



YONGNAM HOLDINGS LIMITED

(Company Registration No. 199407612N)

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

UPDATE ON APPLICATIONS FOR LEAVE TO CONVENE A SCHEME MEETING PURSUANT TO SECTION 210(1) OF THE COMPANIES ACT AND MORATORIUM RELIEF PURSUANT TO SECTION 65(1) OF THE INSOLVENCY, RESTRUCTURING AND DISSOLUTION ACT 2018

The board of directors (the “**Directors**” or the “**Board**”) of Yongnam Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcements dated 20 January 2023, 25 January 2023, 30 January 2023, 31 January 2023, 13 February 2023 and 28 April 2023 in relation to, among other things, the filed applications for (i) leave to convene a meeting of Yongnam Engineering & Construction (Private) Limited’s (“**YEC**”) creditors under section 210(1) of the Companies Act 1967 (the “**Leave Application**”), and (ii) moratorium relief under section 65(1) of the Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018) (the “**Section 65 Moratorium Application**”) (collectively, the “**Previous Announcements**”).

Unless otherwise defined in this announcement, capitalised terms shall bear the meanings as ascribed to them in the Previous Announcements.

The Board wishes to update that the Honourable Court has, on 15 May 2023, made the following orders in respect of the Leave Application:

- (a) YEC be and is hereby granted leave to convene a meeting (including any adjournment thereof) of its Creditors (as defined in YEC’s proposed scheme of arrangement) (the “**Scheme Meeting**”) within three (3) months of the date of the Court’s order (or such other period as may be ordered by the Court), for the purpose of considering and, if thought fit, approving (with or without modification) the proposed scheme of arrangement to be made between YEC and its Creditors pursuant to section 210 of the Companies Act 1967 (the “**Scheme**”).
- (b) Pursuant to section 64(7) of the IRDA, the moratorium granted in HC/ORC 653/2023 be and is hereby extended by a period of three (3) months from 15 May 2023 to 15 August 2023 (the “**YEC Moratorium**”).
- (c) Notwithstanding the above, there shall be no moratorium in respect of proceedings by or against YEC in HC/S 856/2021 and YEC and Mero Asia Pacific Pte Ltd shall be and are hereby granted leave to continue those proceedings.
- (d) YEC is hereby granted liberty to apply for any other directions as may be necessary, including directions with regard to the determination of any issue or dispute in connection with the Scheme Meeting, an extension of the YEC Moratorium and the voting or entitlement to vote of any Creditor at the Scheme Meeting.
- (e) Any Creditor or alleged Creditor of YEC shall be at liberty to apply.

The Court also made the following orders in respect of the Section 65 Moratorium Application:

- (a) Pursuant to section 65 of the IRDA, no execution, distress or other legal process shall be levied against any property of the Company and no application to have the Company wound up or placed under judicial management shall be filed, subject to the leave of the Court and subject to the terms as the Court imposes, from the date of the Court's order to 15 August 2023 (the "**YHL Moratorium**").
- (b) The Company is hereby granted liberty to apply for any other directions as may be necessary, including an extension of the YHL Moratorium.
- (c) Any creditor or alleged creditor of the Company shall be and is hereby granted liberty to apply.

The Group's corporate advisor in respect of the proposed restructuring is RSM Corporate Advisory Pte Ltd. Creditors should direct any queries to questions@yongnamgroup.com.

The Company will make further announcements via SGXNET as and when there are any material developments.

For and on behalf of the Board of Directors of
YONGNAM HOLDINGS LIMITED

Seow Soon Yong
Chief Executive Officer
15 May 2023