YAMADA GREEN RESOURCES LIMITED
(Company Registration No. 201002962E)
(Incorporated in the Republic of Singapore)

UPDATE ON PHASE 1 WORKS: REPORT FROMDELOITTE & TOUCHE FINANCIAL ADVISORY SERVICES

*Unless otherwise specified, all capitalised terms used herein shall have the meanings ascribed to them in the announcements dated 25 August 2017, 31 August 2017, 4 September 2017, 5 September 2017, 27 September 2017, 17 November 2017 and 12 February 2018 (the "**Announcements**").*

Background

The Company had previously announced that the Board had, on the recommendation of the Audit Committee, appointed Deloitte & Touche Financial Advisory Services Pte Ltd ("**Deloitte FAS**") to perform the Phase 1 Works in place of BDO Singapore.

The scope of work agreed between the Audit Committee and Deloitte FAS in respect of the Phase 1 Works (the "**Agreed Upon Procedures**" or "**AUP**") is set out below:

(a) to extract from the People's Bank of China Management System a list of bank accounts of 8 subsidiaries and 2 associates of the Group which are based in the People's Republic of China (the "**China Subsidiaries**") (with the Management facilitating and where necessary authorising this process);

(b) to obtain detailed monthly bank statements (for the period from 1 July 2016 to 30 June 2017) (the "**Physical Statements**") directly from all the banks where the China Subsidiaries have bank accounts;

(c) to extract the China Subsidiaries' detailed monthly bank statements (for the period from 1 July 2016 to 30 June 2017) (the "**Online Statements**") from the China Subsidiaries' internet banking platform; and

(d) based on the following source documents, to review and perform comparison of all transactions amounting to RMB100,000 and above (the "**Material Transactions**") for the China Subsidiaries for the financial year ended 30 June 2017 and to review and perform comparison of the month end balances as at 30 June 2017:

    (i) Physical Statements;
    (ii) Online Statements; and
    (iii) Historical bank statements of the China Subsidiaries provided by the Company (the "**China Subsidiaries' Record**").

The China Subsidiaries' Record comprise bank statements in the possession of the Company. A portion of these were issued to the Company prior to the Fire Incident, of which Management has advised that these were unaffected by the Fire Incident as these were physically situated outside Fuzhou City. The balance portion were issued to or obtained by the Company after the Fire Incident.

Shareholders should note that the AUP does not cover the Group's non-PRC bank accounts (the "**Excluded Accounts**"), such as Singapore bank accounts maintained by the Company, and five bank accounts maintained by Feng Zhi Qiu International Holding Company Limited (a Hong Kong subsidiary) with the Hong Kong branch of China Citic Bank. These bank accounts were excluded from the AUP as these have not been previously raised by

BDO Singapore to be part of the Additional Audit Works. These bank accounts are therefore intended to be covered under statutory audit works to be performed by the incoming auditors

Deloitte FAS had in January 2018 conducted field trips in the PRC for the Phase 1 Works together with representatives of the Audit Committee, Singapore and PRC legal advisers, and Management in attendance.

Report made available to the Audit Committee and the SGX-ST

Deloitte FAS has provided the Audit Committee with its report on findings (the "**Report**") setting out the procedural steps involved in the AUP as well as its findings arising from the performance of the AUP. A copy of the Report has been made available to the SGX-ST.

Key Findings

Based on theReport, the aggregate cash balance of the China Subsidiaries' bank accounts as at 30 June 2017 (which, for the avoidance of doubt, does not include the Excluded Accounts) is as follows:

Currency	Physical Statements	Online Statements	China Subsidiaries' Record
RMB	4,709,012.57	4,709,012.57	4,709,012.57
USD[1]	67.26	66.94	66.94
SGD	0.01	0.01	0.01

Deloitte FAS' finding was that the aggregate cash balance of the China Subsidiaries' bank accounts as at 30 June 2017 matches across the Physical Statements, the Online Statements and the China Subsidiaries' Record. Deloitte FAS has noted that the bank balances above were before unpresented cheques (i.e. cheques dated before 30 June 2017 but not posted until after 30 June 2017) and thus the bank account balances would not capture such items in transit as at 30 June 2017.

Deloitte FAS has also observed that, having compared the available details (i.e. Date, Amount, Payor and Payee) of all Material Transactions between the Physical Statements, Online Statements and the China Subsidiaries' Record for the financial year from 1 July 2016 to 30 June 2017, there were no exceptions found from the aforesaid comparison. No comparison was performed for the four (4) dormant accounts opened under the name of Fujian Tianwang Foods Co., Ltd. as there were only Physical Statements available which showed that there were no transactions for the period under review and there was only one account that held an amount of USD 0.32 as at 30 June 2017.

The above information are extracted from the Report of which a copy is annexed hereto. Readers are advised to read the Report in its entirety.

Next Steps

The Board understands from the Report that the Physical Statements, Online Statements and the China Subsidiaries' Record are consistent in respect of details of the Material Transactions under review. Moving forward, the Audit Committee is of the view that a suitable and appropriately qualified audit firm should be appointed as soon as possible to replace BDO Singapore as auditors of the Group and to perform and complete the Group's audit for FY2017.

Further announcements will be made by the Company to update shareholders on the above matters.

[1]Management Comments: Fujian Tianwang Foods Co., Ltd. has 4 dormant foreign currency bank accounts which have no Online Statements and no China Subsidiaries' Record.

By Order of the Board

Chen Qiuhai
Executive Chairman and Chief Executive Officer
1 April 2018

ANNEXURE A
REPORT