

**First Quarter Financial Statements and Dividend Announcement  
for the Period Ended 31 March 2021**

**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

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

Set out below are the financial statements for the first quarter ended 31 March 2021

**Consolidated Statement of Comprehensive Income**

	Group		
	Quarter ended 31 March		
	2021	2020	Inc/(dec)
	S\$'000	S\$'000	%
<b>Revenue</b>	<b>5,361</b>	<b>4,670</b>	<b>14.8</b>
Cost of Sales	(2,638)	(2,267)	16.4
<b>Gross profit</b>	<b>2,723</b>	<b>2,403</b>	<b>13.3</b>
Other Items of Income:			
Interest Income	35	40	(12.5)
Other Gains	293	331	(11.5)
Other Items of Expense:			
Technical Support Expenses	(1,163)	(1,065)	9.2
Distribution Costs	(369)	(373)	(1.0)
Administrative Expenses	(530)	(545)	(2.8)
Other Losses	(3)	(2)	50.0
Finance Costs	(29)	(35)	(17.1)
<b>Profit Before Income Tax</b>	<b>957</b>	<b>754</b>	<b>26.9</b>
Income Tax Expenses	(174)	(157)	10.8
<b>Profit, Net of Tax</b>	<b>783</b>	<b>597</b>	<b>31.1</b>
<b>Profit, Net of Tax Attributable to:</b>			
Owners of the Company	740	552	34.0
Non-Controlling Interests	43	45	(4.5)
<b>Profit, Net of Tax</b>	<b>783</b>	<b>597</b>	<b>31.0</b>

**Consolidated Statement of Comprehensive Income/(Expense)**

	Group		
	Quarter ended 31 March		
	2021	2020	Inc/(dec)
	S\$'000	S\$'000	%
<b>Profit, Net of Tax</b>	<b>783</b>	<b>597</b>	<b>31.0</b>
Other Comprehensive Income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	(610)	79	(872.2)
<b>Total Comprehensive Income for the period</b>	<b>173</b>	<b>676</b>	<b>(74.4)</b>
<b>Total Comprehensive Income for the period Attributable to:</b>			
Owners of the Company	199	622	(68.0)
Non-Controlling interest	(26)	54	(148.2)
<b>Total Comprehensive Income for the period</b>	<b>173</b>	<b>676</b>	<b>(74.4)</b>

1(a)(ii) Notes to Statement of Comprehensive Income

	Group		
	Quarter ended 31 March		
	2021	2020	Inc/(dec)
	S\$'000	S\$'000	%
<b>Profit before income tax is stated after (charging)/crediting the following items:</b>			
Fair Value Gain on Investments	103	-	100.0
Foreign Exchange Gain, net	178	315	(43.4)
Amortisation of Intangible Assets	(90)	(106)	(15.1)
Depreciation of Plant and Equipment	(159)	(158)	0.6
Depreciation of Right-of-use assets	(86)	(28)	207.1
<b>Components of tax expense recognised in profit and loss include:</b>			
Current Tax Expenses	(155)	(140)	10.8
Overseas Withholding Tax Expenses	(19)	(17)	11.2

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

**Statements of Financial Position**

	Group	Group	Company	Company
	As at	As at	As at	As at
	31/3/2021	31/12/2020	31/3/2021	31/12/2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Plant and Equipment	2,207	2,454	-	-
Investment Property	2,269	2,306	-	-
Intangible Assets	10,744	10,956	-	-
Investments in Subsidiaries	-	-	34,778	34,778
Other Financial Assets	11,974	11,770	-	-
Deferred Tax assets	913	921	-	-
Trade and Other Receivables	277	281	-	-
<b>Total Non-Current Assets</b>	<b>28,384</b>	<b>28,688</b>	<b>34,778</b>	<b>34,778</b>
<b>Current assets</b>				
Inventories	4	4	-	-
Trade and Other Receivables	10,146	9,695	9,373	9,446
Other Non-Financial Assets	2,152	2,492	46	5
Cash and Cash Equivalents	12,569	13,147	297	221
<b>Total Current Assets</b>	<b>24,871</b>	<b>25,338</b>	<b>9,716</b>	<b>9,672</b>
<b>Total Assets</b>	<b>53,255</b>	<b>54,026</b>	<b>44,494</b>	<b>44,450</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	18,677	17,937	9,941	9,996
Foreign Currency Translation Reserve	(8,702)	(8,161)	-	-
<b>Equity, Attributable to Owners of the Parent</b>	<b>41,923</b>	<b>41,724</b>	<b>41,889</b>	<b>41,944</b>
Non-Controlling Interest	4,991	5,177	-	-
<b>Total Equity</b>	<b>46,914</b>	<b>46,901</b>	<b>41,889</b>	<b>41,944</b>
<b>Non-Current Liabilities</b>				
Lease Liabilities	601	691	-	-
Deferred Tax Liabilities	6	6	-	-
<b>Total Non-Current Liabilities</b>	<b>607</b>	<b>697</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>				
Income Tax Payables	230	158	-	-
Trade and Other Payables	3,508	3,785	2,605	2,506
Other Non-Financial Liabilities	1,012	1,191	-	-
Lease Liabilities	325	324	-	-
Borrowings	659	970	-	-
<b>Total Current Liabilities</b>	<b>5,734</b>	<b>6,428</b>	<b>2,605</b>	<b>2,506</b>
<b>Total Liabilities</b>	<b>6,341</b>	<b>7,125</b>	<b>2,605</b>	<b>2,506</b>
<b>Total Equity and Liabilities</b>	<b>53,255</b>	<b>54,026</b>	<b>44,494</b>	<b>44,450</b>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

Group		Group	
As at 31/3/2021		As at 31/12/2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
659	-	970	-

Amount repayable after one year

Group		Group	
As at 31/3/2021		As at 31/12/2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

**Details of any collateral**

The company has issued financial guarantee to the financial institutions for the following facilities granted to the Group's subsidiaries:-

- 1) A facility with outstanding amount of S\$659,000 (2020: S\$853,000), that is secured by an asset of the subsidiary and corporate guarantee of the company of S\$2,917,000 (2019: S\$2,965,000);
- 2) A facility with outstanding amount of Nil (2020: Nil), that is secured by fixed deposits of the subsidiary amounting to approximately S\$2,322,000 and covered by a personal guarantee of a director of the subsidiary, and corporate guarantee of the company of S\$1,322,000 (2019: S\$2,016,000); and
- 3) A facility with outstanding amount of Nil (2020: S\$117,000), that is secured by an asset of the subsidiary and corporate guarantee of the company of S\$1,297,000 (2019: S\$1,318,000).

As at the end of the financial period/year, the outstanding facilities covered by the guarantee were S\$659,000 (2020: S\$970,000).

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

**Consolidated Statement of Cash Flow**

	Group	
	Quarter ended 31 March	
	2021	2020
	S\$'000	S\$'000
<b>Operating activities:</b>		
Profit Before Income Tax	957	754
Adjustments for:		
Amortisation of Intangible Assets	90	106
Depreciation of Plant and Equipment	159	158
Depreciation of Right-of-use assets	86	28
Fair Value Gain on Investments	(103)	-
Interest Expense	29	35
Interest Income	(35)	(40)
<b>Operating Cash Flow before Changes in Working Capital</b>	<b>1,183</b>	<b>1,041</b>
Inventories	(0)	(1)
Trade and Other receivables	(446)	1,818
Other Assets	340	95
Trade and Other payables	(272)	(570)
Other Liabilities	(179)	643
<b>Net Cash Flows From Operations</b>	<b>626</b>	<b>3,026</b>
Income Tax Paid	(107)	(310)
<b>Net Cash Flows From Operating Activities</b>	<b>519</b>	<b>2,716</b>
<b>Cash Flows From Investing Activities:</b>		
Purchase of Plant and Equipment	(34)	(262)
Redemption of Investment	148	103
Other Financial Assets	(200)	-
Payment for Development Costs	(70)	(92)
Interest Income Received	35	40
<b>Net Cash Flows Used in Investing Activities</b>	<b>(121)</b>	<b>(211)</b>
<b>Cash Flows From Financing Activities:</b>		
Dividend Paid by a Subsidiary to Non-Controlling Interest	(160)	-
Cash Restricted in Use	(3)	4
Repayment of Interest Bearing Borrowings	(180)	(175)
Lease liabilities principal portion paid	(89)	(88)
Interest Expenses Paid	(29)	(35)
<b>Net Cash Flows Used in Financing Activities</b>	<b>(461)</b>	<b>(294)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(63)</b>	<b>2,211</b>
<b>Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)</b>	<b>10,536</b>	<b>7,398</b>
<b>Effect of Exchange Rate Changes On Cash and Cash Equivalents</b>	<b>(364)</b>	<b>(286)</b>
<b>Cash and Cash Equivalents At End of the Financial Period/Year (Note 1)</b>	<b>10,109</b>	<b>9,323</b>

**Explanatory Notes:**

**Note 1**

	Group	
	Quarter ended 31 March	
	2021	2020
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	12,569	11,930
Less: Restricted Deposits	(2,460)	(2,607)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b>10,109</b>	<b>9,323</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.

**Statements of Changes in Equity for the quarter ended 31 March 2021**

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non- Controlling Interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current Quarter:</b>						
<b>Group</b>						
Opening Balance at 1 January 2021	46,901	41,724	31,948	17,937	(8,161)	5,177
Total Comprehensive income for the financial period	173	199	-	740	(541)	(26)
Dividend Paid	(160)	-	-	-	-	(160)
<b>Closing Balance at 31 March 2021</b>	<b>46,914</b>	<b>41,923</b>	<b>31,948</b>	<b>18,677</b>	<b>(8,702)</b>	<b>4,991</b>
<b>Company</b>						
Opening Balance at 1 January 2021	41,944	41,944	31,948	9,996	-	-
Total Comprehensive expenses for the financial period	(55)	(55)	-	(55)	-	-
<b>Closing Balance at 31 March 2021</b>	<b>41,889</b>	<b>41,890</b>	<b>31,948</b>	<b>9,941</b>	<b>-</b>	<b>-</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. (continued)

**Statements of Changes in Equity for the quarter ended 31 March 2020**

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non- Controlling Interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Previous Quarter:</b>						
<b>Group</b>						
Opening Balance at 1 January 2020	45,409	40,754	31,948	17,048	(8,242)	4,655
Total Comprehensive income for the financial period	676	622	-	552	70	54
<b>Closing Balance at 31 March 2020</b>	<b>46,085</b>	<b>41,376</b>	<b>31,948</b>	<b>17,600</b>	<b>(8,172)</b>	<b>4,709</b>
<b>Company</b>						
Opening Balance at 1 January 2020	42,449	42,449	31,948	10,501	-	-
Total Comprehensive income for the financial period	(55)	(55)	-	(55)	-	-
<b>Closing Balance at 31 March 2020</b>	<b>42,394</b>	<b>42,394</b>	<b>31,948</b>	<b>10,446</b>	<b>-</b>	<b>-</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights 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 financial year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

None

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 preceding year.

	Company	
	As at 31/3/2021	As at 31/12/2020
Ordinary share	31,957,264	31,957,264

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

Not applicable.

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

These figures have neither been audited nor reviewed.

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

Not applicable.

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 adopted the same accounting policies and methods of computation in the financial statements for the current period as those applied in their audited financial statements for the year ended 31 December 2020, except as disclosed in paragraph 5 below.

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 has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related Interpretations to SFRS(I)s ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2021. The adoption of these SFRS(I) and SFRS(I) INT did not result in any significant impact on the financial statements of the Group.

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	
	3 months ended 31 March	
	2021	2020
	cents	cents
Based on the weighted average number of ordinary shares on issue <sup>(1)</sup>	2.31	1.73
On fully diluted basis (detailing any adjustments made to the earnings) <sup>(2)</sup>	n.a	n.a

n.a.: not applicable

<sup>(1)</sup> For comparative purposes, the earnings per ordinary share of the Group has been computed based on the profit, net of tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 31,957,264 shares for financial year ended 31 March 2021 and 31 December 2020.

<sup>(2)</sup> Diluted earnings per share have not been calculated as no diluting events existed during these periods. No share options were granted to any employees during these periods.

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.

	As at 31/3/2021		As at 31/12/2020	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share <sup>(1)</sup>	131.18	131.08	130.56	131.25

<sup>(1)</sup> For comparative purposes, the net asset value per ordinary share of the Group and the Company has been computed based on the net asset value of the Group and the Company attributable to owners of the Company at the relevant financial year and the existing issued share capital of 31,957,264 shares.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss 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 results for the financial period ended 31 March 2021 as compared to corresponding financial period ended 31 March 2020**

*Group Revenue*

The Group achieved consolidated revenue of S\$5.361 million for the quarter ended 31 March 2021 ("Q1 2021"), an increase of 14.8% against the revenue recorded in the corresponding quarter ended 31 March 2020 ("Q1 2020"). The increase in Group revenue for Q1 2021 is attributable to the improved revenue performance of Unifiedcomms.

Unifiedcomms posted revenue of S\$3.550 million in Q1 2021, an increase of 26.1% from the S\$2.815 million recorded in Q1 2020. This improvement in revenue was mainly driven by higher revenue from managed service contracts.

GlobeOSS however recorded revenue of S\$1.811 million in Q1 2021, a slight decrease of 2.3% from the S\$1.855 million recorded in Q1 2020. This decrease in revenue was mainly due to a decrease in managed service contract revenues more than offsetting higher system sale contract revenues.

The Group's sales mix in Q1 2021 showed a decrease in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 74.5% of the Group's total revenue in Q1 2021 as compared to 86% in Q1 2020. The lower contribution of managed service contracts to the Group's sales mix in Q1 2020 is attributable to the improvement in system sale contract revenues of the Group, which had improved 109% from S\$0.654 million in Q1 2020 to S\$1.367 million in Q1 2021.

*Gross Profit and Gross Profit Margins*

The Group posted gross profit of S\$2.723 million in Q1 2021, an increase of 13.3% from the S\$2.403 million recorded in Q1 2020. Gross profit margin was however lower at 50.8% as compared to 51.5% in Q1 2020. The slight decrease in gross profit margin is mainly attributable to the higher proportionate contribution of system sale contract revenues by GlobeOSS, which generally yield lower gross profit margin as a result of its typically higher third party costs. With the higher proportionate contribution of GlobeOSS system sale contract revenues, gross profit margin recorded on the Group's system sale contract revenues decreased to 66.7% in Q1 2021 from 79.2% in Q1 2020.

Gross profit margin recorded by the Group on managed service contract revenues also decreased to 45.3% in Q1 2021 from 46.9% in Q1 2020. This decrease in gross profit margin was mainly due to higher third-party costs on certain managed service contracts.

*Interest Income*

The Group recorded slightly lower interest income of S\$0.035 million as compared to S\$0.04 million recorded in Q1 2020.

*Other gains*

The Group recorded other gains of S\$0.293 million in Q1 2021, 11.5% lower than the S\$0.331 million recorded in Q1 2020. This is mainly due to the lower foreign exchange gain of S\$0.178 million in Q1 2021, as a result of a less favourable exchange rate movement of USD against SGD, the Group's reporting currency. This impact was partly mitigated by the fair value gain assessed on the Group's venture investment portfolio.

*Other Items of Expense*

The Group recorded total expenses of S\$2.094 million in Q1 2021, 3.7% higher than the S\$2.020 million incurred in Q1 2020. This slight increase is mainly attributable to higher technical support expenses recorded in Q1 2021.

*Net Profit and EBITDA*

The Group recorded net profit of S\$0.783 million and EBITDA of S\$1.286 million in Q1 2021 as compared to S\$0.597 million in net profit and S\$1.041 million in EBITDA in Q1 2020. Higher net profit and EBITDA was achieved in Q1 2021 due to the flow-down effects of the higher revenue recorded in Q1 2021, partly offset by lower gross profit margin and higher operating expenses.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (continued)

**Review of results for the financial period ended 31 March 2021 as compared to corresponding financial period ended 31 March 2020 (continued)**

*Detailed Segmental Breakdown of Group Revenue and Gross Profit*

The detailed segmental breakdown of the Group's revenue and gross profit for Q1 2021, together with comparative results for Q1 2020 is provided below:

**Table 8.1: Group revenue as analysed by business unit for the quarter ended 31 March**

	2021 S\$'000	Sales mix %	2020 S\$'000	Sales mix %
Unifiedcomms	3,550	66.2	2,815	60.3
GlobeOSS	1,811	33.8	1,855	39.7
Captii Ventures	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>5,361</b>	<b>100.0</b>	<b>4,670</b>	<b>100.0</b>

*Unifiedcomms - Segment for content-driven mobile VAS, messaging and signaling systems, solutions and managed services.*

*GlobeOSS - Segment for mobile network operation support systems, solutions and managed services.*

*Captii Ventures - Segment for strategic investment in early and late-stage technology ventures.*

*Others - Segment for operational headquarters of the Group and investment holding.*

**Table 8.2: Group revenue as analysed by geographical segment for the quarter ended 31 March**

External Sales	2021			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	3,477	1,811	-	5,288
South Asia (SA)	70	-	-	70
Middle East & Africa (MEA)	3	-	-	3
Others	-	-	-	-
<b>Total</b>	<b>3,550</b>	<b>1,811</b>	<b>-</b>	<b>5,361</b>

External Sales	2020			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	2,665	1,851	-	4,516
SA	108	-	-	108
MEA	42	-	-	42
Others	-	4	-	4
<b>Total</b>	<b>2,815</b>	<b>1,855</b>	<b>-</b>	<b>4,670</b>

**Table 8.3: Group revenue as analysed by contract type for the quarter ended 31 March**

External Sales	2021			2020		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	1,367	3,994	5,361	654	4,016	4,670
Gross Profit	912	1,811	2,723	518	1,885	2,403
Gross Profit (%)	66.7%	45.3%	50.8%	79.2%	46.9%	51.5%

(1) System Sale – this refers to contracts that involve the outright purchase by customers of systems comprising the Group's products and technologies, and where these systems are in turn delivered as turnkey solutions. The scope of work for a system sale contract includes system design, implementation, testing and commissioning services.

(2) Managed Service – this refers to contracts that involve the provision of both systems comprising the Group's products and technologies as well as the Group's professional services, on a recurring, revenue sharing, software-as-a-service, pay-per-use or monthly or quarterly fixed and variable fee basis. Also treated as a managed service contract are system maintenance and technical support contracts with existing customers of the Group.



**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (continued)**

**Review of the Group's financial position as at 31 March 2021 as compared to the Group's financial position as at 31 December 2020**

Non-cash current assets of the Group decreased from S\$12.191 million as at 31 December 2020 to S\$12.302 million as at 31 March 2021. This marginal 0.9% increase in non-cash current assets was mainly due to an increase in trade and other receivables as a result of higher revenue recorded for the period.

Total non-current assets of the Group decreased from S\$28.688 million as at 31 December 2020 to S\$28.384 million as at 31 March 2021. This slight decrease of 1.1% in non-current assets is mainly attributable to a decrease in the Group's MYR-denominated intangible assets and investment property due to the effect of foreign exchange movements and on-going depreciation charges on plant and equipment.

Total liabilities of the Group decreased from S\$7.125 million as at 31 December 2020 to S\$6.341 million as at 31 March 2021. This 11.4% decrease in total liabilities is attributable to a decrease in trade and other payables and borrowings, following repayments made in the reporting period.

**Review of the Group's cash flow for the quarter ended 31 March 2021 as compared to the corresponding quarter ended 31 March 2020**

The Group's net cash flow from operations for Q1 2021 was S\$0.626 million, as compared to S\$3.026 million for Q1 2020, a significant decrease of 79.3%. This decrease was primarily due to an unfavourable working capital change of S\$0.557 million for Q1 2021, in contrast with the favourable working capital change of S\$1.985 million for Q1 2020, which was mainly caused by lower collections of trade receivables for Q1 2021 as compared to the corresponding period in Q1 2020.

The Group's net cash flow used in investing activities for Q1 2021 was S\$0.121 million, as compared to S\$0.211 million in Q1 2020. The lower net cash used in investing activities was mainly due to the lower investment in plant and equipment for new managed service contracts, as compared to Q1 2020.

The Group's net cash flow used in financing activities for Q1 2021 was S\$0.461 million, as compared to S\$0.294 million in Q1 2020. This increase was mainly due to a higher dividend payout to Non-Controlling Interest.

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

No profit forecast has been issued for the financial period under review.

**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 COVID-19 pandemic continued affecting many countries in our Group's regions of focus reinstating movement and travel restrictions. Such restrictions have adversely affected many businesses. The uncertainty of economic recovery from the shock caused by COVID-19 and the prospect of a protracted economic slowdown or a slow recovery, especially in the Group's regions of focus, have weighed on the minds of management and the directors of the Group when considering the outlook for the remainder of the financial year.

Similar to 2020, the impact of COVID-19 on Unifiedcomms and GlobeOSS operations fortunately remained minimal. This is because these businesses operate primarily in the field of telecommunications, an essential service in any economy today. In addition, Unifiedcomms and GlobeOSS businesses have been made capable of fully-functioning under a work-from-home mode of operation, well ahead of movement control restrictions or lockdown orders being enforced. The Group's primary customers in the Unifiedcomms and GlobeOSS businesses are telecommunications network operators and service providers that have continued to operate normally throughout COVID-19 restrictions, albeit remotely and through digital engagement, rather than face-to-face interaction. Contracts in-hand continue to be progressed and management of the Group are hopeful that new projects and initiatives requiring our products and services, will continue to be pursued by customers in the year ahead. The possibility remains however, that larger system sale contracts that have yet to be committed in the current year, may be further deferred, or even abandoned entirely if macroeconomic and industry conditions do not improve significantly. Some managed service contracts of the Group which are impacted by government restrictions or directives arising from COVID-19 policy measures, may meanwhile continue to show weaker performance.

At Captii Ventures, the Group's venture investment business, the climate for either business development or funding continues to be challenging. Investment management activities to assist investees and protect our investments will continue to be the priority at Captii Ventures in the year ahead.

Against this potentially negative macroeconomic backdrop for the future, the Group remains optimistic and will continue to work closely with customers and investees, to minimise the negative impact of COVID-19-related developments on Group financial performance. Management of the Group continues to take an active and measured approach to managing risks to protect the Group's people and assets, and will sustain these efforts until the pandemic resolves.

Management will further the work it has been doing to strengthen the Group's managed service contract portfolio and will invest even more selectively in the venture investment business. Demand for internet-driven application services for enterprises, in the broad domain of fintech, as well as in internet and handset-app delivered digital media, have been heightened in the current environment. These areas will continue to be the focus for the Group's venture investment activities, and is expected to complement the organic growth strategies of the Unifiedcomms and GlobeOSS businesses.

**11. Dividend****(a) Current Financial Year Reported On**

Any dividend declared for the current financial period reported on? None

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

Any dividend declared for the corresponding period of the immediately preceding financial year? None

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. Interested Person Transactions**

Name of the 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 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	3 months ended 31 March		3 months ended 31 March	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Nil	Nil		Nil	

The Group does not require any shareholders' mandate pursuant to Rule 920 of the Listing Manual of SGX-ST.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**14. Segmented revenue and results for business or geographical 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.**

Not applicable.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

**16. A breakdown of sales.**

Not applicable.

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**18. 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(13).**

Not applicable.

**19. Negative Confirmation pursuant to rule 705(5).**

We, Wong Tze Leng and Anton Syazi Ahmad Sebi, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 31 March 2021 to be false or misleading.

**20. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in appendix 7.7) under rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Wong Tze Leng  
Executive Chairman

Anton Syazi Ahmad Sebi  
Executive Director

**BY ORDER OF THE BOARD**

Wong Tze Leng  
Executive Chairman  
11 May 2021