



YINDA INFOCOMM LIMITED

(Company Registration No.: 201506891C)
(Incorporated in the Republic of Singapore)

**MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND
AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2019**

The Board of Directors (the “**Board**”) of Yinda Infocomm Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement on the unaudited full-year financial statements for the financial year ended 31 May 2019 (“**FY2019**”) released on 30 July 2019 (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Catalist Rules**”), the Board wishes to announce and clarify the material variances between the Audited Financial Statements for FY2019 (“**Audited Financial Statements**”) and the Unaudited Financial Statements after the completion of the audit by the Company’s external auditor for FY2019 and subsequent to the release of the announcement of the Unaudited Financial Statements.

The material variances between the Group’s Audited Financial Statements and the Unaudited Financial Statements are set out below:

Statement of Financial Position of the Group as at 31 May 2019

	Audited Financial Statements	Unaudited Financial Statements	Difference
	\$'000	\$'000	\$'000
Deferred tax assets	607	280	327
Non-current deposits	43	143	(100)
Contract assets	6,098	6,118	(20)
Trade and other receivables	6,200	6,391	(191)
Contract liabilities	1,870	1,932	(62)
Trade and other payables	4,613	4,347	266
Loan and borrowings (total)	5,851	6,104	(253)

The variances to the Statement of Financial Position of the Group for FY2019 were mainly due to the:

- Recognition of deferred tax assets amounting to \$327,000 in FY2019;
- Reclassification of deposits from non-current to current of approximately \$100,000;
- Adjustments to contract assets and contract liabilities amounting to \$20,000 and \$62,000 respectively as a result of adoption of SFRS(I)15 in Philippines;
- Adjustment on trade and other receivables relating to reversal of other income as well as intercompany adjustments totalling \$191,000; and
- Reclassification of Loan and borrowings (total) to trade and other payables amounting to approximately \$250,000.

Statement of Comprehensive Income of the Group for FY2019

	Audited Financial Statements	Unaudited Financial Statements	Difference
	\$'000	\$'000	\$'000
Revenue	17,985	18,284	(299)
Other income	194	380	(186)
Changes in inventories, materials consumed and sub-contractor cost	(6,228)	(6,219)	9
Employee benefits expenses- Project related	(5,276)	(5,128)	148
Other expenses	(2,371)	(2,445)	(74)
Profit before tax	795	1,364	(569)
Profit net of tax	747	1,186	(439)

The variances to the Statement of Comprehensive Income of the Group for FY2019 were mainly due to the:

- Recognition of revenue of approximately \$299,000 in the financial year ended 31 May 2018 instead of FY2019;
- Reversal of other operating income of approximately \$186,000;
- Adjustment of accrual of sub-contractor cost of approximately \$9,000;
- Additional accruals of staff cost expenses amounting to \$148,000; and
- Reversal of operating expenses of approximately \$74,000.

By Order of the Board
Yinda Infocomm Limited

Song Xingyi
Non-Executive, Non-Independent Chairman

Date: 10 September 2019

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.

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