



YONGNAM HOLDINGS LIMITED

(the “Company”)

(Company Registration No. 199407612N)

(Incorporated in the Republic of Singapore on 19 October 1994)

THE PROPOSED PLACEMENT OF AN AGGREGATE OF UP TO 47,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “PLACEMENT SHARES”) COMPRISING A PRIVATE PLACEMENT VIA A PLACEMENT AGENT AT S\$0.255 FOR EACH PLACEMENT SHARE (THE “ISSUE PRICE”) (THE “PROPOSED PLACEMENT”)

- RECEIPT OF IN-PRINCIPLE APPROVAL FROM THE SGX-ST

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the announcement made by Yongnam Holdings Limited (the “Company”) on 5 October 2017 relating to the Proposed Placement.

The Board of Directors is pleased to announce that the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) had on 16 October 2017 granted its in-principle approval (the “**AIP**”) for the listing and quotation of 47,500,000 Placement Shares today.

The SGX-ST has granted the AIP subject to the following conditions:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
- (c) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual;
- (d) a written undertaking from the Placement Agent that it will ensure that the Company will comply with Rule 803 of the Listing Manual;
- (e) a written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual; and
- (f) a written confirmation from the Placement Agent that Placement Shares will not be placed out to persons under Rule 812(1) of the Listing Manual.

Shareholders should note that the approval in-principle by the SGX-ST is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Company and/or its subsidiaries.

By Order of the Board
YONGNAM HOLDINGS LIMITED

SEOW SOON YONG
Chief Executive Officer
16 October 2017