



# YONGNAM HOLDINGS LIMITED

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

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## MONTHLY UPDATE PURSUANT TO RULE 704(23) OF THE LISTING MANUAL OF THE SGX-ST

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By an Order of Court dated 14 August 2023, Yongnam Holdings Limited (Judicial Managers Appointed) (the “**Company**”) and its subsidiary, Yongnam Engineering & Construction (Private) Limited (Judicial Managers Appointed) (“**YNEC**”), was placed under judicial management and Messrs Toh Ai Ling, Bob Yap Cheng Ghee and Chan Kwong Shing, Adrian, all care of KPMG Services Pte. Ltd., were appointed as the joint and several judicial managers of the Company and YNEC (“**Judicial Managers**”).

Pursuant to Rule 704(23) of the Listing Manual of the SGX-ST (the “**Listing Manual**”), the Judicial Managers would like to provide an update on the Issuer’s financial situation.

### The state of any negotiations between the Company and its principal bankers

The Company has continued to engage with its principal bankers in relation to, amongst other things, the realisation of their security interests to reduce the bank debts. Following the approval from the secured lenders to accept certain offers to proceed with the realisation of their security interest to reduce the bank debts, the Judicial Managers have commenced the process of executing these offers, including drafting and concluding the respective definitive agreement(s), reaching out to various key stakeholders for the projects, and discussing with relevant authorities for approval(s) to complete the disposal.

### The Company’s future direction, or other material development that may have a significant impact on the Company’s financial position

The Judicial Managers refer to:

1. the Company’s following General Announcements:
  - (a) dated 19 January 2024 on the receipt of notices of demand by Yongnam Engineering Sdn. Bhd. (“**YESB**”) issued by Trevor George Partnership in relation to outstanding legal fees;
  - (b) dated 11 January 2024 on the receipt of a sealed writ and statement of claim by YESB filed by Linde Malaysian Sdn Bhd in the Sessions Court of Johor Bahru;
  - (c) dated 9 January 2024 on the receipt of sealed writ and statement of claim by YESB filed by Pantech Gelvanising Sdn. Bhd. in the Johor Bahru High Court; and

2. the Company's General Announcement dated 21 December 2023, announcing (i) the termination of the joint venture deed that was entered into by YNEC and Leighton Contractors (Asia) Limited (Singapore Branch) ("**Leighton**") to perform the work under a S\$553.8 million tunnel and infrastructure contract (the "**Project**") for the Land Transport Authority of Singapore ("**Authority**"); and (ii) that YNEC had entered into a novation agreement in respect of the Project with Leighton and the Authority, where the Authority released and discharged YNEC from performance of the Project and accepted the sole liability of Leighton to perform the Project as if Leighton were, and had been from the inception, the sole party to the Project; and
3. the Company's General Announcement dated 18 December 2023, announcing that YNEC had entered into a novation agreement for a contract involving temporary strutting works, decking and pipe piles with Oncod Pte Ltd (as the replacement sub-contractor) and STEC-Sambo JV CR102 (as the main contractor) in respect of the CR102 Project.

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  
23 January 2024

Seow Soon Yong  
Chief Executive Officer  
23 January 2024