



CMC INFOCOMM LIMITED

(Incorporated in the Republic of Singapore under Registration Number 201506891C)

REALLOCATION OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The Board of Directors (the "**Board**") of CMC Infocomm Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's offer document dated 31 July 2015 (the "**Offer Document**") in relation to the Company's initial public offering and listing of its shares on the Official List of the Catalist (the "**IPO**") and the Group's annual report for the financial year ended 31 May 2016 ("**FY2016 Annual Report**"), and wishes to provide an update on the use of proceeds raised from the IPO.

It was stated in the Offer Document that S\$3.20 million, S\$0.60 million and S\$0.18 million of the proceeds from the IPO (the "**Net Proceeds**") were intended for use for, (i) in the expansion of business operations, (ii) repayment of amount owing to TEE International Limited, and (iii) general corporate and working capital requirements, respectively. The Company had provided a status update on the use of Net Proceeds, in its FY2016 Annual Report, that S\$3.02 million ("**Unutilised Proceeds**") which was allocated for the expansion of business operations, remains unutilised.

As the Company has no immediate and definite plans to utilise the Unutilised Proceeds for the Group's expansion of business operations, the Board wishes to announce it has reallocated and utilised S\$1.0 million from the Unutilised Proceeds to fund the Group's working capital requirements for on-going projects (the "**Reallocation**").

Pursuant to the Reallocation, the status of use of Net Proceeds as at the date of this announcement is as follows:

	Amount allocated	Amount allocated after the Reallocation	Amount utilised	Balance
	S\$'000	S\$'000	S\$'000	S\$'000
Expansion of business operations	3.20	2.20	0.18	2.02
Repayment of amount owing to TEE International Limited	0.60	0.60	0.60	-
General corporate and working capital requirements	0.18	1.18	1.18 ⁽¹⁾	-
Total	3.98	3.98	1.96	2.02

Note:-

- (1) General corporate and working capital requirements comprised professional fees, employee benefit expenses for the Company, sundry expenses and working capital for existing on-going projects.

The Board is of the view that the Reallocation will be beneficial to the continued development of the Group's core business and in the best interests of the Company and its shareholders as a whole. Shanghai Yinda Technology Group Co Ltd being the new ultimate controlling shareholder is also committed to supporting the Group's future business expansion.

The Company will continue to make periodic announcements on the use of the balance of the Net Proceeds as and when the funds are materially disbursed.

By Order of the Board

Qian Zimin
Chief Executive Officer

31 May 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**Exchange**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Ong Hwee Li (telephone no.: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.