

YONGMAO HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200510649K)

ENTRY INTO JOINT VENTURE AGREEMENT

The Board of Directors (the “**Board**”) of Yongmao Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s 100% owned subsidiary, Fushun Yongmao Construction Machinery Co., Ltd (“**FSYM**”), has entered into a joint venture agreement (the “**JVA**”) with three other parties, namely (a) Tianjin Tianan New Energy Technology Co., Ltd (天津天安新能源科技有限公司) (“**Tianjin Tianan**”); (b) Mr Zhao Hai; and (c) Mr Zhao Bi (together with FSYM, Tianjin Tianan, Mr Zhao Hai and Mr Zhao Bi shall individually be known as a “**Party**” or collectively the “**Parties**”).

The joint venture company, Liaoning Xingmao Heavy Industry Co., Ltd (辽宁兴茂重工有限公司) (the “**JVC**”) will have a total issued and paid-up share capital of RMB10.0 million. The JVC will be engaged in the business of providing sales, rental and installation of Yongmao tower cranes to the wind power industry for hoisting, installation and disassembly of wind turbine units (the “**JVC Business**”). The details of the JVC are as follows:

Name of Company	: Liaoning Xingmao Heavy Industry Co., Ltd (辽宁兴茂重工有限公司)
Place of Incorporation	: Liaoning, People Republic of China (“ PRC ”)
Paid-up Capital	: RMB10.0 million
Percentage of Shareholding	: FSYM holds 31% of the shareholding interest in JVC (representing RMB3.1 million of the issued and paid-up share capital in JVC). Tianjin Tianan holds 29% of the shareholding interest in JVC (representing RMB2.9 million of the issued and paid-up share capital in JVC). Mr Zhao Hai, holds 20% of the shareholding interest in JVC (representing RMB2.0 million of the issued and paid-up share capital in JVC). Mr Zhao Bi holds 20% of the shareholding interest in JVC (representing RMB2.0 million of the issued and paid-up share capital in JVC).

Tianjin Tianan, a private limited company incorporated in the PRC, is a service provider of crawler cranes for hoisting, installation, maintenance and disassembly of wind turbine units, large components, equipment and modules, as well as provision of consultancy services to help customers improve construction efficiency and optimize on-site installation schemes. Mr Zhao Hai owns 33% shareholdings in Tianjin Tianan, who is also the executive director of Tianjin Tianan with more than 10 years of experience in providing heavy lifting equipment and solutions services for construction industry and wind power industry. Mr Zhao Bi has more than 15 years of experience in the logistics management and energy sector. All parties are independent and unrelated to the Group, the Company, and their respective directors, chief executive officers and controlling shareholders, and have had no prior business, commercial or trade dealings with the Group.

The Board believes that the proposed Joint Venture will allow the Group to capitalise on our capability in manufacturing of tower cranes and venture the sales of tower cranes into the wind power industry, leveraging on the JV parties' experiences and strengths in the targeted market. Accordingly, the Board believes that the entry into the JVA is in the best interests of the Group.

The contribution of the equity interest by the FSYM will be funded through the Group's internal resources and entering into the JVA is not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the current financial year.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above transaction.

BY ORDER OF THE BOARD

Tian Ruo Nan
Chief Executive Officer
30 August 2021