



YONGNAM HOLDINGS LIMITED

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

RECEIPT OF SEALED JUDGMENT IN DEFAULT OF APPEARANCE DATED 8 OCTOBER 2023 AND LETTER OF DEMAND DATED 24 OCTOBER 2023 FROM WAJDI MOHAMAD & COMPANY IN RELATION TO MALAYSIAN COURT PROCEEDINGS, SUIT NUMBER: JA-22NCC-11-02/2023

The judicial managers of Yongnam Holdings Limited (the “**Company**”) refer to 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 in relation to arrears of rental, compensation charges and legal fees due for premises known as AXIS Steel Centre @ SiLC(JB), No. 27, Jalan SiLC 1/5, Kawasan Perindustrian SiLC, 79200 Bandar Nusajaya, Johor Darul Ta’Zim, Malaysia.

The judicial managers of Yongnam Holdings Limited (the “**Company**”) wish to update that on 24 October 2023, the judicial managers received a copy of the sealed judgment dated 8 October 2023 (“**Judgment**”) filed by RHB in the High Court of Malaya at Johor Bahru (the “**Malaysian Court**”), Suit Number: JA-22NCC-11-02/2023 (the “**Suit**”) and a Letter of Demand dated 24 October 2023 (“**Letter of Demand**”) from Wajdi Mohamad & Company demanding Sums (as defined below) due under the Judgment.

On 8 February 2023, the Suit was commenced against the Company as the sole Defendant, on the basis of the unpaid Demanded Sum due and owing.

Judgment

Pursuant to the Judgment, the Malaysian Court has adjudged that the Defendant is to pay to RHB:

- a. the principal judgment sum for the amount of RM2,537,980.20;
- b. compensation charges at the rate of 1.5% per month on RM7,195,943.41 from 21 December 2022 until 20 March 2023. Wajdi Mohamad & Company has, in the Letter of Demand, calculated this to be RM323,817.45;
- c. compensation charges at the rate of 1.5% per month on RM1,277,729.41 from 21 March 2023 until the date of full settlement. Wajdi Mohamad & Company has, in the Letter of Demand, calculated this to be RM136,634.62 for the period from 21 March 2023 to 24 October 2023; and
- d. costs of RM1,754.00

(collectively, the “**Sums**”).

Letter of Demand

The Letter of Demand claims for the Sums owed under the Judgment from the Company within 7 days from 24 October 2023, failing which, RHB shall commence execution proceedings against the Company to recover the Sums without further reference to the Company whereby all further costs and interests incurred thereto shall be borne by the Company.

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
31 October 2023

Seow Soon Yong
Chief Executive Officer
31 October 2023