



YONGNAM HOLDINGS LIMITED

(the "Company")

(Company Registration No. 199407612N)

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

CONSORTIUM AGREEMENT ENTERED BY YONGNAM ENGINEERING & CONSTRUCTION (PRIVATE) LIMITED AND GLOBAL MARITIME AND PORT SERVICES PTE LTD

The Board of Directors (the "**Board**") of Yongnam Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Yongnam Engineering & Construction (Private) Limited ("**YNEC**") entered into a consortium agreement with Global Maritime And Port Services Pte Ltd ("**GMAPS**") to undertake the operation of the Pulau Punggol Aggregate Terminal ("**PPAT**"). The consortium, namely Global Maritime and Port Services Pte Ltd/Yongnam Engineering & Construction (Private) Limited (the "**Consortium**"), have been awarded a license to operate the PPAT via the Letter of Acceptance issued by the Building & Construction Authority of Singapore ("**BCA**"). The license is valid for a period of three (3) years expiring on 31 May 2020.

YNEC has a 60% interest in the Consortium while the remaining 40% interest is owned by **GMAPS**.

GMAPS is Singapore-based port and marine operations and engineering design Consultancy Company. It specializes in project management, cargo terminal operations and maintenance, hydrography advice and service, navigation expert advice, QP supervision of port and jetty construction, technical audit and due-diligence verification, port and maritime training and education, ship statutory inspections and surveys including review of port regulations, terminal operations and port community IT systems.

Further details of the Consortium are as follows:

Name of Consortium : Global Maritime and Port Services Pte Ltd/Yongnam Engineering & Construction (Private) Limited

Percentage held by YNEC : 60%

Working capital requirement : approximately S\$1,400,000

YNEC's share of the Consortium is funded by the existing funds of YNEC and is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2018.

Mr Goon Kok Loon, an Independent Director of the Company, holds 25% interests in GMAPS Holdings Pte Ltd which is the holding company of GMAPS.

Save as disclosed above, none of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the Consortium.

By Order of the Board

YONGNAM HOLDINGS LIMITED

SEOW SOON YONG

Chief Executive Officer

20 June 2018