



# YONGNAM HOLDINGS LIMITED

(Co Reg No 199407612N)  
(Judicial Managers Appointed)

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## RECEIPT OF JUDGMENT IN DEFAULT OF APPEARANCE DATED 3 OCTOBER 2023 AND LETTER OF DEMAND DATED 19 OCTOBER 2023 FROM SHEARN DELAMORE & CO IN RELATION TO MALAYSIAN COURT PROCEEDINGS, SUIT NUMBER: JA- 22NCC-59-08/2023

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The judicial managers of Yongnam Holdings Limited (the “**Company**”) refer to:

1. the Company’s General Announcement dated 29 December 2022, announcing that the Company had previously received a letter of demand on 28 December 2022 for the sum of RM8,456,194.20 (the “**Demanded Sum**”), from the attorney of RHB Trustees Berhad (as Trustee for AXIS-REIT) (“**RHB**”) owing from Yongnam Engineering Sdn Bhd (“**YESB**”), with the Company as corporate guarantor; and
2. the Company’s General Announcement dated 11 September 2023 announcing that the Company received a Writ of Summons dated 25 August 2023 (“**Writ**”) and Statement of Claim dated 25 August 2023 from RHB Trustees Berhad (AXIS Real Estate Investment Trust) in relation to Malaysian Court Proceedings (Suit Number: **JA-22NCC-59-08/2023**) (the “**Malaysian Suit**”), which named YESB and the Company as Defendants (the “**Defendants**”).

The judicial managers wish to update that on 19 October 2023, the judicial managers received a copy of the sealed Judgment in default of appearance dated 3 October 2023 (“**Default Judgment**”) filed by RHB in the Malaysian Suit and a Letter of Demand dated 19 October 2023 (“**Letter of Demand**”) demanding sums due under the Default Judgment from Shearn Delamore & Co.

### **Default Judgment**

Pursuant to the Default Judgment obtained in default of appearance, the Malaysian Court has adjudged that the Defendants are required, jointly and severally to pay to RHB:

- a. Agreed rental arrears due and owing pursuant to the Lease for the amount of RM3,792,276.43;
- b. Compensation charges of RM703,966.14 as at 7 June 2023 and continuing on the sum of RM3,792,276.43 at the rate of 1.5% per month on daily basis from 8 June 2023 until the date of full and final realisation;
- c. Agreed specific damages of RM105,396,516.60;
- d. Compensation charges on the sum of RM105,396,516.60 at the rate of 1.5% per month from 8 June 2023 until the date of full and final realisation; and

- e. Legal charges and reimbursement as at the date of filing the Writ in the sum of RM236,954.77.

**Letter of Demand**

The Letter of Demand claims for sums owed under the Default Judgment from the Company within 7 days from 19 October 2023.

**Shareholders, creditors and holders of existing debts and securities of the Company are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

For and On Behalf of the Company

Toh Ai Ling  
Joint and Several Judicial Manager  
23 October 2023

Seow Soon Yong  
Chief Executive Officer  
23 October 2023