

YONGMAO HOLDINGS LIMITED
(Company Registration No. 200510649K)
(Incorporated in the Republic of Singapore)

RECEIPT OF WRITS OF SUMMON

The Board of Directors (the “**Board**”) of Yongmao Holdings Limited (the “**Company**”) wishes to announce that the Company and its wholly-owned subsidiary, Yongmao Machinery Pte. Ltd. (“**YMM**”), had, on 8 February 2021 been served with a Writ of Summons and Statement of Claim (the “**Writ**”) filed by CMNT Investment Pty Ltd (“**CMNT**”), an Australian company, in the Supreme Court of Queensland (the “**Suit**”). The Suit is in relation to an industrial incident that occurred in October 2018 involving a tower crane that YMM had sold to CMNT in July 2016.

In the Suit, CMNT is claiming for the following:

- a) As against YMM, damages for breach of contract in the sum of AUD\$1,366,259.05;
- b) As against the Company, damages for breach of duty in the sum of AUD\$3,227,459.46;
and
- c) Interest, costs and any other order which the court deems appropriate.

The Company and YMM are now taking legal advice in relation to the Suit and intend to vigorously defend the claims made by CMNT in the Suit. The case has been referred to the Company’s and YMM’s insurer Liberty Specialty Markets Singapore Pte Limited, and the insurer has appointed Carter Newell Lawyers, an Australian law firm, to represent the Company and YMM in the Suit.

The Company will provide further updates as and when there are any material developments.

Shareholders are advised to exercise caution when dealing in the securities of the Company. If in doubt, about the action that they should take, shareholders should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers.

BY ORDER OF THE BOARD

Tian Ruo Nan
Chief Executive Officer
10 February 2021