



YONGNAM HOLDINGS LIMITED

(the "Company")

(Company Registration No. 199407612N)

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

UTILISATION OF PROCEEDS FROM THE 2016 RIGHTS ISSUE

Capitalised terms used herein shall have the definitions ascribed to them in the Offer Information Statement ("OIS") dated 10 June 2016 registered by Yongnam Holdings Limited with the Monetary Authority of Singapore in relation to the Company's rights issue (the "2016 Rights Issue"). The full details of the 2016 Rights Issue are set out in the OIS.

The Board of Directors of Yongnam Holdings Limited (the "**Company**") wishes to announce that out of the net proceeds of S\$32.6 million raised from the 2016 Rights Issue, S\$20.2 million has been utilised as follows:

	Amount (S\$m)
Payment of operating expenses	7.7
Subcontractor and trade payables	12.5
Total amount utilised	20.2

The above utilisations are in accordance with the intended use of proceeds of the 2016 Rights Issue, as stated by the Company in the Rights Issue Announcement dated 1 June 2016 and the OIS.

The Company will continue to make further announcement(s) via SGXNET when the remaining proceeds of the Company's 2016 Rights Issue are materially disbursed.

By Order of the Board

Seow Soon Yong
Chief Executive Officer

21 September 2016