SEN YUE HOLDINGS LIMITED
(under interim judicial management)
(the "**Company**")
Registration Number 200105909M
(Incorporated in the Republic of Singapore)

RESPONSES TO QUESTIONS FROM SHAREHOLDERS IN RELATION TO THE ANNUAL GENERAL MEETING TO BE HELD ON 30 APRIL 2021

The Interim Judicial Managers (the "**IJM**") of Sen Yue Holdings Limited (the "**Company**" and together with its subsidiaries (the "**Group**")) wish to thank shareholders of the Company ("**Shareholders**") for submitting their questions in advance of the annual general meeting ("**AGM**") to be held via electronic means on 30 April 2021.

The Company has received the following questions from Shareholders (which have been edited for clarity) which are relevant to the resolutions to be tabled at the AGM. The Company's responses to the Shareholders' questions are as set out below:

Query 1: Why was the Company placed under interim judicial management and who is leading the business?

One of the Company's creditors, DBS Bank Ltd, had applied to the High Court of the Republic of Singapore to exercise its rights under the Insolvency, Restructuring and Dissolution Act 2018 to place the Company and its subsidiary, SMC Industrial Pte Ltd ("**SMCI**") under interim judicial management. On 1 April 2021, the High Court had granted the interim judicial management application to place the Company and SMCI under interim judicial management.

The business of the Group is currently being managed by the existing management of the Group who reports to the IJM, Mr Chee Yoh Chuang and Mr Lin Yueh Hung from RSM Corporate Advisory Pte Ltd ("**RSM**").

Query 2: When will all the accounts receivable be recovered?

The Group is actively following up with its debtors for repayment of the outstanding accounts receivable. The recoverability of these outstanding accounts receivable depends on the ability of the debtors to repay the same.

Query 3: Why did it take so long for all these fault findings? Shouldn't a listed company have all the documents ready?

As the independent review conducted by Foo Kon Tan Advisory Pte Ltd ("**FKT**") was for the period from FY2015 to FY2020 and involved multiple third parties, the Board took all reasonable steps to follow up and complete the review process as quickly as possible given the constraints faced in access to third parties' records, the restrictions on movement due to the COVID-19 pandemic, and work required.

Query 4: Shouldn't the Group concentrate on doing business while handling the fault findings?

The Group continues to conduct business as smoothly as possible with the current constraints faced by the Group in relation to availability of financial and manpower resources. As disclosed in the Company's announcement dated 15 April 2021, the Group's operating entities (save for PNE Micron Engineering Sdn. Bhd.) are profitable for the month of March 2021 based on the Group's unaudited management accounts.

Query 5: How long does the management require to resolve the issue?

The time required to resolve the findings of FKT depends on many factors, including the outcome of the hearing of the judicial management application on 10 May 2021, the outcome of the Commercial Affairs Department investigations, and availability of resources to conduct internal review on the veracity of the past accounts receivable. The Company hopes to resolve the outstanding issues as soon as practicable given the current constraints faced in relation to availability of financial and manpower resources.

Query 6: Who is RSM as mentioned in the SGX announcements?

RSM was the special accountant of the Company's wholly-owned subsidiary, SMCI appointed at the request of the Company's principal lender, DBS Bank Ltd as disclosed in the Company's announcement on 14 September 2020. As disclosed in Query 7 below, the IJM are directors of RSM.

Query 7: Is RSM the right entity to do or manage the business?

Pursuant to the court order issued on 1 April 2021, the IJM (who are directors of RSM) are empowered to manage the business of the Company and SMCI.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

Submitted by the Interim Judicial Managers
For and On Behalf of the Company

Chee Yoh Chuang and Lin Yueh Hung
c/o RSM Corporate Advisory Pte Ltd
29 April 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.*

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