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

RECEIPT OF LETTERS OF DEMAND BY THE COMPANY'S SUBSIDIARY SMC INDUSTRIAL PTE LTD ("SMCI")

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*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, 6 October 2020, 3 November 2020, 11 November 2020, 25 November 2020, 29 December 2020, 14 January 2021, 28 January 2021, 29 January 2021, 17 February 2021 and 19 February 2021 (the "**Announcements**").*

The Board of Directors (the "**Board**") of Sen Yue Holdings Limited (the "Company" and together with its subsidiaries (the "**Group**")) refers to the Announcements and wishes to update Shareholders that SMCI has (i) on 19 February 2021 received a letter of demand dated 18 February 2021 from Meiden Singapore Pte. Ltd. ("**Meiden**"), a supplier of scrap metal to SMCI and (ii) on 22 February 2021 received a letter of demand dated 19 February 2021 from the Land Transport Authority ("**LTA**") for the sale of decommissioned equipment and scrap cables to SMCI.

The salient points of the letters are as follows:

1. Meiden has demanded payment of S$50,634.44 for scrap sales of bare copper strips and paper covered wires within 7 days from the date of the letter, failing which Meiden will be entitled to take legal action against SMCI without further reference and claim all legal costs incurred against SMCI as well; and

2. LTA has demanded payment of S$464,866.02 due as of 5 November 2020 plus all accrued late payment interest charges within 14 days from the date of the letter, failing which LTA may terminate the contract, call upon the banker's guarantee for security deposit and/or take whatever steps and/or actions it deems fit against SMCI for the recovery of the said sum without further reference and hold SMCI liable for any costs and expenses (including legal costs) on a full indemnity basis.

The Group is currently in discussions with Meiden and LTA on suitable repayment proposals and 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

NEO GIM KIONG
Executive Director and CEO
25 February 2021

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*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.*

The contact person for the Sponsor is Ms. Lim Hui Ling, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.