

**YONGNAM HOLDINGS LIMITED**

(the "Company")

(Company Registration No. 199407612N)

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

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**RESPONSE TO QUERIES RAISED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON ANNOUNCEMENT OF THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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The Board of Directors (the "Board") of Yongnam Holdings Limited (the "Company") refers to the queries raised by the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 21 April 2023, and set out below its responses to the queries from the SGX-ST as follows:

**Question 1**

Pursuant to Rule 704(6), if an issuer has previously announced its preliminary full-year results, the issuer must immediately announce any material adjustments to its preliminary full-year results made subsequently by auditors. We note that the Company had announced its full-year results for FY2022 on 28 February 2023 ("Preliminary Full-year Results") and subsequently, its annual report for FY2022 on 12 April 2023 ("Annual Report"). There are, however, material discrepancies between the figures reported in the Preliminary Full-year Results and the Annual Report. In particular:

- (a) Net cash flows generated from operating activities;
- (b) Net cash flows used in investing activities; and
- (c) Net cash flows used in financing activities.

The Company has not made any announcement relating to the discrepancies. Please provide further details regarding such discrepancies, and explain why the Company did not disclose these as required under Rule 704(6).

**Company's responses:**

	FY2022 Annual Report (\$'000)	Preliminary Full-year Results (\$'000)	Variance (\$'000)
Net cash flows generated from operating activities	18,466	19,883	1,417
Net cash flows used in investing activities	4,319	4,102	217
Net cash flows used in financing activities	14,913	16,547	1,634

The variances between the figures reported in the Company's Consolidated Cash Flow Statement for the year ended 31 December 2022, as presented in its FY2022 Annual Report and Preliminary Full-year Results were mainly due to the reclassification of receipts from operating activities to financing activities in relation to proceeds from trust receipts.

The Board was of the view that the adjustments were not material and that an immediate announcement was not required.

By Order of the Board,  
**YONGNAM HOLDINGS LIMITED**

Seow Soon Yong  
Chief Executive Officer  
24 April 2023