



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

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED
30 NOVEMBER 2020**

This announcement has 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.

The contact person for the Sponsor is Mr. Ong Hwee Li (telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

PART 1 – INFORMATION REQUIRED FOR HALF YEAR ANNOUNCEMENTS

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

Consolidated Statement of Comprehensive Income

	Group		
	30 Nov 2020	30 Nov 2019	Change
	S\$'000	S\$'000	%
Revenue	2,864	8,210	(65.1)
Other income	317	2	>100
Changes in inventories, material consumed and subcontractor cost	(1,197)	(2,537)	(52.8)
Employee benefits expenses – Project	(1,367)	(2,545)	(46.3)
Employee benefits expenses – Admin	(940)	(985)	(4.6)
Depreciation and amortisation expenses	(373)	(242)	54.1
Legal and professional expenses	(572)	(264)	>100
Other general and administrative expenses	(677)	(1,427)	(52.6)
Interest expense	(37)	(87)	(57.5)
(Loss)/Profit before tax	(1,982)	125	N.M
Income tax expense	-	(30)	N.M
(Loss)/Profit attributable to owners of the Company, net of tax	(1,982)	95	N.M
Other comprehensive (loss)/income:			
<i>Items that will not be reclassified to profit or loss</i>			
Actuarial losses on measurements of post-employment benefit plan, net of tax	-	(6)	N.M
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences	62	(11)	N.M
Total comprehensive (loss)/income for the period attributable to owners of the Company	(1,920)	78	N.M

N.M – Not Meaningful

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

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

	Group		
	Half Year Ended		Change
	30 Nov 2020	30 Nov 2019	
	S\$'000	S\$'000	%
Amortisation of intangible assets	49	24	>100
Depreciation of property, plant and equipment	324	218	48.6
Employee benefit expenses	2,307	3,530	(34.6)
Foreign exchange gain	(32)	(24)	33.3
Interest expense on borrowings	37	87	(57.5)
Loss on disposal of property, plant and equipment	-	4	N.M
Rental of office premise, warehouse and equipment	127	184	(31.0)

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	Group		Company	
	As at		As at	
	30 Nov 2020	31 May 2020	30 Nov 2020	31 May 2020
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	925	1,236	1	1
Intangible assets	–	49	–	–
Investment in subsidiaries	–	–	2,336	2,336
Deposits	106	115	–	–
Total non-current assets	1,031	1,400	2,337	2,337
Current assets				
Inventories	991	1,088	–	–
Contract assets	6,712	6,288	–	–
Amounts due from subsidiaries	–	–	4,092	4,530
Trade and other receivables	2,885	4,354	9	27
Cash and bank balances	8,425	426	8,232	91
Total current assets	19,013	12,156	12,333	4,648
Total assets	20,044	13,556	14,670	6,985
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	23,525	14,542	23,525	14,542
Other reserves	(8,406)	(8,468)	–	–
Accumulated losses	(7,647)	(5,665)	(14,030)	(13,218)
Total equity	7,472	409	9,495	1,324
Non-current liabilities				
Lease liabilities	163	262	–	–
Employee benefit liabilities	281	272	–	–
Deferred tax liabilities	278	220	–	–
Total non-current liabilities	722	754	–	–
Current liabilities				
Contract liabilities	776	779	–	–
Trade and other payables	4,946	5,039	403	706
Amounts due to subsidiaries	–	–	–	165
Borrowings	5,009	5,485	4,772	4,790
Lease liabilities	588	567	–	–
Tax payable	531	523	–	–
Total current liabilities	11,850	12,393	5,175	5,661
Total liabilities	12,572	13,147	5,175	5,661
Total equity and liabilities	20,044	13,556	14,670	6,985

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 30 Nov 2020		As at 31 May 2020	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Current				
Amounts repayable in one year or less, or on demand	177 ⁽ⁱ⁾	5,009 ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	158 ⁽ⁱ⁾	5,485 ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾
Non-current				
Amount repayable after one year	158 ⁽ⁱ⁾	-	257 ⁽ⁱ⁾	-

Detail of collaterals

As at 30 November 2020, the Group's borrowings comprised:

- (i) being hire purchase included in the lease liabilities taken up for the purchase of commercial vehicle, testing equipment and copiers arose due to application of SFRS(I) 16, which are secured over the right-of-use assets.
- (ii) advances from financial institutions for trade financing; and
- (iii) unsecured shareholder's loan from Yinda Pte. Ltd. which will be repayable by 31 May 2021.

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

	Group	
	Half Year Ended	
	30 Nov 2020	30 Nov 2019
	S\$'000	S\$'000
Operating activities:		
(Loss)/profit before tax	(1,982)	125
Adjustments for:		
Depreciation of property, plant and equipment	324	218
Loss on disposal of property, plant and equipment ("PPE")	-	4
Amortisation of intangible assets	49	24
Interest expense on borrowings	37	87
Unrealised foreign exchange gain	118	(24)
Employee benefit liabilities	-	7
Total adjustments	528	316
Operating cash flows before changes in working capital	(1,454)	441
Changes in working capital:		
Increase in contract assets	(424)	(1,720)
Decrease in trade and other receivables	1,478	526
Decrease in inventories	97	84
(Decrease)/Increase in contract liabilities	(3)	36
(Decrease)/Increase in trade and other payables	(104)	735
Total changes in working capital	1,044	(339)
Cash flows (used in)/generated from operations	(410)	102
Interest received	-	-
Interest paid	(18)	(87)
Taxes refund	-	66
Net cash flows (used in)/generated from operating activities	(428)	81
Investing activities		
Purchase of PPE	(12)	-
Proceeds from disposal of PPE	-	8
Net cash flows (used in)/generated from investing activities	(12)	8
Financing activities		
Loan obtained from a shareholder ¹	-	603
Repayment of shareholder's loan ¹	(220)	-
Repayment of bank borrowings, net of proceeds	(246)	(524)
Repayment of hire purchase	(78)	(29)
Proceed from issue of shares	8,983	-
Net cash flows generated from financing activities	8,439	50

¹ Shareholder refers to Yinda Pte. Ltd.

Consolidated Statement of Cash Flows (Cont'd)

	Group	
	Half Year Ended	
	30 Nov 2020	30 Nov 2019
	S\$'000	S\$'000
Net increase in cash and cash equivalents	7,999	139
Effects of exchange rate changes on cash and cash equivalents	–	7
Cash and cash equivalents at 1 June	326	249
Cash and cash equivalents at 30 November (Note A)	8,325	395

Notes to Consolidated Statement of Cash Flows:

A) Cash and cash equivalents comprised of the following:

Cash and bank balances	8,425	495
Less: Pledged bank deposits	(100)	(100)
Cash and cash equivalents	8,325	395

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 owners of the Company							
	Share capital S\$'000	Merger reserves S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Total reserves S\$'000	Total equity S\$'000
Group							
At 1 June 2020	14,542	(10,397)	(16)	(5,665)	1,945	(14,133)	409
Loss for the period	–	–	–	(1,982)	–	(1,982)	(1,982)
<u>Other comprehensive income</u>							
Currency translation differences	–	–	62	–	–	62	62
Total comprehensive income/(losses) for the period	–	–	62	(1,982)	–	(1,920)	(1,920)
Issue of shares	8,983	–	–	–	–	–	8,983
At 30 November 2020	23,525	(10,397)	46	(7,647)	1,945	(16,053)	7,472
At 1 June 2019	14,542	(10,397)	117	(3,500)	1,945	(11,835)	2,707
Profit for the period	–	–	–	95	–	95	95
<u>Other comprehensive loss</u>							
Actuarial losses on measurement of post-employment benefit plan, net of tax	–	–	–	(6)	–	(6)	(6)
Currency translation differences	–	–	(11)	–	–	(11)	(11)
Total comprehensive (loss)/income for the period	–	–	(11)	89	–	78	78
At 30 November 2019	14,542	(10,397)	106	(3,411)	1,945	(11,757)	2,785

	<u>Attributable to owners of the Company</u>		
	Share capital S\$'000	Retained earnings S\$'000	Total equity S\$'000
Company			
At 1 June 2020	14,542	(13,218)	1,324
Loss for the period, representing total comprehensive losses	–	(812)	(812)
Issue of shares	8,983	–	8,983
At 30 November 2020	23,525	(14,030)	9,495
At 1 June 2019	14,542	(8,087)	6,455
Loss for the period, representing total comprehensive losses	–	(63)	(63)
At 30 November 2019	14,542	(8,150)	6,392

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 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 2020	152,000,000	14,542,000
Issue of shares	148,700,000	8,983,000
As at 30 November 2020	300,700,000	23,525,000

The Company had on 16 October 2020 and 27 November 2020, allotted and issued 76,000,000 and 72,700,000 new shares pursuant to 2 separate subscription exercises, at an issue price of \$0.050 and \$0.072 respectively.

There are no outstanding convertibles, shares held as treasury shares and subsidiary holdings as at 30 November 2020 and 30 November 2019.

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.

	As at 30 Nov 2020	As at 31 May 2020
Total number of issued shares	<u>300,700,000</u>	<u>152,000,000</u>

The Company did not have any treasury shares as at 30 November 2020 and 31 May 2020.

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

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

1(d)(v) 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 auditor.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: - (a) Updates on the efforts taken to resolve each outstanding audit issue. (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty to going concern.

Not applicable. The latest financial statements of the Group are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared to its most recently audited annual financial statements for the financial year ended 31 May 2020.

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.

The Group adopted all applicable new and revised Singapore Financial Reporting Standards (International) (“**SFRS(I)**”), and interpretations of SFRS(I) (“**SFRS(I) INT**”) which are effective for the financial year beginning 1 June 2020.

The adoption of the new and revised SFRS(I) and SFRS(I) INT has no material effect on the financial statements.

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:

	Group	
	Half Year Ended 30 Nov 2020	30 Nov 2019
(Loss)/Profit attributable to owners of the Company used in the computation of basic earnings per share (S\$'000)	(1,982)	95
(a) Basic earnings per share (cents)	(1.15)	0.06
(b) Diluted earnings per share (cents)	(1.15)	0.06
Weighted average number of ordinary shares in issue for computation of basic earnings per share ('000)	172,693	152,000
Weighted average number of ordinary shares for computation of diluted earnings per share ('000)	172,693	152,000

As at 30 November 2020 and 30 November 2019, the Company did not have any dilutive instruments. Hence, the basic and diluted earnings per share for both periods 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.

	Group As at		Company As at	
	30 Nov 2020	31 May 2020	30 Nov 2020	31 May 2020
Net assets (S\$'000)	7,472	409	9,495	1,324
Number of ordinary shares used in calculating net asset value per ordinary share ('000)	300,700	152,000	300,700	152,000
Net asset value per ordinary share attributable to owners of the Company (cents)	2.48	0.27	3.16	0.87

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

Revenue

The Group recorded a much lower revenue of S\$2.9 million in half-year ended 30 November 2020 ("1H2021") as compared to S\$8.2 million in the half-year ended 30 November 2019 ("1H2020") or a decrease of approximately S\$5.3 million or 65.1%.

Revenue for 1H2021 decreased mainly from all types of revenue streams, (i) the Telecommunication Implementation ("TI") projects of S\$0.7 million, where decrease in Singapore and Philippines amounted to \$0.5 million and \$0.2 million respectively; (ii) decrease in Networking Planning Optimisation ("NPO") projects of S\$0.9 million, where decrease in Singapore, Thailand and Philippines amounted to \$0.6 million, \$0.2 million and \$0.1 million respectively; and (iii) decrease in In-Building Construction ("IBC") projects of S\$3.7million, where decrease in Singapore, Thailand and Philippines amounted to \$1.3 million, \$0.9 million and \$1.5 million respectively.

The overall revenue for 1H2021 has decreased mainly due to the effect of various preventive measures implemented by respective governments in Singapore, Philippines and Thailand in an effort to combat against the Coronavirus ("COVID-19") since early 2020.

Changes in inventories, material consumed and subcontractor cost

These represent the costs related to our projects and these costs decreased by approximately S\$1.3 million or 52.8% from S\$2.5 million in 1H2020 to S\$1.2 million in 1H2021. The decrease is mainly due to lesser operating activities resulting in reduction of direct costs and this was also in line with the decrease in revenue.

Employee benefits expenses – Project / Admin

These represent the total staff costs incurred during the period. Employee benefit expenses for project staff decreased by S\$1.2 million or 46.3% to approximately S\$1.4 million in 1H2021 from S\$2.5 million in 1H2020, which is in line with the reduction in operating activities as mentioned above. Employee benefit expenses for administrative staff decreased slightly by S\$45,000 or 4.6% to S\$0.9 million in 1H2021 from \$1.0 million in 1H2020, mainly due to attrition of our administrative staff strength over the period.

Depreciation and amortisation expenses

There were no significant changes to depreciation and amortisation expenses in absolute terms as there was no major capital expenditure incurred during the period, except for the depreciation of right-of-use assets recognised since FY2020.

Legal and professional fees expenses

The increase in legal and professional fees paid to professional firms by approximately S\$0.3 million or 116.7% to S\$0.6 million in 1H2021 from S\$0.3 million in 1H2020 was mainly due to professional fees incurred in respect of the various corporate exercises carried out by the Company during 1H2021.

Other general and administrative expenses

Other general and administrative expenses mainly comprised of printing cost, insurance, traveling, rental and utilities. The decrease by approximately S\$0.8 million or 52.6% to S\$0.7 million in 1H2021 from S\$1.4 million in 1H2020 was mainly due to the decrease in project activities which was in line with the overall decrease in revenue and lesser traveling expenses since COVID-19.

Interest expenses

The interest expenses comprise mainly of interests incurred from bank borrowings and shareholder's loan. The 57.5% decrease was mainly due to the waiver of interest expenses on loan from Yinda Pte. Ltd in view of the current economic condition.

Taxation

There were no income tax expenses due to the tax losses position across the Group entities.

Review of the Group's Statement of Consolidated Financial Position

Non-current assets

The decrease in non-current assets by approximately 26.4% to S\$1.0 million as at 30 November 2020 from S\$1.4 million as at 31 May 2020 was mainly due to the amortisation and depreciation charges for the period.

Intangible assets comprise of customer relationships arising from the purchase price allocation exercise upon acquisition of the Group's subsidiaries, CMC Communications (Singapore) Pte. Ltd. (which was renamed to Yinda Technology Singapore Pte. Ltd.) and CMC Communications (Thailand) Co. Ltd (which was renamed to Yinda Technology (Thailand) Co., Limited) in June 2011, post-IPO. Intangible assets were fully amortised as at 30 November 2020.

Current assets

Current assets increased by approximately 56.4% to S\$19.0 million as at 30 November 2020 from S\$12.2 million as at 31 May 2020.

Contract assets which primarily relate to the Group's right to consideration for work completed but not yet billed increased to S\$6.7 million as at 30 November 2020 from S\$6.3 million as at 31 May 2020. These increases were due to projects completed towards end of 1H2021 which have yet to be billed. Trade and other receivables decreased to S\$2.9 million as at 30 November 2020 from \$4.4 million as at 31 May 2020 due to better collection effort on accounts receivables.

Cash and bank balances increased to \$8.4 million as at 30 November 2020 from S\$0.4 million as at 31 May 2020 due to proceeds from two subscription exercises conducted during the period.

There were no significant changes in the inventory amount with slight decrease to \$1.0 million as at 30 November 2020 from \$1.1 million as at 31 May 2020.

Non-current liabilities

There were no significant changes in non-current liabilities during 1H2021 with approximately a 4.2% or S\$32,000 decrease as at 30 November 2020.

Current liabilities

Current liabilities decreased slightly by approximately 4.4% or S\$0.5 million to \$11.9 million as at 30 November 2020 from S\$12.4 million as at 31 May 2020. This was mainly due to repayment of trade and other payables and borrowings over the period.

Equity attributable to owners of the Company

Increase in total equity was mainly due to an issuance of new ordinary shares which resulted in an increase in the share capital, partially offset by an increase in accumulated losses.

Review of the Group's Consolidated Statement of Cash Flows

In 1H2021, net cash flows used in operating activities amounted to approximately S\$0.4 million. This included operating cash outflows before changes in working capital of S\$1.5 million, a decrease in trade and other receivables of S\$1.5 million and inventories of \$0.1 million, offset by a decrease in contract assets and trade and other payables of S\$0.4 million and S\$0.1 million respectively.

Net cash flows used in investing activities of S\$12,000 pertained to purchase of property, plant and equipment.

Net cash flows generated from financing activities amounted to approximately S\$8.4 million, mainly due to net proceeds from issuance of new ordinary shares by way of 2 subscription exercises amounting to S\$8.9 million. This was partially offset by repayments of bank borrowings and loan from Yinda Pte. Ltd. of S\$0.3 million and S\$0.2 million respectively during the period.

As a result of the above, there was a net increase of approximately S\$8.0 million in cash and cash equivalents during the period.

As at 30 November 2020, the Group's cash and cash equivalents amounted to approximately S\$8.3 million.

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.

The Company's projects in Singapore, Philippines and Thailand have been affected and delayed due to measures taken by the respective governments in their efforts to curb COVID-19. Due to the uncertainty caused by the COVID-19 pandemic, the Group is unable to ascertain the expected completion dates for the delayed projects in the respective countries and the corresponding impact to the Group's financial performance and operations.

The Company has on 1 November 2020 entered into a non-binding memorandum of understanding ("MOU") with the shareholders (the "Vendors") of International Biometrics Pte. Ltd. ("InterBIO"). The MOU sets out certain key understandings between the Vendors and the Company in respect of the Company's proposed acquisition of up to 51% of the ordinary shares in InterBIO (the "Proposed Acquisition"). Incorporated in Singapore, InterBIO is a software technology company specializing in the development and provision of identity management biometrics software technology and solutions. The Company is currently conducting due diligence on InterBIO's business and further details will be provided if the Company decides to enter into a definitive agreement with the Vendors. Should the Proposed Acquisition materialise, the Company will also seek the approval from Shareholders for the diversification of the Group's business.

The Group will continue to look out for opportunities in generating new revenue stream and improve the profitability of the Group, while at the same time, remain cautious amid the prevailing economic uncertainties. The Company also wishes to update that shareholders' approval have been obtained for the disposal of two wholly-owned subsidiaries, Yinda Malaysia Sdn. Bhd. and Yinda Communications (Philippines) Inc. on 30 December 2020.

11. Dividend

(a) Current Financial Period Reported on:

Any dividend declared for the current financial period reported on?

No dividend was declared or recommended.

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

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

No dividend was declared or recommended in the previous corresponding period.

(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 was declared or recommended in respect of 1H2021 due to the Group's loss-making position.

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.

The Group had on 3 December 2018 obtained a general mandate from Shareholders for interested person transactions pursuant to Rule 902(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the SGX-ST ("**Catalist Rules**") for Shanghai Yinda Science and Technology Industrial Co Ltd and Anhui Diantong Communication Engineering Co., Ltd. which was subsequently renewed on 26 September 2019 and 29 October 2020 respectively. The aggregate value of all interested person transactions during the financial period under review was less than S\$100,000.

14. Negative confirmation pursuant to Rule 705(5)

The Board of Directors hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the half year ended 30 November 2020 to be false or misleading in any material aspect.

15. 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.

16. Update on use of proceeds from placement

As of date of this announcement, the use of net proceeds from the share subscription exercise in October 2020 are as follows:

Use of Net Proceeds from October Subscription	Amount allocated (S\$'000)	Amount utilised (S\$'000)	Amount remaining (S\$'000)
Working Capital	1,131 – 1508	(1,157)	351
New Business Opportunities	2,262 – 2,639	(592)	1,670 – 2,047
Total	3,370	(1,749)	1,621

A breakdown of the net proceeds from the October Subscription that was utilised for working capital are:

	Working Capital (S\$)
Summary of expenses:	
Listing Fees	(33,705.00)
Staff Cost and Director Fee	(247,068.35)
Finance Cost or Bank Charges	(2,822.88)
Professional Fees	(704,750.89)
Administrative Expenses	(69,665.06)
Rental Deposit	(98,563.05)
Total	(1,156,575.23)

The proceeds from November 2020 and December 2020 subscription exercise has not been utilised as of date of this announcement.

17. Disclosures pursuant to Rule 706A of the Catalyst Rules

Please refer to the (i) the Company's announcement dated 7 December 2020 and circular dated 15 December 2020 in relation to the proposed disposal of the Group's Malaysian and Philippines' wholly-owned subsidiaries, namely Yinda Infocomm Sdn. Bhd. and Yinda Communications (Philippines), Inc. ("**Proposed Disposal**") for which shareholders' approval was obtained on 30 December 2020; and (ii) the Company's announcement on 2 November 2020 and 2 December 2020 in relation to the entry into a non-binding memorandum of understanding in relation to the proposed acquisition of shares in the capital of International Biometric Pte. Ltd. ("**InterBio**") and the joint venture agreement with InterBio to establish a joint venture company.

As at the date of this announcement, the Proposed Disposal has yet to be completed, pending the fulfilment of certain conditions precedent and the joint venture company with InterBio has not been incorporated.

On behalf of the Board of Directors

Gordon Tan Chee Bun
Executive Director

14 January 2021