



YONGNAM HOLDINGS LIMITED

(the “**Company**”)

(Company Registration No. 199407612N)

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

ANNOUNCEMENT ON JOINT VENTURE AGREEMENT

1. INTRODUCTION

The board of directors (the “**Board**”) of Yongnam Holdings Limited (the “**Company**”), had previously announced on 20 July 2020 that its joint venture arrangement (the “**JV**”) with Daewoo Engineering & Construction Co., Ltd. (“**Daewoo E&C**” or the “**JV Partner**”) had been awarded a design and build contract for Jurong Regional Line 109 contract works. Based on the pre-bid agreement, the beneficial interests in the Company and Daewoo E&C in the JV were 40% and 60% respectively. It was stated in the pre-bid agreement that the beneficial interests in the JV may subsequently be amended as agreed upon signing by the joint venture partners in joint venture agreement (“**JVA**”) with such new term.

The Board of the Company wishes to announce that the Company has entered into a JVA with Daewoo E&C on 30 March 2022. Pursuant to the JVA, the respective beneficial interests of the Company and Daewoo E&C in the JV are 0.01% and 99.99% respectively, effective from the date of pre-bid agreement.

2. JOINT VENTURE

2.1 Information of Joint Venture Partner

Daewoo E&C is a South Korean company and is a leading international construction company, listed on the Korea Stock Exchange.

Daewoo E&C is not related to the Company and its Directors and substantial shareholders.

2.2 Business of Joint Venture

The purpose of the JV is to carry out the design and build contract for J109 contract works include the design and construction of Toh Guan Station, Jurong Town Hall Station, Pandan Reservoir Station and associated entrances, as well as a 3600 metres elevated viaduct (the “**Contract**” or the “**Project**”).

2.3 Salient terms of the JVA

Under the JVA, Daewoo E&C shall be the leader of the JV. Daewoo E&C is entitled and authorised to represent the JV in respect of the Contract with the owner and/or any third party. Daewoo E&C shall enter into all subcontracts in respect of the works under the Contract solely and exclusively with the relevant third parties in the name of the JV.

The JV shall be entirely and exclusively managed and controlled by Daewoo E&C. The Company shall have no authority to represent the JV in any manner, and agree to sign and issue a power of attorney empowering Daewoo E&C to represent and perform all acts on behalf of the JV in respect of the Project.

3. INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

None of the directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the JV.

By Order of the Board

YONGNAM HOLDINGS LIMITED

SEOW SOON YONG

Chief Executive Officer

31 March 2022