marginally by S\$0.19 million or 12% from S\$1.50 million in 1Q2022 to S\$1.68 million in 1Q2023, mainly due to general increase in other administrative expenses including salaries due to increase in headcount as Commodities segment's business operations are normalised.

(v) Other operating expenses

Other operating expenses increased by S\$1.16 million from S\$0.13 million in 1Q2022 to S\$1.30 million in 1Q2023, mainly due to increase in foreign exchange losses of S\$1.30 million as a result of weakened United State Dollar ("USD") against Singapore Dollar ("SGD") in 1Q2023 (US\$1 approximated to S\$1.3446 as at 31 December 2022) as compared to FY2022 (US\$1 approximated to S\$1.4340 as at 30 September 2022).

(vi) Finance expenses

In tandem with lower borrowing, finance expenses decreased by S\$0.36 million or 85% from S\$0.42 million in 1Q2022 to S\$64,000 in 1Q2023. Included in finance expenses reported in 1Q2022 were interest expenses accrued on defaulted loans. No such expense was recorded in 1Q2023.

(vii) Profit/ (loss) for the period

As a result of the aforementioned, the Group reported net profit of S\$12.36 million for 1Q2023 as compared to net loss of S\$1.10 million for 1Q2022.

2(b) Statement of financial position

As at 31 December 2022, the Group recorded positive working capital of S\$29.97 million (30 September 2022: S\$15.70 million) and basic net asset value per share of 1.43 Singapore cents (30 September 2022: 1.18 Singapore cents).

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

2 Review of performance of the Group (cont'd)

2(b) Statement of financial position (cont'd)

(i) Current assets

Current assets increased by S\$12.24 million or 39%, from S\$31.70 million as at 30 September 2022 to S\$43.94 million as at 31 December 2022, mainly due to increase in inventories and cash and bank balances, offset by decrease in trade and other receivables.

Trade and other receivables decreased by S\$1.80 million or 14% from S\$12.73 million as at 30 September 2022 to S\$10.93 million as at 31 December 2022, mainly due to the decrease in prepayment for waste supplies of S\$2.64 million under the tripartite agreement following the receipts of waste supplies in 1Q2023, offset by the increase in tax recoverable of S\$1.00 million. The Group recorded a decrease in trade receivables of S\$0.69 million mainly due to collection received during 1Q2023 of S\$0.57 million.

Inventories increased by S\$5.70 million or 74%, from S\$7.67 million as at 30 September 2022 to S\$13.37 million as at 31 December 2022, mainly due to increase in e-waste raw materials purchased under the tripartite agreement of S\$4.86 million in 1Q2023.

Cash and bank balances increased from S\$11.30 million as at 30 September 2022 to S\$19.64 million as at 31 December 2022. Please refer to Section F, Note 2(c) below on statement of cash flows for explanations on the increase in cash and cash equivalents of the Group.

(ii) Current liabilities

The Group recorded a decrease in current liabilities by S\$2.02 million or 13%, from S\$16.00 million as at 30 September 2022 to S\$13.97 million as at 31 December 2022, mainly due to decrease in trade and other payables and loans and borrowings.

Trade and other payables decreased by S\$1.62 million or 16% from S\$10.38 million as at 30 September 2022 to S\$8.76 million as at 31 December 2022, mainly due to repayment of account payables.

Loans and borrowings decreased by S\$0.45 million or 11% from S\$4.04 million as at 30 September 2022 to S\$3.59 million as at 31 December 2022, mainly due to the reclassification of non-current term loan from current liabilities to non-current liabilities as the Group paid off the current loans.

Saved as disclosed, there were no significant changes noted for non-current assets and non-current liabilities between 31 December 2022 and 30 September 2022 reported thereon.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalyst Rules (cont'd)

2 Review of performance of the Group (cont'd)

2(c) Statement of cash flows

Net cash from operating activities in 1Q2023 was S\$7.30 million. This was mainly due to (i) decrease in trade and other receivables of S\$2.32 million; (ii) profit before changes in working capital of S\$12.70 million; offset by (iii) increase in inventories of S\$5.61 million, and (iv) decrease in trade and other payables of S\$1.70 million.

Net cash used in investing activities in 1Q2023 was S\$0.20 million, mainly due to the purchase of plant and equipment of S\$0.22 million, offset by interest income of S\$21,000.

Net cash from financing activities in 1Q2023 was S\$1.10 million, mainly due to (i) repayment of lease liabilities of S\$0.12 million; (ii) repayment of bank loans of S\$0.80 million, offset by (iii) proceeds from issuances of shares of S\$2.02 million.

As a result, the Group generated cash and cash equivalents of S\$8.20 million in 1Q2023. The cash and cash equivalents as at 31 December 2022 amounted to S\$19.64 million.

3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect has been previously disclosed to shareholders.

4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As disclosed in its announcement on 23 February 2023, the Group remains mindful of the volatility within the commodities market and this is expected to continue in the near term. With an undermining demand for cobalt and price pressure from oversupply¹, the Group expects its profit margins in the Commodities segment to soften in the next 12 months despite the Group achieving commendable results in the Commodities segment in 1Q2023.

The Group is undergoing commissioning and certification for its new hot dip zinc galvanizing line. As we envisage the certification process may encounter delay, this may have an adverse impact on the financial performance of the Group's ED Coating segment due to the increase in overhead expenses to keep the hot dip zinc galvanising line operating. Further updates will be provided as and when appropriate.

¹ <https://www.reuters.com/markets/commodities/cobalt-supplies-swamp-market-pressure-prices-further-2023-03-07/#:~:text=Global%20supplies%20of%20refined%20cobalt,rise%208%25%20to%20205%2C000%20tonnes.>

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalist Rules (cont'd)

5 Dividend information

5a. Current Financial Period Reported on

Any dividend recommended/declared for the current financial period reported on?

No dividend had been declared or recommended for 1Q2023 as it is crucial for the Company to preserve cash to fulfil its obligation under the Schemes.

5b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended/declared for the corresponding period of the immediately preceding financial year?

None.

5c. Date Payable

Not applicable.

5d. Books Closure Date

Not applicable.

5e. A breakdown of total annual dividend for the latest full year and the previous full year.

Not applicable.

6 Interested person transactions (“IPTs”)

The Group has not obtained a general mandate from shareholders for interested person transaction.

There were no interested person transactions conducted under the IPT Mandate pursuant to Catalist Rule 920 that were more than S\$100,000 in 1Q2023.

7 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company confirms that it has procured all the required undertakings under Rule 720(1) of the Catalist Rules from all the Directors and Executive Officers of the Company in the format set out in Appendix 7H of the Catalist Rules.

SEN YUE HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Company Registration No. 200105909M)

(F) Other information required pursuant to Appendix 7C of the Catalist Rules (cont'd)

8 Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Group for the three-month period ended 31 December 2022 to be false or misleading in any material aspect.

9 Disclosure pursuant to Rule 706A of the Catalist Rules

The Company did not acquire or dispose shares in an entity which will result in that entity in becoming or ceasing to be, a subsidiary or associated company of the Company, or result in a change in the Company's shareholding percentage in a subsidiary or associated company during 1Q2023.

**ORDER OF THE BOARD
SEN YUE HOLDINGS LIMITED**

Yap Meng Sing
Executive Chairman and CEO

Singapore
18 April 2023