



YINDA INFOCOMM LIMITED

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

REALLOCATION AND UPDATE ON USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The Board of Directors (the "**Board**") of Yinda Infocomm Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's offer document dated 31 July 2015 in relation to the Company's initial public offering and listing of its shares on the Official List of the Catalist (the "**IPO**"), the Company's announcement dated 31 May 2017 (the "**Previous Announcement**") and the Group's annual report for the financial year ended 31 May 2017, and wishes to provide an update on the use of proceeds raised from the IPO.

All capitalised terms used herein shall, unless otherwise defined herein, bear the meanings ascribed to them in the Previous Announcement.

Based on the latest review by the Board, where the Group has no immediate and definite plans to utilise the Unutilised Proceeds for the Group's expansion of business operations, the Board wishes to announce the Group has reallocated S\$1.0 million from the Unutilised Proceeds to fund the Group's working capital requirements for on-going projects (the "**Reallocation**") after deliberation of the cash flow position of Group.

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	2.20	1.20	0.18	1.02
Repayment of amount owing to TEE International Limited	0.60	0.60	0.60	-
General corporate and working capital requirements	1.18	2.18	2.18 ⁽¹⁾	-
Total	3.98	3.98	2.96	1.02

Note:-

(1) Breakdown of the general corporate and working capital requirements

	\$'000
Professional fees	117
Employee benefit expenses for the Group	914
Sundry expenses	49
Payment to suppliers	1,100
	<u>2,180</u>

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

The Company will continue to make periodical announcements via SGXNet on the utilisation of the balance of the Net Proceeds as and when the funds are materially disbursed and will also provide a status report on the use of such proceeds in the annual reports of the Company.

By Order of the Board

Qian Zhongcheng
Executive Director

10 January 2018

*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.

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