



**YINDA INFOCOMM LIMITED**  
**(THE “COMPANY” AND TOGETHER WITH ITS SUBSIDIARIES, THE “GROUP”)**  
(Incorporated in the Republic of Singapore under Registration Number 201606891C)

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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE  
FINANCIAL YEAR ENDED 31 MAY 2019**

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*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**”).*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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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## PART 1 – INFORMATION REQUIRED FOR HALF YEAR AND FULL-YEAR ANNOUNCEMENTS

### 1(a)(i) A consolidated statement of comprehensive income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### Consolidated Statement of Comprehensive Income

	Group		
	Financial Year Ended		
	31 May 2019	31 May 2018	Change
	S\$'000	S\$'000	%
	(Unaudited)	(Restated)	
Revenue	18,284	13,617	34.3
Other income	380	61	N.M
Interest income	1	7	-85.7
Changes in inventories, material consumed and subcontractor cost	(6,219)	(5,462)	13.9
Employee benefits expenses – Project	(5,128)	(4,966)	3.3
Employee benefits expenses - Admin	(2,367)	(2,242)	5.6
Depreciation and amortisation expenses	(492)	(395)	25.1
Legal and professional expenses	(515)	(795)	-35.2
Other general and administrative expenses	(2,445)	(2,245)	9.0
Interest expense	(133)	(71)	87.3
<b>Profit/(loss) before tax</b>	1,364	(2,491)	N.M
Income tax (expense)/credit	(178)	204	N.M
<b>Profit/(loss) attributable to owners of the Company, net of tax</b>	1,186	(2,287)	N.M
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Actuarial gains on measurements of post-employment benefit plan, net of tax	10	92	-89.1
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences	67	83	-19.3
<b>Total comprehensive income for the year attributable to owners of the Company</b>	1,263	(2,112)	N.M.

N.M – Not Meaningful



### 1(a)(ii) Notes to the consolidated statement of comprehensive income

A) The Group's profit/(loss) before tax was arrived at after charging/(crediting) the following:

	<b>Group</b>		
	<b>Financial Year Ended</b>		
	<b>31 May 2019</b>	<b>31 May 2018</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Restated)</b>	
Amortisation of intangible assets	46	46	-
Depreciation of property, plant and equipment	446	349	28.3
Employee benefit expenses	7,495	7,208	4.0
Foreign exchange loss	(74)	46	N.M
Interest expense	133	71	87.3
Interest income	(1)	(7)	-85.7
Rental of office premise, warehouse and equipment	381	428	-11.0
Allowance for doubtful debts	47	16	N.M
Property, plant and equipment written off	-	8	N.M
Write-back of allowance for doubtful debts	-	(17) <sup>(1)</sup>	N.M

<sup>(1)</sup> Relating to write-back of allowance for doubtful debts in Philippines for which the corresponding amounts have already been collected.

N.M – Not Meaningful



The major components of income tax credit was:

	<b>Group</b>		
	<b>Financial Year Ended</b>		
	<b>31 May 2019</b>	<b>31 May 2018</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
	<b>(Unaudited)</b>	<b>(Restated)</b>	
<b>Consolidated income statement:</b>			
Current income tax (expense)/credit			
- Current income taxation	27	72	-62.5
- Over provision in prior year	-	(179)	N.M
	27	(107)	N.M
<b>Deferred income tax</b>			
- Deferred tax asset recognised	-	(85)	N.M
- Reversal of temporary differences	151	-	N.M
- (Over)/Under provision in respect of prior year	-	(12)	N.M
	151	(97)	N.M
Income tax credit recognised in profit or loss	178	(204)	N.M
<b>Statement of other comprehensive income:</b>			
Deferred tax expense related to other comprehensive income:			
- Post employment benefit obligation	1	32	-96.8
	1	32	-96.8

N.M – Not Meaningful



**1(b)(i) A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

**Statement of Consolidated Financial Position**

Position	Group			Company	
	31 May 2019	As at 31 May 2018	31 May 2017	As at 31 May 2019	31 May 2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Restated)	(Restated)	(Unaudited)	(Audited)
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	1,031	923	835	1	3
Intangible asset	95	138	178	-	-
Investment in subsidiaries	-	-	-	6,125	6,125
Deferred tax assets	280	432	374	-	-
Deposits	143	86	60	-	-
<b>Total non-current assets</b>	<b>1,549</b>	<b>1,579</b>	<b>1,447</b>	<b>6,126</b>	<b>6,128</b>
<b>Current assets</b>					
Contract assets	6,118	1,589	3,443	-	-
Inventories	1,214	1,195	47	-	-
Trade and other receivables	6,391	7,953	4,826	34	36
Amounts due from subsidiaries	-	-	-	5,148	4,726
Cash and bank balances	349	672	2,351	43	14
<b>Total current assets</b>	<b>14,072</b>	<b>11,409</b>	<b>10,667</b>	<b>5,225</b>	<b>4,776</b>
<b>Total assets</b>	<b>15,621</b>	<b>12,988</b>	<b>12,114</b>	<b>11,351</b>	<b>10,904</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Current liabilities</b>					
Contract liabilities	1,932	2,113	1,791	-	-
Trade and other payables	4,347	7,634	4,096	668	3,278
Amounts due to subsidiary companies	-	-	-	37	166
Loan and borrowings	5,615	1,175	1,809	4,191	1,000
Provision for tax	382	363	376	-	-
<b>Total current liabilities</b>	<b>12,276</b>	<b>11,285</b>	<b>8,072</b>	<b>4,896</b>	<b>4,444</b>
<b>Net current assets</b>	<b>1,796</b>	<b>124</b>	<b>2,595</b>	<b>329</b>	<b>332</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	-	-	-	-	-
Loan and borrowings	489	180	322	-	-
Employee benefit liabilities	204	134	219	-	-
<b>Total non-current liabilities</b>	<b>693</b>	<b>314</b>	<b>541</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>12,969</b>	<b>11,599</b>	<b>8,613</b>	<b>4,896</b>	<b>4,444</b>



Statement of Consolidated Financial Position (Cont'd)

	Group			Company	
	31 May 2019	As at 31 May 2018	31 May 2017	As at 31 May 2019	31 May 2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Restated)	(Restated)	(Unaudited)	(Audited)
<b>Net assets</b>	2,652	1,389	3,501	6,455	6,460
<b>Equity attributable to owners of the Company</b>					
Share capital	14,542	14,542	14,542	14,542	14,542
Accumulated losses	(3,579)	(4,775)	(2,580)	(8,087)	(8,082)
Reserves	(8,311)	(8,378)	(8,461)	-	-
<b>Total equity</b>	2,652	1,389	3,501	6,455	6,460
<b>Total equity and liabilities</b>	<b>15,621</b>	<b>12,988</b>	<b>12,114</b>	<b>11,351</b>	<b>10,904</b>

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debts securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year:

	Group			
	As at 31 May 2019		As at 31 May 2018	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
<b>Current</b>				
Amounts repayable in one year or less, or on demand	1,288 <sup>(i) (iii)</sup>	4,327 <sup>(ii)</sup>	67 <sup>(i)</sup>	1,108 <sup>(ii) (iii)</sup>
<b>Non-current</b>				
Amount repayable after one year	489 <sup>(i)</sup>	-	180 <sup>(ii)</sup>	-

**Detail of any collaterals**

As at 31 May 2019, the Group's borrowings comprised:

- (i) hire purchase arrangements for the purchase of commercial vehicle, testing equipment and copiers
- (ii) included unsecured shareholder's loan from Yinda Pte. Ltd. which will be payable on demand, and
- (iii) unsecured loans from financial institutions.



**1(c) A statement of cash flow (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Consolidated Statement of Cash Flows**

	<b>Group</b>	
	<b>Financial Year Ended</b>	
	<b>31 May 2019</b> <b>S\$'000</b> <b>(Unaudited)</b>	<b>31 May 2018</b> <b>S\$'000</b> <b>(Restated)</b>
<b>Operating activities:</b>		
Profit/(Loss) before tax	1,362	(2,491)
Adjustments for:		
Depreciation of property, plant and equipment	446	349
Property, plant and equipment written off	-	8
Amortisation of intangible assets	46	46
Allowance for doubtful debts	47	16
Write-back of allowance for doubtful debts	-	(17)
Interest income	(1)	(7)
Interest expense on borrowings	133	71
Exchange loss	144	122
Employee benefit liabilities	18	47
Total adjustments	833	635
<b>Operating cash flows before changes in working capital</b>	<b>2,195</b>	<b>(1,856)</b>
Changes in working capital:		
(Increase)/Decrease in contract assets	(4,529)	1,854
Decrease/(Increase) in trade and other receivables	1,458	(2,109)
Increase in inventory	(19)	(1,148)
(Increase)/Decrease in contract liabilities	(181)	322
Decrease/(Increase) in trade and other payables	421	(77)
Total changes in working capital	(2,850)	(1,158)
<b>Cash flows used in operations</b>	<b>(655)</b>	<b>(3,014)</b>
Interest received	1	7
Interest paid	(133)	(57)
Taxes (paid)/refund	(8)	(66)
<b>Net cash flows used in operating activities</b>	<b>(795)</b>	<b>(4,129)</b>
<b>Financing activities:</b>		
Proceeds from bank borrowings	290	-
Loan obtained from a shareholder <sup>1</sup>	2,119	1,500
Other advances from a shareholder <sup>1</sup>	-	2,842
Repayment of shareholder's loan <sup>2</sup>	(1,500)	(1,441)
Repayment of advances from a shareholder	-	(134)
Repayment of bank borrowings	-	(942)
Repayment of hire purchase	(82)	(73)
Decrease in amounts due to related companies	-	(5)
<b>Net cash flows generated from financing activities</b>	<b>827</b>	<b>1,747</b>

<sup>1</sup> Shareholder refers to Yinda Pte. Ltd.

<sup>2</sup> Shareholders' loan refers to the loan from Yinda Pte. Ltd



## Consolidated Statement of Cash Flows (Cont'd)

	<b>Group</b>	
	<b>Financial Year Ended</b>	
	<b>31 May 2019</b>	<b>31 May 2018</b>
	<b>S\$'000</b>	<b>S\$'000</b>
	<b>(Unaudited)</b>	<b>(Restated)</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(341)	(276)
Increase in amount due from related companies	-	(19)
Withdrawal of deposit pledged with a bank	85	-
Investment in joint venture	-	-
<b>Net cash flows used in investing activities</b>	<b>(256)</b>	<b>(295)</b>
Net decrease in cash and cash equivalents	(224)	(1,678)
Effects of exchange rate changes on cash and cash equivalents	(14)	(1)
Cash and cash equivalents at 1 June	487	2,166
<b>Cash and cash equivalents at 31 May (Note A)</b>	<b>249</b>	<b>487</b>

### Notes to Consolidated Statements of Cash Flows:

A) Cash and cash equivalents comprised of the following:

Cash and bank balances	349	672
Less: Pledged bank deposits	(100)	(185)
Cash and cash equivalents	<b>249</b>	<b>487</b>





1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Attributable to the owners of the Company							
<u>Group</u>	Share capital S\$'000	Merger reserves S\$'000	Foreign currency translation reserve S\$'000	Other reserves S\$'000	Total reserves S\$'000	(Accumulated losses)/ Retained Earnings S\$'000	Total equity S\$'000
At 1 June 2018	14,542	(10,397)	3	1,945	(8,449)	(668)	5,425
Effects of SFRS(I)15	-	-	71	-	71	(4,107)	(4,036)
At 1 June 2018 (Restated)	14,542	(10,397)	74	1,945	(8,378)	(4,775)	1,389
<b>Profit for the year</b>	-	-	-	-	-	1,184	1,184
<u>Other comprehensive income</u>							
Actuarial gains on measurement of post-employment benefit plan, net of tax	-	-	-	-	-	10	10
Currency translation difference	-	-	67	-	67	-	67
<b>Total comprehensive income for the year</b>	-	-	67	-	67	1,194	1,261
<b>At 31 May 2019</b>	<b>14,542</b>	<b>(10,397)</b>	<b>141</b>	<b>1,945</b>	<b>(8,311)</b>	<b>(3,581)</b>	<b>2,861</b>
At 1 June 2017	14,542	(10,397)	(23)	1,945	(8,475)	1,673	7,740
Effects of SFRS(I)15	-	-	14	-	14	(4,253)	(4,239)
At 1 June 2017 (Restated)	14,542	(10,397)	(9)	1,945	(8,461)	(2,580)	3,501
<b>Loss for the year</b>	-	-	-	-	-	(2,287)	(2,287)
<u>Other comprehensive income</u>							
Actuarial gains on measurement of post-employment benefit plan, net of tax	-	-	-	-	-	92	92
Currency translation difference	-	-	83	-	83	-	83
<b>Total comprehensive income for the year</b>	-	-	83	-	83	(2,195)	(2,112)
<b>At 31 May 2018 (Restated)</b>	<b>14,542</b>	<b>(10,397)</b>	<b>74</b>	<b>1,945</b>	<b>(8,378)</b>	<b>(4,775)</b>	<b>1,389</b>



	Attributable to owners of the Company		
	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
<b>Company</b>			
At 1 June 2018	14,542	(8,082)	6,460
Loss for the year, representing total comprehensive income	–	(5)	(5)
At 31 May 2019	14,542	(8,087)	6,455
At 1 June 2017	14,542	(6,106)	8,436
Loss for the year, representing total comprehensive income	–	(1,976)	(1,976)
At 31 May 2018	14,542	(8,082)	6,460

\*denotes amounts less than \$1,000

**1(d)(ii) Details of any changes in the Company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of Shares Issued	Paid-up Capital (S\$)
As at 31 May 2019 and 30 November 2018	152,000,000	14,542,370

There have been no changes to the Company's issued and paid up share capital since 30 November 2018 up till 31 May 2019.

The Company had no outstanding convertibles, treasury shares and subsidiary holdings as at 31 May 2019 and 31 May 2018.



**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>As at 31 May 2019</b>	<b>As at 31 May 2018</b>
Total number of issued shares	<u>152,000,000</u>	<u>152,000,000</u>

The Company did not have any treasury shares as at 31 May 2019 and 31 May 2018.

**1(d)(iv) A statement showing all sales, transfers, cancellation and / or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial year reported on.

**1(d)(iv) A statement showing all sales, transfers, cancellation and / or use of subsidiary holdings as at the end of the current financial period reported on.**

The Company does not have any subsidiary holdings during and as at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditor.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable. The figures have not been audited nor reviewed by the Company's auditor.

**4. Whether the same accounting policies and methods of computation as in the Issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year compared to its most recently audited annual financial statements for the financial year ended 31 May 2018.



5. **If there are any changes in the accounting policies and methods of computation including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

***Adoption of SFRS(I) 15: Revenue from contracts with customers***

SFRS (I) 15 establishes a five-step model to account for revenue arising from contracts with customers and introduces new contract cost guidance. Under SFRS (1) 15, there are specific requirements on identification of performance obligations and the recognition of revenue based on satisfaction of the performance obligations. In addition, under the new contract cost guidance, contract costs are expensed as incurred unless they qualify to be capitalized as an asset. In accordance with the requirements of SFRS(I) 1, the Group has adopted SFRS(I) 15 retrospectively.

As a result of the adoption of SFRS(I)15, the Group has changed its income statement presentation from by function to by nature. The reason of the change is because the Group recognised revenue based on an activity-based output method and under SFRS(I)15, there is no direct linkage between revenue and costs incurred. As such, management is of the view that the presentation of the gross profit line in the income statement is not meaningful.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

	<b>Group</b>	
	<b>Financial Year Ended</b>	<b>Financial Year Ended</b>
	<b>31 May 2019</b>	<b>31 May 2018</b>
Profit/(Loss) attributable to owners of the Company used in the computation of basic earnings per shares (S\$'000)	1,184	(2,287)
(a) Basic profit/(loss) per share (cents)	0.78	(1.50)
(b) Diluted loss per share (cents)	0.78	(1.50)
Weighted average number of ordinary shares in issue for computation of basic loss per share ('000)	152,000	152,000
Weighted average number of ordinary shares for computation of diluted loss per share ('000)	152,000	152,000

As at 31 May 2019 and 31 May 2018, the Company did not have any dilutive instruments. Hence, the basic and diluted earnings per share for both years under review are the same.



7. **Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the Issuer at the end of the: -**  
 (a) **current financial period reported on; and**  
 (b) **immediately preceding financial year.**

	<b>Group As at</b>		<b>Company As at</b>	
	<b>31 May 2019</b>	<b>31 May 2018</b>	<b>31 May 2019</b>	<b>31 May 2018</b>
Net assets (S\$'000)	2,652	1,389	6,455	6,460
Number of ordinary shares used in calculating net asset value per ordinary share ('000)	152,000	152,000	152,000	152,000
Net asset value per ordinary share attributable to owners of the Company (cents)	1.7	0.9	4.2	4.2

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

#### **Review of the Group's Consolidated Statement of Comprehensive Income**

As a result of the adoption of SFRS(I)15, the Group has changed its income statement presentation from by function to by nature. The reason of the change is because under SFRS(I)15, there is no direct linkage between revenue and costs incurred. As such, management is of the view that the presentation of the gross profit line in the income statement is not meaningful.



### **Revenue**

The Company recorded a higher revenue of S\$18.3 million in the financial year ended 31 May 2019 (“**FY2019**”) as compared to S\$13.6 million (restated) in the financial year ended 31 May 2018 (“**FY2018**”) representing an increase of S\$4.7 million or 36.4%. As explained under Note 5, the restatement of revenue for FY2018 resulted in a decrease by S\$3.1 million due to the adoption of SFRS(I)15.

Revenue for FY2019 increased mainly from the Telecommunication Implementation (“**TI**”) projects of S\$2.6 million in Singapore, and increase in Networking Planning Optimisation (“**NPO**”) projects in Singapore of S\$1.1 million, Thailand of S\$0.8 million and the Philippines of S\$0.5 million, partially offset with the decrease in In-Building Construction (“**IBC**”) projects across the Group of approximately S\$0.3 million.

The increase was mainly due to a few projects being completed in second half of FY2019 as well as the result of the Group increasing its marketing and operational activities across the regions.

### **Changes in inventories, material consumed and subcontractor cost**

These represents the cost related to our projects and these costs increased by approximately 13.9% from S\$5.5 million in FY2018 to S\$6.2 million in FY2019 representing an increase of S\$0.8 million or 13.9%, which in line with the increase in revenue.

### **Employee benefits expenses – Project / Admin**

These represent the staff cost incurred during the year. Both employee benefit expenses for project and admin increased slightly from S\$5.0 million to S\$5.2 million, and S\$2.2 million to S\$2.4 million respectively, which is also in line with the increase in the Group’s revenue.

### **Depreciation and amortisation expenses**

There were no significant changes to depreciation expenses in absolute terms. The increase in depreciation of property plant and equipment was mainly due to the additions of property, plant and equipment at approximately S\$0.5 million during the year.

### **Legal and professional fees expenses**

The decrease in legal and professional fees paid to professional firms of approximately 35.2% from S\$0.8 million in FY2019 to S\$0.6 million in FY2018 was largely due to higher legal and professional fee incurred during FY2018 during the transition period of change of shareholder to Yinda Pte. Ltd.



### ***Other general and administrative expenses***

Other general and administrative expenses increased by approximately 9.0% from S\$2.2 million in FY2018 to S\$2.4 million in FY2019 mainly due to the increase in project activities which is in line with the increase in revenue. These mainly comprised of allowance and write-back of allowance for doubtful debts, printing cost, insurance, traveling, rental and utilities.

### ***Interest expenses***

Interest expenses comprised interest expenses from bank borrowings and shareholder's loan.

### ***Taxation***

Income tax expenses mainly due to provision in current year as well as the reversal of deferred tax asset recognised on unutilised capital allowance and losses arising from the transitional adjustment upon adoption of SFRS(I) 15.

## **Review of the Group's Statement of Consolidated Financial Position**

### ***Non-current assets***

The slight decrease in non-current assets by approximately 2% from S\$1.6 million as at 31 May 2018 to S\$1.5 million as at 31 May 2019 was mainly due to the increase of property, plant and equipment and deposits, which was offset by the decrease in the deferred tax assets recognised in relation to the adoption of SFRS(I) 15 and carrying value of intangible assets due to amortisation.

Intangible assets consist of customer relationships arising from the purchase price allocation exercise upon acquisition of the Group's subsidiaries CMC Communications (Singapore) Pte. Ltd. (which has been renamed to Yinda Technology Singapore Pte. Ltd.) and CMC Communications (Thailand) Co. Ltd (which has been renamed to Yinda Technology (Thailand) Co., Limited) in June 2011, post-IPO.

### ***Current assets***

Current assets increased from S\$11.4 million as at 31 May 2018 to S\$14.0 million as at 31 May 2019.

Contract assets represents the unbilled receivables for project work-in-progress which increased from S\$1.6 million in FY2018 to S\$6.1 million in FY2019. These increases were due to the increase in revenue where projects were completed towards end of the year which have yet to be billed. Trade and other receivables decreased slightly by 19.6% from S\$7.9 million as at 31 May 2018 to S\$6.4 million as at 31 May 2019 due to collection of accounts receivables.

Cash and cash equivalents decreased from S\$0.7 million to S\$0.3 million as at 31 May 2019 mainly due to repayment of trade payables and shareholder's loan.



### ***Current liabilities***

Current liabilities increased by approximately 8.7% from S\$11.3 million as at 31 May 2018 to S\$12.3 million as at 31 May 2019. This was mainly due to a net increase in shareholder's loan from Yinda Pte. Ltd. of S\$0.6 million from Yinda Pte. Ltd.

### ***Non-current liabilities***

Non-current liabilities from S\$0.3 million as at 31 May 2018 to S\$0.7 million as at 31 May 2019 mainly due to additional hire purchase financing during FY2019.

### ***Equity attributable to owners of the Company***

The decrease in retained earnings and reserves were mainly due to current year losses offset by translation reserve movements.

### **Review of the Group's Statement of Cash Flows**

In FY2019, net cash flows used in operating activities amounted to S\$0.8 million. This includes operating cash outflows before changes in working capital of approximately S\$2.2 million mainly due to increase in contract assets of S\$4.5 million and decrease in contract liabilities of S\$0.2 million, in trade and other receivables of S\$0.5 million and partially offset by the increase in trade and other payables of S\$0.4 million.

Net cash flows generated from financing activities amounted to approximately S\$0.8 million, mainly due to proceeds of loan from Yinda Pte. Ltd. which amounted to \$2.1 million, which was offset by the repayment of loan to Yinda Pte. Ltd. amounting to \$1.5 million

Net cash flows used in investing activities amounted to approximately S\$0.3 million which was mainly due to purchases of plant and equipment.

As a result of the above, there was a net decrease of approximately S\$0.2 million in cash and cash equivalents.





**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

While the entrance of a fourth telecommunications operator and the transition of Singapore to a digital economy may open up new opportunities, the Group remains cautious amid the prevailing economic uncertainties.

The Group may face continued pressures on its margins as competition is expected to remain in the telecommunication environment. However, the Group is actively taking steps to manage its costs and streamline its business processes so as to achieve cost and operational optimization.

The Group will continue to focus its efforts in servicing its existing customers based in Singapore, Thailand and the Philippines, as well as to explore new markets.

**11. Dividend**

**(a) Current Financial Period Reported on:**

Any dividend declared for the current financial period reported on?

No dividends have been declared or recommended for FY2019.

**(b) Corresponding Period of the Immediately Preceding Financial Year:**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividends were declared or recommended in the previous corresponding year.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books closure date.**

Not applicable.



**12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended in respect of FY2019, due to the subdued financial position of the Group after the adoption of SFRS(I)15, no dividend has been declared or recommended for FY2019 on grounds of prudence.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Rule 920(1)(a)(ii) - An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate (if any) for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705 within the time required for the announcement of such report. The disclosure must be in the form set out in Rule 907.

The Group has obtained a general mandate from shareholders for interested person transactions pursuant to Rule 902(1)(a)(ii) of the Catalist Rules for Shanghai Yinda Science and Technology Industrial Co Ltd and Anhui Diantong Communication Engineering Co., Ltd. The resolution was passed on 3 December 2018.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	For the year ended 31 May 2019 S\$'000	For the year ended 31 May 2019 S\$'000
Interest expense arising from a working capital loan extended to the Company by Yinda Pte. Ltd., a controlling shareholder of the Company	107	
Purchase of materials		
Anhui Diantong Communication Engineerings Co., Ltd		104
Shanghai Yinda Science & Technology Industrial Co. Ltd.		461

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1))**

The Company hereby confirms that it has procured undertakings from all its Directors and the relevant executive officers in the format as set out in Appendix 7H in accordance with Rule 720(1) of the Catalist Rules.



## PART 2 – ADDITIONAL INFORMATION REQUIRED FOR FULL-YEAR ANNOUNCEMENTS

15. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

### **Business segment information**

For management purposes, the Group is organised into operating segments based on their geographical locations in Singapore, Thailand, the Philippines and Malaysia.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.



**2019**

**Geographical Information**

	<b>Singapore</b>	<b>Thailand</b>	<b>Philippines</b>	<b>Malaysia</b>	<b>Adjustment &amp; Elimination</b>	<b>Consolidated Group Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Revenue</u></b>						
External customers	11,077	4,914	2,296	-	(3)	18,333
<b><u>Segment results</u></b>						
Operating (loss)/ profit	1,726	(126)	232	(32)	(306)	1,494
Interest income						1
Finance costs						(133)
Profit before taxation						1,362
Income tax expense						(178)
Profit for the year						1,184
<b><u>Other Information</u></b>						
Segment assets	30,180	3,455	3,318	31	(21,363)	15,621
Segment liabilities	12,815	1,547	4,323	123	(5,839)	12,969
<b>Net assets</b>	<b>17,365</b>	<b>1,908</b>	<b>(1,005)</b>	<b>(92)</b>	<b>(15,524)</b>	<b>2,861</b>
<b><u>Additional Information</u></b>						
Allowance for doubtful debts	47					47
Depreciation of property, plant & equipment	326	67	55	-	-	448
Amortisation of intangible assets	-	46	-	-	-	46
Purchase of property, plant & equipment	275	37	29	-	-	341

**Information about major customers**

Revenue from one major customer in Singapore contributed 51.73% (31-May-18: 51.7%) of the total revenue of the Group.



## 2018

### Geographical Information

	Singapore \$'000	Thailand \$'000	Philippines \$'000	Malaysia \$'000	Adjustment & Elimination \$'000	Consolidated Group Total \$'000
<b>Revenue</b>						
External customers	8,112	4,090	1,415	–	–	13,617
<b>Segment results</b>						
Operating (loss)/ profit	(2,681)	459	(1,352)	(23)	1,222	(2,555)
Interest income						7
Finance costs						(71)
Loss before taxation						(2,491)
Income tax expenses						204
Loss for the year						(2,287)
<b>Other Information</b>						
Segment assets	27,583	3,385	2,780	29	(20,789)	12,988
Segment liabilities	9,383	1,268	6,248	90	(5,390)	11,599
<b>Net assets</b>	<b>18,200</b>	<b>2,117</b>	<b>(3,468)</b>	<b>(61)</b>	<b>(15,399)</b>	<b>1,389</b>
<b>Additional Information</b>						
Allowance for doubtful debts	–	–	16	–	–	16
Write-back of allowance for doubtful debts	–	–	(17)	–	–	(17)
Depreciation of property, plant & equipment	204	74	71	–	–	71
Amortisation of intangible asset	–	46	–	–	–	46
Impairment of intangible asset	–	–	–	–	–	–
Impairment of notes receivables	–	–	63	–	–	63
Purchase of property, plant & equipment	128	8	140	–	–	276

### Information about major customers

Revenue from one major customer in Singapore contributed 51.7% (31-May-17: 29.0%) of the total revenue of the Group.



17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8.

18. A breakdown of sales and operating profit after tax are as follows:

	Group Financial Year Ended		
	31 May 2019	31 May 2018	Increase/ (decrease)
	\$'000	\$'000	%
	(Unaudited)	(Unaudited) <sup>(i)</sup>	
<b>a) Revenue</b>			
- first half year	7,821	6,356	23.0
- second half year	10,512	10,346	1.6
	<u>18,333</u>	<u>16,702</u>	<u>17.3</u>
<b>b) Operating profit/(loss) after tax</b>			
- first half year	111	(1,425)	N.M
- second half year	1,122	(1,008)	N.M
	<u>1,233</u>	<u>(2,433)</u>	<u>N.M</u>

<sup>(i)</sup> These represent amount before adoption of SFRS(I) 15.

N.M – Not Meaningful

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows: —

No dividend has been declared or paid by the Company for FY2019 and FY2018.



- 20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

On behalf of the Board of Directors

Song Xingyi  
Non-Executive and Non-Independent Chairman  
30 July 2019