



YONGNAM HOLDINGS LIMITED

(the "Company")

(Company Registration No. 199407612N)

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

DISCREPANCIES BETWEEN THE UNAUDITED FULL YEAR FINANCIAL RESULTS ANNOUNCEMENT AND AUDITED FINANCIAL STATEMENTS IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

The Board of Directors of Yongnam Holdings Limited (the "Company", and together with its subsidiaries, the "Group") refers to the Company's full year results announcement for the financial year ended 31 December 2021 ("FY2021") made on 24 February 2022 (the "Unaudited Full Year Results"). Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to announce that there were differences between the Audited Financial Statements and the Unaudited Full Year Results.

The variances in the Audited Results as compared to the Unaudited Results are set out in the table below:

CONSOLIDATED INCOME STATEMENT	Group Audited Financial Statement S\$'000	Group Unaudited Financial Statement S\$'000	Variance Increase / (Decrease) S\$'000	Note
Revenue	121,912	116,655	5,257	Note 1
Cost of Sales	(126,001)	(120,744)	(5,257)	Note 1

CONSOLIDATED BALANCE SHEETS	Group Audited Financial Statement S\$'000	Group Unaudited Financial Statement S\$'000	Variance Increase / (Decrease) S\$'000	Note
Current assets				
Contract assets	45,043	39,107	(5,936)	Note 2
Current liabilities				
Contract liabilities	29,316	23,380	5,936	Note 2
Bond payable	900	-	900	Note 3
Convertible bond (liability)	7,363	8,263	(900)	Note 3

CONSOLIDATED STATEMENT OF CASH FLOW	Group Audited Financial Statement S\$'000	Group Unaudited Financial Statement S\$'000	Variance Increase / (Decrease) S\$'000	Note
Net cash flows generated from operating activities	6,552	11,231	(4,679)	Note 4
Net cash flows used in investing activities	6,061	1,384	4,677	Note 4
Net cash flows used in financing activities	(15,235)	(15,237)	2	Note 4

Explanatory Notes:

Note 1: Sales and Cost of sales

The difference is due to proportionate sharing of revenue and cost of sales of a joint operation.

Note 2: Contract assets and contract liabilities

This is reclassification of certain projects' contract assets to contract liabilities.

Note 3: Bond payable and convertible bonds (liability)

Reclassification of \$900,000 bond payable from convertible bond (liability) to bond payable due to its non-conversion feature.

Note 4: Cash flows from operating, investing and financing activities

Reclassification of cash flow category from operating to investing activities, and rounding difference in cash flow from financing activities.

By Order of the Board

Seow Soon Yong
Chief Executive Officer

Date: 13 April 2022