



YONGNAM HOLDINGS LIMITED

(the "Company")

(Company Registration No. 199407612N)

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

APPLICATION FOR FURTHER EXTENSION OF TIME TO THE SGX-ST TO HOLD THE COMPANY'S ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 ("FY2020")

Capitalised terms not defined herein shall have the meanings ascribed to them in the Company's announcement in relation to the Company's Application for Extension of time dated 1 April 2021 (the "Previous Announcement").

The Board of Directors (the "**Board**") of Yongnam Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to update that further to the Previous Announcement, the Company has on 28 May 2021, submitted an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") seeking its approval for further extension of time from complying with Rule 707(1) of the Listing Manual of the SGX-ST (the "**Waiver**"); and an extension of time to hold the annual general meeting of the Company (the "**AGM**") for the financial year ended 31 December 2020 ("**FY2020**") from 29 June 2021 to 29 July 2021 ("**Further Extension of Time**").

The reasons for seeking the Further Extension are set out below:-

- (a) **Additional time needed to assess the Group's prospective 12 months financial position.** As highlighted in the Previous Announcement, under Reason (b) the Management of the Company is still currently reviewing its critical accounting estimates, assumptions and judgments concerning the prospective financial situation of the Group in the next 12 months. Differing audit conclusions arrived at in respect of the aforesaid estimates, assumptions and judgments may materially impact the preparation of the Group's Audited Financial Statements for FY2020. The recent travel ban imposed by Government on work pass holders from India and Bangladesh, effective from 2 May 2021, has put a further strain on the Group's resources in execution of our projects. The resource crunch has impacted the Group's on-going projects progress and expected timing of its receipts which forms part of the estimates in evaluation of the Group's prospective 12 months financial position. The Management and the Auditor, especially in view of (b) below, will require additional time to evaluate the Group's prospective 12 months financial position.
- (b) In addition, **the Company is currently negotiating with its principal bank lenders to secure approvals in finalising its repayment restructuring plans.** Additional time is required as the financial ability of the Group to make such repayments needs to be continually reassessed in light of the Group's evolving business environment which has direct impact on its operations and cash flow, and potential fund-raising options.
- (c) **The Board needs more time for going concern assessment** in view of the above reasons. This assessment will also need to be further reviewed by the Auditor as part of its audit process. Such further time is required to enable the Board to provide a fair and balanced view of the Group's FY2020 financial position to shareholders.

The SGX-ST has on 9 June 2021 advised that, based on the Company's submission and representations to the SGX-ST, the SGX-ST has no objection to the Company's application for the Further Extension of Time subject to the following Waiver's conditions:-

- a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and
- c) the Company convening the annual general meeting by 29 July 2021.

The Company has complied with all the abovesaid Waiver Conditions.

The Company has also made an application for further extension to the Accounting and Corporate Regulatory Authority ("ACRA") on 28 May 2021 for extension of time to (1) hold its AGM by 29 July 2021; and (2) file its annual return by 30 August 2021, under Sections 175(2) and 197(1B) of the Companies Act, Cap. 50 respectively. We will make an immediate announcement to the SGX-ST via SGXNet upon the Company receives the outcome of its application with the ACRA.

Based on the above, the Company wishes to advise the indicative timeline as follows:-

Milestones	Expected Dates
Finalisation of FY2020 Audited Financial Statements and Annual Report	By 30 June 2021
Issue of the Company's FY2020 Annual Report to shareholders together with Notice of AGM	At least 14 days before the date of its AGM
Convening of the Company's AGM for FY2020	By 29 July 2021

CONFIRMATION FROM THE COMPANY

The Company confirms that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

The Company will make an immediate disclosure via SGX-ST if it is or will be in contravention of any laws and regulations governing the Company and the constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the Waivers.

By Order of the Board

Seow Soon Yong
Chief Executive Officer

Date: 9 June 2021