YONGNAM HOLDINGS LIMITED
(the "**Company**")
(Company Registration No. 199407612N)
(Incorporated in the Republic of Singapore on 19 October 1994)

PROPOSED PLACEMENT AND ISSUANCE OF UP TO S$15,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF REDEEMABLE CONVERTIBLE BONDS – FINAL AMOUNT RAISED AND COMPLETION

All capitalised terms used herein shall unless otherwise defined, have the meanings ascribed to them in the Previous Announcements.

1. INTRODUCTION

The board of directors (the "**Board**" or "**Directors**") of Yongnam Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's earlier announcements dated 22 May 2019, 23 May 2019, and 29 May 2019 (the "**Previous Announcements**") in relation to the proposed placement and issue of up to S$15,000,000 in aggregate principal amount of Bonds.

2. FINAL AMOUNT RAISED

Pursuant to the Placement Agreement, the Placement Agent has procured Bondholders in connection with the Proposed Placement and the Company is pleased to announce that the Bondholders have agreed to be issued Bonds, upon Completion, in the final aggregate principal amount of S$12.5 million.

The allocation of net proceeds in the Previous Announcement was based on the assumption that S$15 million would be raised from the Proposed Placement. As the final aggregate principal amount of the Bonds is S$12.5 million, the estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses of approximately S$0.4 million, is approximately S$12.1 million (the "**Net Proceeds**"). Notwithstanding the foregoing, there is no change to the intended use of the entirety of the Net Proceeds for working capital purposes as stated in the Company's announcement dated 22 May 2019 in relation to the Proposed Placement.

3. COMPLETION

The Board is pleased to announce that the conditions precedent pursuant to the Placement Agreement have been fulfilled, and completion of the Proposed Placement has taken place today. The Bondholders will be issued the Bonds in the final aggregate principal amount of S$12.5 million, in accordance with the terms of the Placement Agreement.

By Order of the Board
YONGNAM HOLDINGS LIMITED

SEOW SOON YONG
Chief Executive Officer
4 June 2019