

YONGNAM HOLDINGS LIMITED

(the "Company")
(Company Registration No.199407612N)
(Incorporated in the Republic of Singapore)

MINUTES OF ANNUAL GENERAL MEETING

MINUTES of the Annual General Meeting (the "**AGM**" or "**Meeting**") of Yongnam Holdings Limited (the "**Company**" or "**YHL**") held by way of electronic means on Monday, 29 June 2020 at 10.00 a.m.

Present

Seow Soon Yong (Managing Director and Chief Executive Officer)
Chia Sin Cheng (Executive Director and Finance Director)

Via live-webcast:

Siau Sun King (Executive Director)
Seow Soon Hee (Executive Director)
Goon Kok Loon (Lead Independent Non-Executive Directors)
Lim Ghim Siew, Henry (Independent Non-Executive Directors)
Tan Eng Kiat, Dominic (Independent Non-Executive Directors)
Liew Jat Yuen, Richard (Independent Non-Executive Directors)

In Invitation Shareholders who attended via live webcast or audio conference:

As set out in the attendance list maintained by the Company

CHAIRMAN

Mr. Seow Soon Yong, the Managing Director and Chief Executive Officer of the Company, had conducted the proceedings of the AGM as the Chairman of the Meeting and welcomed the shareholders for their attendance. He expressed his regret that, due to the Covid-19 restriction orders in Singapore, shareholders were not able to attend in person. The Chairman introduced the Executive Director and Finance Director, Mr Chia Sin Cheng who was present at the AGM venue and the other members of the Board, the Executive Directors, Mr Siau Sun King and Mr Seow Soon Hee, Independent Non-Executive Directors, Mr Goon Kok Loon, Mr Lim Ghim Siew, Henry, Professor Liew Jat Yuen, Richard and Mr Tan Eng Kiat, Dominic as well as the Secretary, Auditors and Scrutineer who have joined the AGM via live webcast.

RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS

The Chairman informed the Meeting that the Company has addressed all substantial and relevant questions received from members prior to the Meeting. All questions have been addressed by the Company and the responses were published on the SGXNet on 28 June 2020. The responses to the questions can also be found at the Company's corporate website. A copy of the responses to substantial and relevant questions from Shareholders is annexed hereto as *Appendix 1*.

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POLL VOTING

The Chairman highlighted to the shareholders that, they would be no live voting during the meetings and he had been appointed as proxy by the shareholders to vote on their behalf in accordance with their specific instructions.

The Chairman further informed that all resolutions to be tabled at the AGM would be voted upon by way of poll. All the motions had been duly voted by the shareholders through the submissions of the Proxy Forms and the Scrutineer had verified the counting of all votes casted through the Proxy Forms.

Entrust Advisory Pte Ltd was appointed as scrutineers for the poll.

QUORUM

With the requisite quorum being present, the Chairman called the Meeting to order at 10.00 a.m.

NOTICE

The notice of the meeting having been circulated to the members, with the concurrence of the Meeting, was taken as read.

PRESENTATION

The Chairman explained briefly the Group's performance and the impact of Covid-19 on the business as presented below:

"The Group's financial performance in recent years was hit by the difficult business environment. There were fewer projects in the market. Margins have been thin as many competitors compete for a smaller pie. The delays and slow starts in projects that we have secured in recent years added to the Group's burden.

Because of the low level of business activities, there were significant unabsorbed overheads for the Group which impacted gross margins negatively. In FY2019, we reported operational restructuring costs and loss on disposal of strutting assets of a total of \$17.4 million. We did a review on our strutting assets and disposed of assets with low utilisation. Going forward, this will increase the efficiency of our strutting segment.

The Group's order book has since improved from a low of \$152 million as at 31 December 2017 to \$366 million as at 31 December 2018 and \$405 million as at 31 December 2019.

We were expecting the Group's results to improve from this year. But with the sudden Covid-19 pandemic, we now expect a negative impact on our business and the Group's financial results for FY2020.

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COVID-19 led to the Circuit Breaker period in Singapore. We had to stop construction work at all our ongoing projects in Singapore during this period. BCA has allowed for the gradual resumption of construction work since 2 June 2020. But the migrant workers have been seriously affected by the COVID-19 situation. We are working closely with our main contractors and the authorities to get all the required approvals to start work. As of today, the Group has not resumed work on our Singapore projects. We expect some projects to resume in July.

The Group's operations in Hong Kong continued during this period. For our Melbourne project, Covid-19 has no significant impact as it is a supply-only contract and our supply of struts is completed. Operations in India were shut down for about one and half months from April but it is now operating.

While the Singapore government expects major transport infrastructure projects such as Changi Airport Terminal 5 to be delayed, Yongnam will continue to actively explore other infrastructure projects and specialist civil engineering projects in Singapore as well as projects as a main contractor via joint ventures.

We will continue to look for projects in Singapore, Hong Kong, India and Australia.

In view of the challenging environment, the Executive Directors had no salary increments for FY2017 and FY2018. And starting from July 2019, the Executive Directors had a 15% salary reduction. In the light of Covid-19, the Executive Directors took a further 30% pay cut starting from June 2020. All our staff, except for migrant workers, also took a pay cut this year. My senior management and I are doing whatever we can to ensure that we ride through this storm together."

ORDINARY RESOLUTION 1

AUDITED FINANCIAL STATEMENTS AND STATEMENT OF THE DIRECTORS AND THE AUDITORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Chairman proposed that the Directors' Statement and the Audited Financial Statements of the Company for the year ended 31 December 2019 and the Auditor's Report thereon be received and adopted.

The results of Resolution 1 were as follows:

	Total Votes	Percentage
For	194,402,574	99.9923%
Against	15,000	0.0077%

Based on the results of the poll, the Chairman declared the following motion carried:

"RESOLVED that the Audited Financial Statements and the Statement of the Directors and the Auditors' Report thereon for the financial year ended 31 December 2019 be and are hereby received and adopted."

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ORDINARY RESOLUTION 2

DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Chairman proposed the motion to approve the Directors' Fees of S\$190,000 for the financial year ended 31 December 2019.

The results of Resolution 2 were as follows:

	Total Votes	Percentage
For	194,207,824	99.8921%
Against	209,750	0.1079%

Based on the results of the poll, the Chairman declared the motion carried and it was

“RESOLVED that approval be and is hereby given for the payment of S\$190,000 to the Directors as Directors' Fees for the financial year ended 31 December 2019.”

RETIREMENT OF MR SEOW SOON HEE AS A DIRECTOR OF THE COMPANY

It was noted that Mr Seow Soon Hee had indicated his retirement intention and did not wish to seek for re-election as a Director of the company pursuant to Article 103 of the Company's Constitution.

On behalf of the Board, the Chairman of the Meeting, expressed its appreciations to Mr Seow Soon Hee for his extensive and valuable contributions to the Company for his tenure as an Executive Director of the Company since 1977.

ORDINARY RESOLUTION 3

RE-ELECTION OF MR SEOW SOON YONG AS DIRECTOR OF THE COMPANY

As Resolution 3 involved the re-election of the Chairman, Mr Seow Soon Yong as Director of the Company, the Chairman at this juncture handed over the Chair to the Executive Director and Finance Director, Mr Chia Sin Cheng for the conduct of this motion.

Mr Seow Soon Yong retired pursuant to Article 103 of the Company's Constitution. Being eligible, he had offered himself for re-election.

Mr Chia Sin Cheng informed the Meeting that upon re-election, Mr Seow Soon Yong would, upon re-election as Director of the Company, remains as Managing Director and Chief Executive Officer of the Company.

The results of Resolution 3 were as follows:

	Total Votes	Percentage
For	194,218,824	99.9305%
Against	135,000	0.0695%

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Based on the results of the poll, the Chairman declared the following motion carried:

“RESOLVED that Mr Seow Soon Yong be re-elected as Director of the Company.”

Thereafter, Mr Chia Sin Cheng invited Mr Seow Soon Yong to resume the Chair.

ORDINARY RESOLUTION 4

RE-ELECTION OF MR SIAU SUN KING AS DIRECTOR OF THE COMPANY

Mr Siau Sun King retired pursuant to Article 103 of the Company's Constitution. Being eligible, he had offered himself for re-election.

The results of Resolution 4 were as follows:

	Total Votes	Percentage
For	194,218,824	99.9305%
Against	135,000	0.0695%

Based on the results of the poll, the Chairman declared the following motion carried:

“RESOLVED that Mr Siau Sun King be re-elected as Director of the Company.”

ORDINARY RESOLUTION 5

RE-APPOINTMENT OF AUDITORS

The Chairman proposed that Ernst & Young LLP be reappointed as Auditor of the Company and that the Directors be authorised to fix its remuneration.

The results of Resolution 5 were as follows:

	Total Votes	Percentage
For	194,297,574	100%
Against	0	0%

Based on the results of the poll, the Chairman declared the following motion carried unanimously.

“RESOLVED that Messrs Ernst & Young LLP be and are hereby re-appointed as Auditors of the Company for the ensuing year and that the Directors be authorised to fix their remuneration.”

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SPECIAL BUSINESS:

ORDINARY RESOLUTION 6

AUTHORITY TO ALLOT AND ISSUE SHARES

The Chairman proposed the motion to approve the authority to allot and issue shares.

The results of Resolution 6 were as follows:

	Total Votes	Percentage
For	190,739,399	98.1403%
Against	3,614,425	1.8597%

Based on the results of the poll, the Chairman declared the following motion carried:

"RESOLVED:

That pursuant to Section 161 of the Companies Act, Chapter 50 and the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:

- (a) (i) ***issue and allot new shares ("Shares") in the capital of the Company (whether by way of rights, bonus or otherwise); and/or***
- (ii) ***make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and***
- (b) ***(notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this resolution was in force,***

provided that:

- (1) ***the aggregate number of Shares to be issued pursuant to such authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company ("Shareholders") are not given the opportunity to participate in the same on a pro-rata basis ("non pro-rata basis"), then the Shares to be issued under such circumstances (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);***

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- (2) ***(subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under paragraph (1) above, the total number of issued Shares, excluding treasury shares and subsidiary holdings, shall be based on the total number of issued Shares of the Company, excluding treasury shares and subsidiary holdings, at the time such authority was conferred, after adjusting for:***
- (a) ***new Shares arising from the conversion or exercise of any convertible securities or the exercising of share options or the vesting of share awards which are outstanding or subsisting at the time such authority was conferred and;***
 - (b) ***any subsequent consolidation or subdivision of the Shares;***
- (3) ***in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution of the Company for the time being; and***
- (4) ***(unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."***

CONCLUSION

There being no other business, the Chairman declared the Meeting of the Company closed at 10.16 a.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings held

Seow Soon Yong
Chairman of the Meeting
24 July 2020