



YONGNAM HOLDINGS LIMITED

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

NOVATION OF STRUCTURAL STEELWORK CONTRACTS

In 2019, Yongnam Engineering & Construction (Private) Limited (“YNEC”), a wholly-owned subsidiary of Yongnam Holdings Limited (the “**Company**”), entered into contracts as a sub-contractor with Hexacon Construction Pte Ltd (“**Main Contractor**”) for two construction projects, the Rochester Park Project and the Central Boulevard Project (collectively, the “**Projects**”).

The judicial managers (the “**JMs**”) of the Company wish to update that YNEC has entered into novation agreements (“**Novation Agreements**”) with Kuan Construction Engineering Pte Ltd (the “**Replacement Sub-Contractor**”) and the Main Contractor in respect of the Projects.

By entering into the Novation Agreements, the Replacement Sub-Contractor will perform and be bound by the terms and conditions of the Projects and any indemnities and warranties furnished thereunder in every way as if the Replacement Sub-Contractor was named in the relevant Projects and any indemnities and warranties furnished thereunder as a party thereto from the outset in lieu of YNEC. The Replacement Sub-Contractor shall be responsible for all obligations, duties, liabilities, claims and demands whatsoever under the Projects and any indemnities and warranties furnished thereunder (including but not limited to all liabilities arising from any breach of the Projects and defaults attributable to YNEC) arising prior to, on or subsequent to the date of each of the Novation Agreements. The Main Contractor and Replacement Sub-Contractor have warranted that YNEC shall not be liable for any accrued rights and/or claims (including, without limitation, any claims for payment or other reliefs) that the Main Contractor and/or any third party has or will have against YNEC under the Projects or at law by reason of any act or omission of YNEC whether occurring prior to, on or after the date of each of the Novation Agreements.

Further announcements will be released as and when there are material developments which warrant disclosure, in compliance with the Company’s obligations under the Listing Manual.

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
24 November 2023

Seow Soon Yong
Chief Executive Officer
24 November 2023