



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 AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MAY 2021

*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.*

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 AND FULL-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 | | |
|-------------------------------------------------------------------------------------------------------|-----------------------------|--------------------|----------------|
| | Financial Year Ended | | |
| | 31 May 2021 | 31 May 2020 | Change |
| | S\$'000 | S\$'000 | % |
| | (Unaudited) | (Audited) | |
| <u>Continuing operations^(a)</u> | | | |
| Revenue | 6,770 | 9,859 | -31.3 |
| Other income | 1,185 | 1 | >100 |
| Expenses | | | |
| Changes in inventories, material consumed and subcontractor cost | (3,018) | (3,624) | -16.7 |
| Staff costs | | | |
| - Project related | (2,284) | (3,604) | -36.6 |
| - Administrative | (2,754) | (1,634) | 68.5 |
| Net impairment losses on trade and other receivables, property plant and equipment and contact assets | (512) | (583) | -12.2 |
| Depreciation and amortisation expenses | (1,517) | (773) | 96.3 |
| Legal and professional expenses | (4,095) | (291) | >100 |
| Other expenses | (893) | (1,512) | -40.9 |
| Interest expense | (176) | (146) | 20.5 |
| Loss before tax | (7,294) | (2,307) | >100 |
| Income tax expense | (102) | (165) | -38.2 |
| Loss for the year from continuing operations, net of tax | (7,396) | (2,472) | >100 |
| <u>Discontinued operations^(b)</u> | | | |
| Loss for the year from discontinued operation | (473) | (684) | -30.9 |
| Loss for the year | (7,869) | (3,156) | >100 |
| Other comprehensive loss: | | | |
| <i>Items that are or may be reclassified subsequently to profit or loss</i> | | | |
| Currency translation differences arising on consolidation | (28) | (133) | -78.9 |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Actuarial loss on measurements of post-employment benefit plan, net of tax | (1) | (3) | -66.7 |
| Other comprehensive loss for the year, net of tax | (29) | (136) | -78.7 |
| Total comprehensive loss for the year | (7,898) | (3,292) | >100 |

Consolidated Statement of Comprehensive Income (Continued)

| | Group | | |
|---------------------------------------------------------------|-----------------------------|--------------------|---------------|
| | Financial Year Ended | | |
| | 31 May 2021 | 31 May 2020 | Change |
| | S\$'000 | S\$'000 | % |
| | (Unaudited) | (Audited) | |
| Loss for the year attributable to: | | | |
| Equity holders of the company | (7,793) | (3,156) | >100 |
| Non-controlling interest | (76) | - | N.M |
| | (7,869) | (3,156) | >100 |
| Total comprehensive loss for the year attributable to: | | | |
| Equity holders of the company | (7,823) | (3,292) | >100 |
| Non-controlling interest | (75) | - | N.M |
| | (7,898) | (3,292) | >100 |

N.M – Not Meaningful

Notes:

- (a) The financial statements for the financial year ended 31 May 2020 (“FY2020”) has been re-presented after reclassifying contributions from Yinda Technology Malaysia Sdn. Bhd. (“Yinda Malaysia”) and Yinda Communications (Philippines), Inc. (“Yinda Philippines”) under discontinued operations.
- (b) The Group had disposed of its wholly-owned subsidiaries, Yinda Malaysia and Yinda Philippines on 5 December 2020, and completed the disposals on 29 January 2021.

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

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

| | Group | | |
|--------------------------------------------------------------------------------------------------------|-----------------------------|--------------------|---------------|
| | Financial Year Ended | | |
| | 31 May 2021 | 31 May 2020 | Change |
| | S\$'000 | S\$'000 | % |
| | (Unaudited) | (Audited) | |
| Amortisation of intangible assets | 707 | 48 | >100 |
| Depreciation of property, plant and equipment | 810 | 725 | 11.7 |
| Employee benefit expenses | 5,038 | 5,238 | -3.8 |
| Foreign exchange loss, net | 11 | 33 | -66.7 |
| Interest expense on borrowings | 176 | 146 | -20.5 |
| Interest income | (1) | (1) | 0.0 |
| Rental of office premise, warehouse, equipment and motor vehicles ⁽ⁱ⁾ | 237 | 229 | 3.5 |
| Net impairment losses on trade and other receivables, property plant and equipment and contract assets | 512 | 583 | -12.2 |
| Loss on disposal of property, plant and equipment | 6 | 3 | 100 |
| Write down of inventories | 85 | 216 | -60.6 |
| Fair value gain on convertible loans | 459 | - | N.M. |

⁽ⁱ⁾ Being short-term leases exempted from the adoption of SFRS(I) 16 Leases adjustments.

N.M – Not Meaningful

B) The major components of income tax expense was:

| | Group | | |
|---------------------------------------|-----------------------------|--------------------|---------------|
| | Financial Year Ended | | |
| | 31 May 2021 | 31 May 2020 | Change |
| | S\$'000 | S\$'000 | % |
| | (Unaudited) | (Audited) | |
| Consolidated income statement: | | | |
| Current income tax: | | | |
| - current year | 188 | 30 | >100 |
| Deferred tax | | | |
| - current year | (86) | 135 | N.M |
| | 102 | 165 | -38.2 |

N.M – Not Meaningful

C) The results of the discontinued operations are as follows:

| | Group | | |
|-------------------------------------------------------------------------|-----------------------------|--------------------|---------------|
| | Financial Year Ended | | |
| | 31 May 2021 | 31 May 2020 | Change |
| | S\$'000 | S\$'000 | % |
| | (Unaudited) | (Audited) | |
| <u>Discontinued operations</u> | | | |
| Revenue | 287 | 1,652 | -82.6 |
| Other income | 37 | 273 | -86.4 |
| Expenses | | | |
| Changes in inventories, material consumed and subcontractor cost | (155) | (160) | -3.1 |
| Staff costs | | | |
| - Project related | - | (1,049) | N.M |
| - Administrative | (179) | (494) | -63.8 |
| Impairment losses on trade and other receivables and contract assets | (279) | (42) | >100 |
| Contract asset written off | (1,374) | - | N.M |
| Gain on disposal of subsidiaries | 1,352 | - | N.M |
| Depreciation and amortisation expenses | (40) | (89) | -55.1 |
| Legal and professional expenses | (85) | (138) | -38.4 |
| Other expenses | (56) | (505) | -88.9 |
| Interest expense | (2) | (10) | -80.0 |
| Loss before tax | (494) | (562) | -12.1 |
| Income tax credit/(expense) | 21 | (122) | N.M. |
| Loss for the year from discontinued operations, net of tax | (473) | (684) | -30.8 |

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 Financial Position | Group | | Company | |
|-----------------------------------------------------|---------------|---------------|---------------|--------------|
| | As at | | As at | |
| | 31 May 2021 | 31 May 2020 | 31 May 2021 | 31 May 2020 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 2,241 | 1,236 | 1,328 | 1 |
| Goodwill | 20,813 | – | – | – |
| Intangible assets | 21,617 | 49 | – | – |
| Investment in subsidiaries | – | – | 33,957 | 2,336 |
| Deferred tax assets | 37 | – | – | – |
| Convertible loans | 4,208 | – | 4,208 | – |
| Other receivables and deposits | 277 | 115 | – | – |
| Total non-current assets | 49,193 | 1,400 | 39,493 | 2,337 |
| Current assets | | | | |
| Inventories | 520 | 1,088 | – | – |
| Contract assets | 10,260 | 6,288 | – | – |
| Amounts due from subsidiaries | – | – | 570 | 4,530 |
| Trade and other receivables | 2,090 | 4,354 | 209 | 27 |
| Cash and bank balances | 12,645 | 426 | 12,220 | 91 |
| Total current assets | 25,515 | 12,156 | 12,999 | 4,648 |
| Total assets | 74,708 | 13,556 | 52,492 | 6,985 |
| EQUITY AND LIABILITIES | | | | |
| Equity attributable to owners of the Company | | | | |
| Share capital | 63,003 | 14,542 | 63,003 | 14,542 |
| Other reserves | (8,396) | (8,468) | – | – |
| Accumulated losses | (13,460) | (5,665) | (22,866) | (13,218) |
| Equity attributable to owners of the Company | 41,147 | 409 | 40,137 | 1,324 |
| Non-controlling interest | 11,336 | – | – | – |
| Total equity | 52,483 | 409 | 40,137 | 1,324 |
| Non-current liabilities | | | | |
| Lease liabilities | 1,060 | 262 | 1,060 | – |
| Employee benefit liabilities | 397 | 272 | – | – |
| Deferred tax liabilities | 4,323 | 220 | – | – |
| Total non-current liabilities | 5,780 | 754 | 1,060 | – |
| Current liabilities | | | | |
| Contract liabilities | – | 779 | – | – |
| Trade and other payables | 11,191 | 5,039 | 7,765 | 706 |
| Amounts due to subsidiaries | – | – | – | 165 |
| Borrowings | 4,324 | 5,485 | 3,164 | 4,790 |
| Lease liabilities | 930 | 567 | 366 | – |
| Tax payable | – | 523 | – | – |
| Total current liabilities | 16,445 | 12,393 | 11,295 | 5,661 |
| Total liabilities | 22,225 | 13,147 | 12,355 | 5,661 |
| Total equity and liabilities | 74,708 | 13,556 | 52,492 | 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 31 May 2021 | | 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 | 287 ⁽ⁱ⁾ | 4,324 ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾ | 158 ⁽ⁱ⁾ | 5,485 ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾ |
| Non-current | | | | |
| Amount repayable after one year | - | - | 257 ⁽ⁱ⁾ | - |

Detail of collaterals

As at 31 May 2021, 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 which will be repayable by 31 May 2022.

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 | |
|--------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------|
| | Financial Year Ended | |
| | 31 May 2021 S\$'000 (Unaudited) | 31 May 2020 S\$'000 (Audited) |
| Cash flows from operating activities | | |
| Loss before tax | (7,788) | (2,896) |
| Adjustments for: | | |
| Depreciation and amortisation | 1,557 | 862 |
| Net impairment losses on trade and other receivables, property plant and equipment and contract assets | 791 | 625 |
| Contract asset written off | 1,374 | - |
| Fair value gain on convertible loans | (459) | - |
| Loss on disposal of property, plant and equipment | 6 | 3 |
| Gain on disposal of subsidiary | (1,352) | - |
| Loss on foreign exchange | (1) | 62 |
| Defined benefits plans | 16 | 57 |
| Interest expenses | 178 | 156 |
| Interest income | (2) | (2) |
| Operating cash flows before changes in working capital | (5,680) | (1,106) |
| Changes in working capital: | | |
| Inventories | 569 | 126 |
| Contract assets | (1,111) | (162) |
| Trade and other receivables | 4,838 | 1,481 |
| Contract liabilities | (779) | 106 |
| Trade and other payables | (1,387) | 346 |
| Cash flows (used in)/generated from operations | (3,550) | 791 |
| Interest received | 2 | 2 |
| Retirement benefit paid | (28) | - |
| Income tax paid | (168) | (34) |
| Net cash flows (used in)/ generated from operating activities | (3,744) | 759 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (50) | (134) |
| Acquisition of subsidiary | (6,750) | - |
| Acquisition of convertible loans | (3,748) | - |
| Proceeds from disposal of property, plant and equipment | 39 | 8 |
| Proceeds from disposal of subsidiaries | 1 | - |
| Net cash used in investing activities | (10,508) | (126) |
| Cash flows from financing activities | | |
| Proceeds from borrowings | - | 1,181 |
| Proceeds from shareholder's loan | - | 560 |
| Proceeds from issuance of shares | 29,402 | - |
| Repayment of cost of issuance of shares | (1,647) | - |
| Repayment of lease liabilities | (563) | (456) |
| Repayment of shareholder's loan | (186) | (1,089) |
| Amount due to related parties | (6) | (5) |
| Proceeds from factoring | 4,410 | 3,989 |
| Repayment of factoring | (4,901) | (4,669) |
| Interest paid | (38) | (63) |
| Net cash generated from/ (used in) financing activities | 26,471 | (552) |
| Net increase in cash and cash equivalents | 12,219 | 81 |
| Cash and cash equivalents at beginning of financial year | 326 | 249 |
| Effect of exchange rate fluctuations on cash and cash equivalents | - | (4) |
| Cash and cash equivalents at end of financial year (Note A) | 12,545 | 326 |

Note A

Consolidated Statement of Cash Flows

Group
Financial Year Ended
31 May 2021 **31 May 2020**
S\$'000 **S\$'000**
(Unaudited) **(Audited)**

Cash and cash equivalents comprised of the followings:

Continuing operations

| | | |
|-----------------------------|--------|-------|
| Cash at bank and on hand | 12,545 | 316 |
| Short-term deposits | - | 100 |
| Fixed deposit | 100 | 100 |
| | 12,645 | 426 |
| Less: pledged fixed deposit | (100) | (100) |
| | 12,545 | 326 |

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 | Other Reserves S\$'000 | Accumulated losses S\$'000 | Total reserves S\$'000 | Non-controlling interest S\$'000 | Total equity S\$'000 |
|---------------------------------------------------------------------------|--------------------------|---------------------------|-------------------------------|---------------------------|-------------------------------------|-------------------------|
| Group | | | | | | |
| At 1 June 2020 | 14,542 | (8,468) | (5,665) | 409 | - | 409 |
| Loss for the year | - | - | (7,793) | (7,793) | (76) | (7,869) |
| <u>Other comprehensive income/(loss)</u> | | | | | | |
| Currency translation differences | - | (28) | - | (28) | 3 | (25) |
| Actuarial loss on measurement of post-employment benefit plan, net of tax | - | - | (2) | (2) | (2) | (4) |
| Total comprehensive (loss)/income for the year | - | (28) | (7,795) | (7,823) | (75) | (7,898) |
| <u>Transactions with owners, recognised directly in equity</u> | | | | | | |
| Issues of shares | 48,461 | - | - | 48,461 | - | 48,461 |
| Acquisition of subsidiaries | - | - | - | - | 11,411 | 11,411 |
| Disposal of subsidiaries | - | 100 | - | 100 | - | 100 |
| At 31 May 2021 | 63,003 | (8,396) | (13,460) | 41,147 | 11,336 | 52,483 |
| At 1 June 2019 | 14,542 | (8,335) | (2,506) | 3,701 | - | 3,701 |
| Loss for the year | - | - | (3,156) | (3,156) | - | (3,156) |
| <u>Other comprehensive loss</u> | | | | | | |
| Currency translation differences | - | (133) | - | (133) | - | (133) |
| Actuarial loss on measurement of post-employment benefit plan, net of tax | - | - | (3) | (3) | - | (3) |
| Total comprehensive loss for the year | - | (133) | (3,159) | (3,292) | - | (3,292) |
| At 31 May 2020 | 14,542 | (8,468) | (5,665) | 409 | - | 409 |

| | Attributable to owners of the Company | | |
|----------------------------------------------------------|---------------------------------------|-------------------------------|-------------------------|
| | Share capital S\$'000 | Accumulated losses S\$'000 | Total equity S\$'000 |
| Company | | | |
| At 1 June 2020 | 14,542 | (13,218) | 1,324 |
| Loss for the year, representing total comprehensive loss | – | (9,648) | (9,648) |
| Issues of shares | 48,461 | | 48,461 |
| At 31 May 2021 | 63,003 | (22,866) | 40,137 |
| At 1 June 2019 | 14,542 | (8,087) | 6,455 |
| Loss for the year, representing total comprehensive loss | – | (5,131) | (5,131) |
| At 31 May 2020 | 14,542 | (13,218) | 1,324 |

1(d)(ii) Details of any changes in the Company's share capital arising from right issue, bonus issue, subdivision, consolidation, 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 | 14,542,370 |
| Issue of shares arising from the debt conversion exercise ⁽¹⁾ | 20,833,333 | 1,500,000 |
| Issue of shares from Subscription Exercises ⁽²⁾ | 331,100,000 | 29,401,500 |
| Issue of shares arising from the acquisition of International Biometrics Pte Ltd ⁽³⁾ | 143,333,000 | 21,499,950 |
| Fair value adjustments for share consideration on acquisition of International Biometrics Pte Ltd | - | (2,293,328) |
| Cost of issues of shares arising from the Subscription Exercises | - | (1,647,209) |
| As at 31 May 2021 | 647,266,333 | 63,003,283 |

Notes:

- (1) The Company had, on 6 January 2021, issued 20,833,333 new ordinary shares in the capital of the Company ("**Shares**") to Yinda Pte. Ltd. pursuant to a debt conversion deed. Pursuant to the debt conversion deed, Yinda Pte. Ltd. agreed to convert an amount of S\$1.5 million owing by the Company into 20,833,333 Shares.
- (2) The Company had conducted the following share subscription exercises (the "Subscription Exercises") during FY2021:
 - (a) share subscription of 76,000,000 Shares that was completed on 16 October 2020 (the "**October 2020 Subscription Exercise**"). The October 2020 Subscription Exercise raised gross proceeds of S\$3.8 million;
 - (b) share subscription of 81,200,000 Shares of which 72,700,000 Shares were issued on 27 November 2020 while the remaining 8,500,000 Shares were issued on 6 January 2021 (the "**November 2020 Subscription Exercise**"). The November 2020 Subscription Exercise raised gross proceeds of approximately S\$5.8 million;
 - (c) share subscription of 41,300,000 Shares that was completed on 23 December 2020 (the "**December 2020 Subscription Exercise**"). The December 2020 Subscription Exercise raised gross proceeds of approximately S\$3.2 million; and
 - (d) share subscription of 132,600,000 Shares of which 99,000,000 Shares were issued on 15 February 2021 while the remaining 33,600,000 Shares were issued on 6 April 2021 ("**January 2021 Subscription Exercise**"). The January 2021 Subscription Exercise raised gross proceeds of approximately S\$16.6 million.
- (3) The Company issued 143,333,000 Shares to the shareholders of International Biometrics Pte. Ltd. ("**InterBio**") on 6 April 2021 as satisfaction of partial consideration amounting to S\$21.5 million in respect of the Company's acquisition of 51.0% of InterBio.

There are no outstanding convertibles, shares held as treasury shares and subsidiary holdings as at 31 May 2021 and 31 May 2020.

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 31 May 2021 | As at 31 May 2020 |
|-------------------------------|------------------------------|------------------------------|
| Total number of issued shares | <u>647,266,333</u> | <u>152,000,000</u> |

The Company did not have any treasury shares as at 31 May 2021 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 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 modifications or emphasis of matter).

Not applicable. The figures have not been audited nor reviewed by the Company's 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 Financial Year Ended | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------|
| | 31 May 2021 | 31 May 2020 |
| Loss from continuing and discontinued operations attributable to owners of the Company used in the computation of basic earnings per shares (S\$'000) | (7,793) | (3,156) |
| (a) Basic loss per share (cents) | <u>(2.42)</u> | <u>(2.08)</u> |
| (b) Diluted loss per share (cents) | <u>(2.42)</u> | <u>(2.08)</u> |
| Loss from continuing operations attributable to owners of the Company used in the computation of basic earnings per shares (S\$'000) | (7,320) | (2,472) |
| (a) Basic loss per share (cents) | <u>(2.27)</u> | <u>(1.63)</u> |
| (b) Diluted loss per share (cents) | <u>(2.27)</u> | <u>(1.63)</u> |
| Weighted average number of ordinary shares in issue for computation of basic loss per share ('000) | <u>322,255</u> | <u>152,000</u> |
| Weighted average number of ordinary shares for computation of diluted loss per share ('000) | <u>322,255</u> | <u>152,000</u> |

As at 31 May 2021 and 31 May 2020, 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.

| | Group As at | | Company As at | |
|-----------------------------------------------------------------------------------------|------------------------|--------------------|--------------------------|--------------------|
| | 31 May 2021 | 31 May 2020 | 31 May 2021 | 31 May 2020 |
| Net assets (S\$'000) | 52,483 | 409 | 40,137 | 1,324 |
| Number of ordinary shares used in calculating net asset value per ordinary share ('000) | 647,266 | 152,000 | 647,266 | 152,000 |
| Net asset value per ordinary share attributable to owners of the Company (cents) | 8.1 | 0.3 | 6.2 | 0.9 |

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 lower revenue from continuing operations of S\$6.8 million in the financial year ended 31 May 2021 ("FY2021") as compared to S\$9.9 million in the financial year ended 31 May 2020 ("FY2020"), representing a decrease of S\$3.1 million or 31.3%.

Revenue contributed from InterBio amounted to S\$1.0 million since the completion of the acquisition on 6 April 2021.

Revenue from the telecommunications business decreased by S\$4.1 million to S\$5.8 million in FY2021, from S\$9.9 million in FY2020. The decrease in revenue recorded in Singapore and Thailand, was mainly due to the (i) decrease in the Telecommunication Implementation ("TI") projects of S\$0.4 million and S\$0.6 million respectively; (ii) decrease in Networking Planning Optimisation ("NPO") projects of S\$0.1 million and S\$0.3 million respectively, and (iii) decrease in In-Building Construction ("IBC") projects of approximately S\$1.3 million and S\$1.4 million respectively. Since the onset of the COVID-19 pandemic in the beginning of 2020, the Group's telecommunications business in Singapore and Thailand continues to be disrupted as projects undertaken at work sites cannot be carried out as a result of government measures imposed and completion is therefore delayed.

Other income

Other income mainly consist of net fair value gain on our convertible loans provided to Tech5 SA (“**Tech5**”) and PT. Patra Aksa Jaya (“**PAJ**”), government grant and sales of scraps. The increase in other income by S\$1.2 million was mainly from fair value gain on other investments of approximately S\$0.5 million, and government grants and rebates from Covid-19 related measures received, totalling approximately S\$0.5 million.

Changes in inventories, material consumed and subcontractor cost

These represent the cost related to our projects and these costs decreased by approximately S\$0.6 million or 16.7% to S\$3.0 million in FY2021 from S\$3.6 million in FY2020. The decrease is mainly due to fewer 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 staff costs incurred during the year. Employee benefit expenses for project staff decreased by 36.6% to S\$2.3 million from S\$3.6 million which was in line with the reduction of operating activities for the telecommunications business as explained above. Staff cost for administrative staff increased by 68.5% to S\$2.8 million from S\$1.6 million. This was mainly due to more hiring of senior management employees and directors during the financial year.

Depreciation and amortisation expenses

The increase in depreciation of property plant and equipment was mainly due to an additional lease entered into for the new office space in the CBD area since January 2021. The increase in amortisation of intangibles was mainly resulting from the amortisation for intangibles arising from acquisition of Interbio.

Legal and professional fees expenses

Legal and professional fees paid to professional firms increased by S\$3.8 million to S\$4.0 million in FY2021 from S\$0.3 million in FY2020 due to various corporate exercises undertaken during the year, including the acquisition and disposal of subsidiaries and convertible loans provided to Tech5 and PAJ.

Other expenses

Other expenses decreased by approximately S\$0.6 million or 40.9% to S\$0.9 million in FY2021 from S\$1.5 million in FY2020. This was mainly due to a decrease in overheads such as travelling as a result of COVID-19 travelling restrictions of approximately S\$0.4 million, as well as fewer operating activities resulting in reduction of indirect costs.

Interest expenses

Interest expenses comprised interest expenses from borrowings and shareholder’s loan.

Taxation

Income tax expenses mainly due to provision of current tax and deferred tax for the financial year.

Discontinued operations

The results of discontinued operations were contributed by Yinda Philippines and Yinda Malaysia with approximately S\$1.8 million losses recorded in FY2021, and offset with the gain on disposal of investments in subsidiaries, Yinda Philippines and Yinda Malaysia during the year amounting to S\$1.4 million.

Review of the Group's Consolidated Statement of Financial Position

Discontinued operations

Overall, total assets and total liabilities were reduced by S\$3.2 million and S\$4.4 million respectively as result of disposal of Yinda Philippines and Yinda Malaysia.

Non-current assets

Non-current assets increased by approximately S\$47.8 million to S\$49.2 million as at 31 May 2021 from S\$1.4 million as at 31 May 2020 as a result of the following:

The Group recorded approximately S\$20.8 million and S\$21.6 million of goodwill and intangible assets respectively. These were mainly arising from the Purchase Price Allocation (“PPA”) exercise carried on the acquisition of Interbio, where fair value adjustments were made on intangibles such as technology and customer relationship.

Convertible loans amounting to S\$4.2 million arose from the investment in Tech5 amounting to US\$2.5 million (approximately S\$3.38 million) and the investment of S\$0.37 million in PAJ by way of a convertible note.

The increase in property, plant and equipment is due to the recognition of “right-of-use” assets pursuant to the recognition of a right-of-use asset for a new office premise at CBD area which the Group leased from January 2021.

Other receivables and deposits increased by S\$0.2 million from S\$0.1 million as at 31 May 2020 to S\$0.3 million as at 31 May 2021 due to in creditable withholding tax receivables in Thailand approximately S\$0.2 million.

Current assets

Current assets increased by S\$13.4 million to S\$25.5 million as at 31 May 2021 from S\$12.2 million as at 31 May 2020.

Inventories decreased by 52.2% to S\$0.5 million as at 31 May 2021 from S\$1.1 million as at 31 May 2020 due to utilisation of materials on hand with fewer purchases to keep lower inventory levels as a result of a slowdown in operating activities in the telecommunications business.

Contract assets which primarily relate to the Group's right to consideration for work completed but not yet billed has increased to S\$10.3 million as at 31 May 2021 from S\$6.3 million in as at 31 May 2020. This was due to the newly acquired business of InterBio which recorded S\$5.7 million of contract assets for projects in Indonesia, partially offset by decrease of S\$1.7 million for the telecommunication business due to a slowdown in projects. These decreases were reflected by the decrease in revenue, where lesser projects are completed during the year.

Trade and other receivables decreased by 52.0% to S\$2.1 million as at 31 May 2021 from S\$4.4 million as at 31 May 2020 due to better collection efforts on trade receivables.

Cash and cash equivalents balances were increased by S\$12.2 million to S\$12.6 million from S\$0.4 million as a result of respective share subscription exercises undertaken during the financial year.

Current liabilities

Current liabilities increased by approximately \$4.1 million or 32.7% to S\$16.4 million as at 31 May 2021 from S\$12.4 million 31 May 2020.

This was mainly due to the accruals made in trade and other payables, for the second tranche payment in respect of the 51.0% acquisition of InterBio amounting to approximately S\$6.8 million that was recorded under trade and other payables. This increase was partially offset by a debt conversion of loans owing to Yinda Pte. Ltd. approximately \$1.5 million which was completed in January 2021. Meantime, short-term trade borrowings increased to S\$0.3 million in FY2021 from S\$0.1 million in FY2020.

There were decreases in contract liabilities and tax payable totalling S\$1.3 million, which was mainly due to deconsolidation of Yinda Philippines.

Non-current liabilities

Non-current liabilities increased by S\$5.0 million to S\$5.8 million as at 31 May 2021 from S\$0.8 million as at 31 May 2020, mainly due to increase in deferred taxation arising from PPA exercise on acquisition of Interbio of S\$4.5 million in respect of those acquired intangible assets.

Increase in lease liabilities (current and non-current) amounting to \$1.2 million was due to new office premises in the CBD area.

Equity attributable to owners of the Company

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

Review of the Group's Statement of Cash Flows

In FY2021, net cash flows used in operating activities amounted to S\$3.7 million. This includes loss before tax with respective non-cash adjustments amounting to S\$5.7 million during the year, offsets with cash inflow from financial assets and liabilities, S\$4.8 million from trade and other receivables and S\$0.6 million from inventories, partially offset with cash outflows of S\$1.1 million from contract assets, S\$0.8 million from contract liabilities and S\$1.4 million from trade and other payables.

Net cash flows used in investing activities amounted to approximately S\$10.5 million which was mainly due to the acquisition of subsidiaries and convertible loans of S\$6.8 million and S\$3.7 million respectively during the year.

Net cash flows from financing activities amounted to approximately S\$26.5 million, mainly due to proceeds from respective placements made during the financial year for our business diversification.

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 existing telecommunication projects in Singapore and Thailand have been affected and delayed due to measures taken by the respective governments in their efforts to curb COVID-19 since March 2020. Due to the uncertainties caused by the COVID-19 pandemic, the Group is unable to ascertain the expected completion dates for the delayed projects in both Singapore and Thailand and the corresponding impact to the Group's financial performance and operations. The Group will continue to monitor its telecommunications business closely and where necessary, perform a strategic review of this business segment.

The Group had, in January 2021 identified business opportunities in the digital identity space and in early April 2021 completed the diversification into the field of development and provision of identity management biometric technology solutions through the acquisition of a 51% interest in InterBio and investment in Tech5 SA through a convertible loan. This is a timely and strategic diversification as the COVID-19 pandemic has accelerated the efforts by the governments, businesses and individuals to promote and adopt digitalisation strategies and enhance security efforts, and identity management biometric technology solutions are the centrepiece of these developments and trends.

The Group envisages the Identity Management business to be the main growth driver going forward and is proactively building its sales pipeline and bidding for medium to large-scale end-to-end digital identity projects. The Group is currently in discussions with potential parties to explore new business opportunities to develop a vertically integrated value chain for identity management. Nonetheless, the Group is facing short term challenges in the implementation of its projects in Indonesia due to the recent surge in COVID-19 infections and tightening of restrictions in the country.

Last but not least, the Group will continue to explore new investment targets or partners across the digital identity space and biometrics industry value chain in order to build new identity management capabilities, products and markets.

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 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 FY2021, 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 31 May 2021 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.

PART 2 – ADDITIONAL INFORMATION REQUIRED FOR FULL-YEAR ANNOUNCEMENTS

16. 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, Malaysia and Indonesia.

The Company's business segments are classified by different products and services based on their business domains. The Company's business segments consist of the following reportable segments: Telecommunications (Singapore, Thailand, the Philippines and Malaysia) and Identity Management businesses (Indonesia). In FY2021, the business segments in the Philippines and Malaysia were disposed of and are classified as discontinued operations as at 31 May 2021.

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.

2021

Geographical Information

Continuing operations

| | Singapore \$'000 | Thailand \$'000 | Indonesia \$'000 | Adjustment & Elimination \$'000 | Consolidated Group Total \$'000 |
|------------------------------------------------------------------------------|---------------------|--------------------|---------------------|---------------------------------------|------------------------------------------|
| <u>Continuing operation</u> | | | | | |
| <u>Revenue</u> | | | | | |
| External customers | 2,713 | 3,041 | 1,016 | - | 6,770 |
| <u>Segment results</u> | | | | | |
| Operating (loss)/ profit | (10,988) | (621) | 487 | 4,003 | (7,119) |
| Interest income | | | | | 1 |
| Finance costs | | | | | (176) |
| Loss before taxation | | | | | (7,294) |
| Income tax expense | | | | | (102) |
| Loss for the year | | | | | (7,396) |
| <u>Other significant non-cash items</u> | | | | | |
| Depreciation and amortisation | 727 | 29 | 31 | 730 | 1,517 |
| Allowances for expected credit loss of trade receivables and contract assets | 4,880 | - | - | (4,368) | 512 |
| <u>Assets</u> | | | | | |
| Segment assets | 57,153 | 3,402 | 7,181 | 6,972 | 74,708 |
| <u>Liabilities</u> | | | | | |
| Segment liabilities | 19,559 | 1,748 | 732 | 186 | 22,225 |

Discontinued operations

| | Philippines \$'000 | Malaysia \$'000 | Total \$'000 |
|----------------------------------|-----------------------|--------------------|-----------------|
| <u>Revenue</u> | | | |
| External customers | 287 | - | 287 |
| <u>Segment results</u> | | | |
| Operating (loss)/ profit | (1,834) | (10) | (1,844) |
| Interest income | | | - |
| Finance costs | | | (2) |
| Gain on disposal on subsidiaries | | | 1,352 |
| Loss before taxation | | | (494) |
| Income tax expense | | | 21 |
| Loss for the year | | | (473) |

2020

Geographical Information

Continuing operations

| | <Continuing operations> | | < Discontinued operations> | | Adjustment & Elimination \$'000 | Consolidated Group Total \$'000 |
|------------------------------------------------------------------------------|-------------------------|--------------------|----------------------------|--------------------|------------------------------------|------------------------------------|
| | Singapore \$'000 | Thailand \$'000 | Philippines \$'000 | Malaysia \$'000 | | |
| <u>Revenue</u> | | | | | | |
| External customers | 4,666 | 5,193 | - | - | - | 9,859 |
| <u>Segment results</u> | | | | | | |
| Operating (loss)/ profit | (7,979) | 611 | - | - | 5,206 | (2,162) |
| Interest income | | | | | | 1 |
| Finance costs | | | | | | (146) |
| Loss before taxation | | | | | | (2,307) |
| Income tax expense | | | | | | (165) |
| Loss for the year | | | | | | (2,472) |
| <u>Other significant non-cash items</u> | | | | | | |
| Depreciation and amortisation | 647 | 42 | - | - | 84 | 773 |
| Allowances for expected credit loss of trade receivables and contract assets | 583 | - | - | - | - | 583 |
| <u>Assets</u> | | | | | | |
| Segment assets | 22,206 | 4,874 | 3,247 | 2 | (16,773) | 13,556 |
| <u>Liabilities</u> | | | | | | |
| Segment liabilities | 13,416 | 2,057 | 4,338 | 113 | (6,777) | 13,147 |

Discontinued operations

| | Philippines \$'000 | Malaysia \$'000 | Adjustment & Elimination \$'000 | Consolidated Group Total \$'000 |
|--------------------------|-----------------------|--------------------|------------------------------------|------------------------------------|
| <u>Revenue</u> | | | | |
| External customers | 1,652 | - | - | 1,652 |
| <u>Segment results</u> | | | | |
| Operating (loss)/ profit | (584) | (22) | 53 | (553) |
| Interest income | | | | 1 |
| Finance costs | | | | (10) |
| Loss before taxation | | | | (562) |
| Income tax expense | | | | (122) |
| Loss for the year | | | | (684) |

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 2021 | 31 May 2020 | Increase/ (decrease) |
| | \$'000 | \$'000 | % |
| | (Unaudited) | (Audited) | |
| a) Revenue | | | |
| - first half year | 2,864 | 8,210 | -65.1 |
| - second half year | 4,193 | 3,301 | 27.0 |
| | <u>7,057</u> | <u>11,511</u> | <u>-38.7</u> |
| b) Operating profit/(loss) after tax | | | |
| - first half year | (1,982) | 95 | N.M |
| - second half year | (5,887) | (3,251) | 81.1 |
| | <u>(7,869)</u> | <u>(3,156)</u> | <u>>100</u> |

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 FY2021 and FY2020.

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.

21. **Disclosure pursuant to Rule 706A of the Catalist Rules**

The Company, had on 6 April 2021, acquired a 51.0% shareholding in a subsidiary, details of which are set out below:

| | | |
|----------------------------------|---|---------------------------------------------------------------------------------|
| Name | : | International Biometrics Pte. Ltd. (" InterBio ") |
| Place of Incorporation | : | Singapore |
| Date of Incorporation | : | 19 September 2017 |
| Principal activities | : | Information technology consultancy |
| Issued and Paid-Up Share Capital | : | S\$9,995,729 comprising 9,995,729 ordinary shares at S\$1.00 per ordinary share |
| Percentage of shareholding | : | The Company owns 51% of the shareholding interest in InterBio |

The Company, had on 5 December 2020, disposed of two wholly-owned subsidiaries, details of which are set out below:

| | | |
|----------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name | : | Yinda Communications (Philippines), Inc. (" Yinda Philippines ") |
| Place of Incorporation | : | Philippines |
| Date of Incorporation | : | 24 June 2004 |
| Principal activities | : | Design development installation, implementation and maintenance of telecommunications equipment and system for commercial and industrial applications as well as related activities |
| Issued and Paid-Up Share Capital | : | MYR 2 comprising 2 ordinary shares at MYR 1 per ordinary share |
| Percentage of shareholding | : | The Company owns 100% of the shareholding interest in Yinda Philippines. |

| | | |
|----------------------------------|---|----------------------------------------------------------------------------------|
| Name | : | Yinda Technology Malaysia Sdn. Bhd. (" Yinda Malaysia ") |
| Place of Incorporation | : | Malaysia |
| Date of Incorporation | : | 3 September 2015 |
| Principal activities | : | Providing telecommunication network services |
| Issued and Paid-Up Share Capital | : | PHP 11,200,000 comprising 11,200,000 ordinary shares at PHP 1 per ordinary share |
| Percentage of shareholding | : | The Company owns 100% of the shareholding interest in Yinda Malaysia. |

22. Update on use of proceeds from placements

The following are the respective subscription and placement exercises:-

- (a) share subscription of 76,000,000 Shares that was completed on 16 October 2020 (the “**October 2020 Subscription Exercise**”);
- (b) share subscription of 81,200,000 Shares of which 72,700,000 Shares were issued on 27 November 2020 while the remaining 8,500,000 Shares were issued on 6 January 2021 (the “**November 2020 Subscription Exercise**”);
- (c) share subscription of 41,300,000 Shares that was completed on 23 December 2020 (the “**December 2020 Subscription Exercise**”);
- (d) share subscription of 132,600,000 Shares of which 99,000,000 Shares were issued on 15 February 2021 while the remaining 33,600,000 Shares were issued on 6 April 2021 (“**January 2021 Subscription Exercise**”); and
- (e) share subscription of 195,000,000 Shares that was completed on 25 June 2021 (“**June 2021 Subscription Exercise**”).

As at the date of this announcement, the use of net proceeds from the Subscriptions are as follows:-

| S\$'000 | October 2020 Subscription Exercise | November 2020 Subscription Exercise | December 2020 Subscription Exercise | January 2021 Subscription Exercise | June 2021 Subscription Exercise |
|-----------------------------------------------------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|---------------------------------|
| Net proceeds allocated for working capital pursuant to the Subscription Exercises | 1,131 – 1,508 | 1,163 – 1,745 | 157 – 315 | 1,984 – 2,976 ⁽¹⁾ | 2,543 – 5,085 |
| Net proceeds utilised for working capital as at the date of this announcement | (1,508) | (1,163) | (157) | (2,484) | - |
| Net proceeds remaining for working capital as at the date of this announcement | - | - | - | 492 | 2,543 – 5,085 |

| S\$'000 | October 2020 Subscription Exercise | November 2020 Subscription Exercise | December 2020 Subscription Exercise | January 2021 Subscription Exercise | June 2021 Subscription Exercise |
|----------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|---------------------------------|
| Net proceeds allocated for new business opportunities pursuant to the Subscription Exercises | 2,262 – 2,639 | 4,071 – 4,653 | 2,835 – 2,993 | 13,559 – 14,551 | 20,340 – 22,882 |
| Net proceeds utilised for new business opportunities as at the date of this announcement | (1,752) ⁽¹⁾ | (4,653) ⁽¹⁾⁽³⁾ | (2,993) ⁽⁴⁾ | (11,684) ⁽⁴⁾⁽⁵⁾ | - |
| Net proceeds remaining for new business opportunities as at the date of this announcement | 510 ⁽²⁾ | - | - | 1,875 – 2,867 ⁽⁶⁾ | 20,340 – 22,882 ⁽⁷⁾ |

Notes:

- (1) The introducer fee in relation to the Company's acquisition of International Biometrics Pte Ltd, ("**IBPL Acquisition**") totalling S\$2,100,000 is funded partially from the net proceeds of the October 2020 Subscription Exercise and the November 2020 Subscription Exercise. Of the S\$2,100,000, S\$825,000 has been funded from the October 2020 Subscription Exercise while S\$1,275,000 has been funded from the November 2020 Subscription Exercise.
- (2) The investment amount of S\$510,000 in respect of the joint venture with International Biometrics Pte. Ltd. will be funded from the net proceeds from the October 2020 Subscription Exercise. Please refer to the 2 December 2020 announcement by the Company for defined terms and more details.
- (3) The TECH5 loan amount (approximately S\$3,378,000 based on the spot rate of 1.351 against United States Dollar upon payment) has been funded from the net proceeds of the November 2020 Subscription Exercise. Please refer to the 26 January 2021 announcement by the Company for defined terms and more details.
- (4) The cash consideration of S\$13,500,000 for the IBPL Acquisition has been funded from the December 2020 Subscription Exercise and the January 2021 Subscription Exercise.
- (5) The subscription of a convertible note issued by PT. Pattra Aksa Jaya of S\$0.37 million, as announced by the Company on 11 May 2021 and S\$0.60 million in relation to professional fees for the IBPL Acquisition.
- (6) While the Company had originally intended for the remaining net proceeds from the January 2021 Subscription Exercise to be used to fund future working capital for the identity management biometric technology solutions businesses and remaining professional fees amounting to approximately S\$0.1 million in relation to the IBPL Acquisition as mentioned in the circular dated 4 June 2021, in view of the recent announcement made by the Company on 5 July 2021 relating to the term sheet with The Institute of Machine Learning GmbH ("**IML**") and its founders Mr. Adam Hegedüs and Mr. Roland Trimme ("**IML Founders**"), it is intended for the remaining net proceeds amounting to S\$2.0 million to S\$3.0 million from the January 2021 Subscription Exercise to be used to fund the proposed transactions with IML and the IML Founders. Please refer to the 5 July 2021 announcement for more details.
- (7) It is intended for the net proceeds from the June 2021 Placement Exercise to be used to fund the TECH5 Equity Investment as well as the relevant professional fees and introducer fees in relation to the TECH5 Equity Investment, amounting to an aggregate of approximately S\$11.84 million. Please refer to the 14 May 2021 announcement by the Company for more details.

A breakdown of the net proceeds from the Subscription Exercises that were utilised for working capital are:

| Summary of expenses | Working Capital (S\$'000) |
|------------------------------|---------------------------|
| Listing Fees | 69 |
| Staff Cost and Director Fees | 1,284 |
| Finance Cost or Bank Charges | 6 |
| Professional Fees | 3,335 |
| Administrative Expenses | 475 |
| Rental Deposits | 143 |
| Total | 5,312 |

On behalf of the Board of Directors

Mr. Pierre Prunier
Chief Executive Officer and Executive Director
29 July 2021