NERA TELECOMMUNICATIONS LTD

(Co. Reg. No. 197802690R)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

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

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

	Note	Group 4th Quarter			Group Year ended 31 December		
		2012 S$'000	2011 S$'000	Increase/ (Decrease) %	2012 S$'000	2011 S$'000	Increase/ (Decrease) %
Turnover		**45,374**	**47,929**	**(5.3)**	**178,839**	**156,238**	**14.5**
Cost of sales		(31,324)	(33,468)	(6.4)	(122,932)	(111,607)	10.1
Gross profit		**14,050**	**14,461**	**(2.8)**	**55,907**	**44,631**	**25.3**
Other operating income		952	1,008	(5.6)	3,739	5,495	(32.0)
Distribution and selling expenses		(7,768)	(6,632)	17.1	(25,390)	(25,216)	0.7
Administrative expenses		(2,899)	(2,320)	25.0	(10,433)	(8,309)	25.6
Other operating expenses		286	(26)	N.M	(867)	(819)	5.9
Profit from operations		**4,621**	**6,491**	**(28.8)**	**22,956**	**15,782**	**45.5**
Financial expenses		(51)	(53)	(3.8)	(328)	(289)	13.5
Financial income		39	44	(11.4)	163	223	(26.9)
Profit after financial items		**4,609**	**6,482**	(28.9)	**22,791**	**15,716**	45.0
Share of results of an associate		155	220	(29.5)	851	510	66.9
Profit before taxation		**4,764**	**6,702**	**(28.9)**	**23,642**	**16,226**	**45.7**
Taxation		(893)	(650)	37.4	(4,245)	(2,721)	56.0
Profit after taxation		**3,871**	**6,052**	**(36.0)**	**19,397**	**13,505**	**43.6**
Other comprehensive income / (expense) :							
Foreign currency translation of financial statements of foreign operations		**(297)**	**52**	N.M	**(299)**	**(46)**	550.0
Total comprehensive income for the period		**3,574**	**6,104**	**(41.4)**	**19,098**	**13,459**	**41.9**

		Group 4th Quarter			Group Year ended 31 December		
		2012	2011	Increase / (Decrease)	2012	2011	Increase / (Decrease)
		S$'000	S$'000	%	S$'000	S$'000	%
Profit for the period is arrived at after crediting / (charging) the following :							
Adjustments for over / (under) provision of tax in respect of prior years		1	(66)	N.M.	43	(90)	N.M.
Amortisation of intangible asset		(16)	(16)	0.0	(65)	(64)	1.6
Depreciation	(1)	(802)	(715)	12.2	(3,332)	(3,156)	5.6
Foreign exchange gain / (loss)		305	(6)	N.M.	(800)	(165)	384.8
Interest expense		(1)	(6)	(83.3)	(3)	(9)	(66.7)
Interest income	(2)	39	44	(11.4)	163	223	(26.9)
Net gain / (loss) on disposal / write-off of property, plant and equipment		(8)	7	N.M.	(4)	8	N.M.
Writeback / (allowance) for doubtful debts		58	28	107.1	214	(31)	N.M.
(Allowance) / Writeback for stock obsolesence		(83)	137	N.M.	(51)	117	N.M.
Provision for warranty		(429)	(846)	(49.3)	(992)	(1,887)	(47.4)
Gross profit as a percentage of turnover		31.0%	30.2%	0.8	31.3%	28.6%	2.7
Profit for the period as a percentage of turnover		8.5%	12.6%	(4.1)	10.8%	8.6%	2.2
Other information							
Profit for the period attributable to equity shareholders of the Company as a percentage of issued capital and reserves at end of period		5.9%	9.9%	(4.0)	29.4%	22.1%	7.3

N.M. Not meaningful

Notes :

(1) The increase in depreciation resulted from higher depreciation for motor vehicles and leasehold land and building.

(2) The lower interest income for the quarter and year ended 31 December 2012 as compared to the corresponding periods were mainly because there was no interest income from the associate in 2012.

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.

Balance Sheet as at	Group		Company	
	31/12/2012 S$'000	31/12/2011 S$'000	31/12/2012 S$'000	31/12/2011 S$'000
Equity				
Share capital	29,909	29,909	29,909	29,909
Revenue reserve	38,749	33,828	25,473	28,118
Translation reserve	(2,790)	(2,491)	-	-
	65,868	61,246	55,382	58,027
Non current assets				
Intangible asset	1,160	1,225	1,160	1,225
Property, plant and equipment	8,671	7,788	3,643	3,966
Investment in subsidiaries	-	-	4,602	4,602
Investment in an associate	2,896	2,042	199	199
Finance lease receivable	95	321	-	-
Deferred tax assets	1,800	2,375	282	427
	14,622	13,751	9,886	10,419
Current assets				
Stocks	5,916	3,245	4,990	1,799
Contract work-in-progress	18,750	20,541	7,171	12,295
Trade receivables	56,096	56,272	20,316	27,408
Finance lease receivable	276	288	-	-
Other receivables, deposits and prepayments	2,951	2,289	734	1,099
Due from an associate (trade)	1,160	503	1,160	503
Due from subsidiaries (trade)	-	-	26,275	11,616
Due from subsidiaries (non-trade)	-	-	514	325
Cash and cash equivalents	43,740	46,535	34,798	39,821
Total current assets	128,889	129,673	95,958	94,866
Current liabilities				
Trade payables	48,950	54,047	31,902	30,384
Other payables and accruals	19,038	19,111	12,846	11,868
Provision for warranty	5,484	5,934	2,454	2,448
Due to subsidiaries (trade)	-	-	382	402
Due to an associate (trade)	162	-	-	-
Due to an associate (non-trade)	240	24	-	-
Provision for taxation	3,762	3,027	2,878	2,156
Obligations under finance leases	7	28	-	-
Total current liabilities	77,643	82,171	50,462	47,258
Net current assets	51,246	47,502	45,496	47,608
Non current liabilities				
Obligations under finance leases	-	(7)	-	-
Net Assets	65,868	61,246	55,382	58,027

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

Amount repayable in one year or less, or on demand

As at 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S$'000 7	S$'000 -	S$'000 28	S$'000 -

Amount repayable after one year

As at 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S$'000 -	S$'000 -	S$'000 7	S$'000 -

Details of any collateral

Hire purchase obligations of S$7,000 are secured on three motor vehicles.

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.

	Group 4th Quarter		Group Year ended 31 December	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Cash flows from operating activities				
Profit before taxation	4,764	6,702	23,642	16,226
Adjustments for :				
Amortisation of intangible asset	16	16	65	64
Depreciation of property, plant and equipment	802	715	3,332	3,156
Interest expense	1	6	3	9
Interest income	(39)	(44)	(163)	(223)
Net loss / (gain) on disposal / write-off of property, plant and equipment	8	(7)	4	(8)
Allowance / (Writeback) for stock obsolescence	83	(137)	51	(117)
(Writeback) / Allowance for doubtful debts	(58)	(28)	(214)	31
Provision for warranty	429	846	992	1,887
Share of results of an associate	(155)	(220)	(851)	(510)
Operating profit before working capital changes	5,851	7,849	26,861	20,515
Decrease / (increase) in :				
Trade receivables	4,152	(20,268)	392	(17,104)
Finance lease receivable	24	(609)	238	(609)
Other receivables, deposits and prepayments	(92)	609	(662)	2,811
Stocks	(3,965)	(391)	(2,715)	(28)
Contract work-in-progress	1,547	3,183	1,791	1,209
Changes in related parties/associate balances	(981)	(79)	(279)	3,314
(Decrease) / increase in :				
Trade payables	2,249	10,290	(5,097)	16,745
Other payables and accruals	238	170	(73)	3,165
Provision for warranty	(277)	(474)	(1,298)	(938)
Cash flows from operations	8,746	280	19,158	29,080
Interest paid	(1)	(6)	(3)	(9)
Income taxes paid	(99)	(486)	(3,022)	(2,964)
Net cash flows from / (used in) operating activities	8,646	(212)	16,133	26,107
Cash flows from investing activities				
Proceeds from disposal of fixed assets	14	26	75	59
Purchase of fixed assets	(2,105)	(1,462)	(4,348)	(4,273)
Purchase of intangible asset	-	-	-	(1,289)
Interest received	39	44	163	223
Net cash flows used in investing activities	(2,052)	(1,392)	(4,110)	(5,280)
Cash flows from financing activities				
Dividend paid to shareholders	-	-	(14,476)	(14,476)
Repayment of obligations under finance leases	(7)	(7)	(28)	(28)
Net cash flows used in financing activities	(7)	(7)	(14,504)	(14,504)
Net increase / (decrease) in cash and cash equivalents	6,587	(1,611)	(2,481)	6,323
Effect of exchange rate changes	(283)	254	(314)	221
Cash and cash equivalents at beginning of the period	37,436	47,892	46,535	39,991
Cash and cash equivalents at end of the period	43,740	46,535	43,740	46,535

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.

For 4th Quarter ended 31 December	Share Capital S$'000	Revenue Reserve S$'000	Translation Reserve S$'000	Total S$'000
Group				
Balance as at 1.10.2012	29,909	34,878	(2,493)	**62,294**
Total comprehensive income for the period	-	3,871	(297)	3,574
Balance as at 31.12.2012	29,909	38,749	(2,790)	**65,868**
Balance as at 1.10.2011	29,909	27,776	(2,543)	**55,142**
Total comprehensive income for the period	-	6,052	52	6,104
Balance as at 31.12.2011	29,909	33,828	(2,491)	**61,246**
Company				
Balance as at 1.10.2012	29,909	23,944	-	**53,853**
Total comprehensive income for the period	-	1,529	-	1,529
Balance as at 31.12.2012	29,909	25,473	-	**55,382**
Balance as at 1.10.2011	29,909	22,695	-	**52,604**
Total comprehensive income for the period	-	5,423	-	5,423
Balance as at 31.12.2011	29,909	28,118	-	**58,027**

For Year ended 31 December	Share Capital S$'000	Revenue Reserve S$'000	Translation Reserve S$'000	Total S$'000
Group				
Balance as at 1.1.2012	29,909	33,828	(2,491)	**61,246**
Total comprehensive income for the year	-	19,397	(299)	19,098
Dividend paid	-	(14,476)	-	(14,476)
Balance as at 31.12.2012	29,909	38,749	(2,790)	**65,868**
Balance as at 1.1.2011	29,909	34,799	(2,445)	**62,263**
Total comprehensive income for the year	-	13,505	(46)	13,459
Dividend paid	-	(14,476)	-	(14,476)
Balance as at 31.12.2011	29,909	33,828	(2,491)	**61,246**
Company				
Balance as at 1.1.2012	29,909	28,118	-	**58,027**
Total comprehensive income for the year	-	11,831	-	11,831
Dividend paid	-	(14,476)	-	(14,476)
Balance as at 31.12.2012	29,909	25,473	-	**55,382**
Balance as at 1.1.2011	29,909	28,281	-	**58,190**
Total comprehensive income for the year	-	14,313	-	14,313
Dividend paid	-	(14,476)	-	(14,476)
Balance as at 31.12.2011	29,909	28,118	-	**58,027**

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 period 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

There has been no change in the Company's share capital since 30 September 2012. The share options granted under the Employees' Share Option Scheme 2002 expired on 28 February 2012. As at 31 December 2012, there was no share options granted (31 December 2011 : 942,000 @ S$0.625). There was no treasury share in issue as at the end of the current financial year (31 December 2011 : nil).

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 financial year.

The total number of issued shares excluding treasury shares as at the end of the current financial year was 361,897,000 shares (31 December 2011 : 361,897,000).

(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 reported on.

There was no treasury share in issue as at the end of the current financial year (31 December 2011 : nil).

2. Whether the figures have been audited, or reviewed and in accordance with which standard or practice [e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard].

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in the latest audited annual financial statements for the financial year ended 31 December 2011 except as described in Section 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 and revised Singapore Financial Reporting Standard ("FRSs") that are mandatory for the financial year beginning on or after 1 January 2012, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the revenue reserve of the Group as at 1 January 2012.

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 4th Quarter		Group Year ended 31 Dec	
	2012	2011	2012	2011
Earnings per Ordinary Share for the period based on net profit attributable to shareholders:	(cents)	(cents)	(cents)	(cents)
(i) basic earnings per share	1.07	1.67	5.36	3.73
(ii) fully diluted earnings per share	1.07	1.67	5.36	3.73

Basic earnings per ordinary share for the financial year ended 31 December 2012 was calculated based on the weighted average number of shares in issue of 361,897,000 {2011 : 361,897,000} ordinary shares. Fully diluted earnings per ordinary share for the financial year ended 31 December 2012 was calculated based on the adjusted weighted average number of shares in issue (adjusted for the effects of dilutive options, if any) of 361,897,000 ordinary shares {2011 : based on weighted average number of shares in issue (adjusted for the effects of dilutive options, if any) of 361,897,000 ordinary shares}.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	31/12/2012 (cents)	31/12/2011 (cents)	31/12/2012 (cents)	31/12/2011 (cents)
Net Asset Value per ordinary share based on issued share capital	18.20	16.92	15.30	16.03

Net asset value per ordinary share as at 31 December 2012 and 31 December 2011 was calculated based on the number of shares in issue of 361,897,000 ordinary shares.

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.

(a) Turnover

On a Q on Q comparison, turnover in Q4 2012 decreased 5.3% ($2.6 million) from $47.9 million to $45.4 million. The decease in turnover resulted from lower turnover from both the Telecom and Infocomm business segments.

Compared to FY 2011, the Group's turnover increased 14.5% ($22.6 million) from $156.2 million to $178.8 million. The increase in turnover resulted from higher turnover from both the Telecom and Infocomm business segments.

Telecommunications (Telecom)

On a Q on Q comparison, turnover in Q4 2011 decreased slightly by 2.7% ($0.6 million) from $22.4 million to $21.8 million. Compared to FY 2011, turnover increased by 24.4% ($13.6 million) from $55.7 million to $69.3 million.

The increase for FY 2012 compared to FY 2011 resulted from higher sales in microwave radio equipment in the Wireless Infrastructure Network business area, with sales to the markets of Middle East and North Africa ('MENA') amounted to $46.1 million (FY2011 : 20.2 million). The increase was partially offset by lower sales in the Asia Pacific market.

Infocomm

On a Q on Q comparison, turnover in Q4 2012 decreased 7.8% ($2.0 million) from $25.5 million to $23.5 million. The decrease was mainly due to lower sales of network infrastructure equipment to the Service Provider business sector.

Compared to FY 2011, turnover increased by 9.0% ($9.0 million) from $100.5 million to $109.5 million. The increase was mainly due to higher sales of point-of-sale terminals and services in the Enterprise market sector.

(b) Gross Profit

On a Q on Q comparison, gross profit for Q4 2012 decreased slightly by 2.8% from $14.5 million to $14.1 million mainly due to lower turnover. However, gross margin % ("GM%") improved from 30.2% to 31.0%.

Compared to FY 2011**,** gross profit increased by 25.3% from $44.6 million to $55.9 million. GM% improved from 28.6% to 31.3%.

The improvement in gross profit and GM% for Q4 2012 and FY 2012 was mainly in Infocomm business segment and can be attributed to the sales mix in product, project and services.

(c) Operating Expenses

On a Q on Q comparison, total operating expenses increased 15.6% from $9.0 million to $10.4 million. Compared to FY 2011, total operating expenses increased 7.0% from $34.3 million to $36.7 million, mainly from adminstrative expenses.

Distribution and selling expenses increased 17.1% ($1.1 million) for the quarter but only 0.7% ($0.2 million) for FY 2012. The increase for the quarter is mainly due to higher payroll and operational costs.

Administrative expenses increased 25.0% ($0.6 million) for the quarter mainly due to higher payroll related costs and cost incurred relating to the mandatory takeover offer by Asia Systems Ltd in December 2012. For FY 2012, administrative expenses increased 25.6% ($2.1 million) mainly due to :

- costs incurred of $1.0 million in relation to the Scheme of Arrangement announced on 10 February 2012 and the mandatory takeover offer by Asia Systems Ltd
- higher payroll related costs
- operating costs (other than payroll costs) incurred for the new subsidiaries in MENA of $0.6 million.

The negative other operating expense of $0.3 million for the quarter was due to exchange gain of $0.3 million during Q4 2012. Included in other operating expenses for FY2012 was an exchange loss of $0.8 million.

(d) Profit Before Taxation ('PBT')

On a Q to Q basis, PBT for Q4 2012 decreased 28.9% mainly due to lower turnover and higher operating cost. PBT as a percentage of turnover ("PBT %") declined from 14.0% to 10.5% for the quarter.

Compared to FY 2011, PBT increased 45.7% mainly due to higher revenue, improvement in gross margin and higher contribution from the associate, partially offset by higher operating cost and lower other operating income (resulted from lower accounts receivable collection fee). PBT% as a percentage of turnover ("PBT %") improved from 10.4% to 13.2% for FY 2012.

(e) Cash flow

For Q4 2012, the Group was able to generate positive cashflows from operating activities through better collection from trade receivables. The decrease in cash and cash equivalents for FY 2012 resulted from lower cashflow from operating activities due to higher level of operating activities.

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

There is no forecast 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 Group's business comprises two main business segments, namely Telecommunications and Infocommunications.

Telecommunications (Telecom)

Although there are numerous opportunities in the Telecom market, competition in the industry remains intense with equipment vendors actively engaging with customers and resellers to try and gain market share. There is a continuous demand from customers for vendors to provide flexible networks and services that will lower their capital and operating expenditure. In the mobile market, the unclear spectrum, licensing and regulatory framework in some countries are causing some operators to take a cautious approach in their network build-up.

The Telecommunications business segment comprises two main business areas : Wireless Infrastructure Network ('WIN') and Satellite Communications.

Wireless Infrastructure Networks (WIN)

In the WIN business area, the Group believes that the significant increase in use of mobile devices like smart phones and tablets, and the various applications, social media, rich content i.e. data will put a huge strain on mobile networks.

This has lead many mobile operators to introduce new data pricing plan (shifting away from unlimited data usage to capping) to generate additional revenues. We believe part of these revenues will be used to increase network capacity, coverage and capabilities to provide better quality of experience to their customers.

The Group will continue to support mobile operators in their 3G/LTE (Long Term Evolution) network expansions and rollouts, and has expanded its product portfolio to provide an end-to-end wireless infrastructure networks and solutions, covering point-to-point radios networks, RAN (Radio Access Networks), in-building coverage solutions, wifi 3G data offload and performance networks.

Satellite Communications
The satellite business for land, mobile and handheld market remains very competitive.

The Group will continue to offer a comprehensive range of land, marine and handheld satellite terminals, as well as other satellite communication products, solutions and services to Satellite Operators, Broadcasters, Government, Oil / Gas / Maritime and Enterprises market sectors, and will continue to seek new products and business opportunities.

In 2012, the Group's Telecom business segment secured $73.2 million in order in-take, an increase of 18.3% compared to $61.9 million in 2011 as a result of point-to-point radio orders received from the MENA markets as well as orders for non point-to-point in-building coverage and wifi solutions from the Asia Pacific market.

Infocomm (IF)

The Infocomm industry is going through many changes and the proliferation of smart devices, data centers and cloud has created a whole new ecosystem of non-traditional operators aggressively competing with incumbents, driving down costs and increase productivity and competitiveness in enterprises and organisations. Competition remains intense and fragmented.

In the Infocomm business segment, the Group will focus on offering products and solutions from the Network Infrastructure and Payment Solutions business areas to three key market sectors, namely Service Providers, Enterprises and the Government, Transportation and Utilities sectors.

In the Service Providers market sector, the Group believes that telecom operators will continue to build and expand their network capacity and coverage to meet the bandwidth demand and quality of services of both their consumer and enterprises customers. The Group will focus on providing IP, optical, broadcast, security, data centres and cloud network infrastructure solutions and services to telecom operators.

In the Enterprise market sector, the Group believes that corporate IT infrastructure will gradually need to upgrade and migrate to new network infrastructure and security to support mobility and remote access by their workforce. The Group will focus on providing enterprise-class network infrastructure solutions and services to help enterprises address their concerns on security, capacities, capabilities and improve their competitiveness.

In the Enterprise's Banking, Finance and Retail market sector, the Group believes that demand for point-of-sale ("POS") terminals will be driven by the low POS terminal penetration rate in some countries and PCI compliances. The Group will focus on providing end-to-end payment solutions, security and value added services.

In the Government, Transport and Utilities market sector, the Group believes that government IT initiatives to lower costs and increase security will continue and this will lead to growth IT spending for network infrastructure products and solutions. The Group will focus on providing network infrastructure, security solutions, integrated communication solutions and payment solutions to customers in these sectors.

In 2012, the Group's Infocomm business segment managed to secure $101.2 million in order intake, an increase of 7.8% compared to $93.9 million in 2011.

11. Dividend

(a) Current Financial Period Reported On

The Directors are pleased to recommend a final dividend as follow :

Name of Dividend	Final (one-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	4 cents
Tax Rate	Tax exempt

(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

16 May 2013

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 7 May 2013 for the purpose of determining shareholders' entitlement to the dividend.

Registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 6 May 2013 will be registered before entitlements to the dividend is determined.

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

Not applicable

13. If the Group has obtained a general mandate form 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.

There is no IPT mandate obtained.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

FY 2012	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	69,288	109,551	-	178,839
Inter-company sales	19,772	21,969	(41,741)	-
Total revenue	**89,060**	**131,520**	**(41,741)**	**178,839**
Cost of sales	(71,801)	(92,872)	41,741	(122,932)
Gross Profit	**17,259**	**38,648**	**-**	**55,907**
Other operating income	3,428	311	-	3,739
Distribution and selling expenses	(10,338)	(15,052)	-	(25,390)
Administrative expenses	(2,594)	(7,839)	-	(10,433)
Other operating expenses	(308)	(559)	-	(867)
Profits from operations	7,447	15,509	-	**22,956**
Financial income				163
Financial expenses				(328)
Profit after financial items				**22,791**
Share of result of an associate				851
Profit before taxation				**23,642**
Taxation				(4,245)
Profit after taxation				**19,397**
Other Information				
Segment assets	40,392	51,732		92,124
Investment in an associate				2,896
Unallocated assets				48,491
Total assets				**143,511**
Segment liabilities	31,652	24,678		56,330
Tax Liabilities				3,762
Unallocated liabilities				17,551
Total liabilities				**77,643**
Capital expenditure	466	3,882		4,348
Depreciation and amortisation	355	3,041		3,396
Other non-cash expenses	578	250		828

FY 2011	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	55,749	100,489	-	156,238
Inter-company sales	10,109	9,286	(19,395)	-
Total revenue	**65,858**	**109,775**	**(19,395)**	**156,238**
Cost of sales	(51,355)	(79,647)	19,395	(111,607)
Gross Profit	**14,503**	**30,128**	**-**	**44,631**
Other operating income	5,410	85	-	5,495
Distribution and selling expenses	(10,826)	(14,390)	-	(25,216)
Administrative expenses	(2,125)	(6,184)	-	(8,309)
Other operating expenses	(703)	(116)	-	(819)
Profits from operations	6,259	9,523	-	**15,782**
Financial income				223
Financial expenses				(289)
Profit after financial items				**15,716**
Share of result of an associate				510
Profit before taxation				**16,226**
Taxation				(2,721)
Profit after taxation				**13,505**
Other Information				
Segment assets	43,050	47,133		90,183
Investment in an associate				2,042
Unallocated assets				51,199
Total assets				**143,424**
Segment liabilities	42,984	18,140		61,124
Tax Liabilities				3,027
Unallocated liabilities				18,027
Total liabilities				**82,178**
Capital expenditure	1,642	3,920		5,562
Depreciation and amortisation	274	2,946		3,220
Other non-cash expenses	510	1,291		1,801

Geographical Segment

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows :

	Revenues		Non-current assets	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Singapore	72,042	62,802	4,803	5,192
Indonesia	21,341	25,975	240	283
Afghanistan	16,336	5,034	-	-
Morocco	15,688	8,666	91	113
Thailand	14,195	15,287	1,244	1,604
Malaysia	10,265	9,993	549	509
Philippines	9,200	14,739	2,727	1,581
Pakistan	5,509	761	183	-
Europe	5,823	5,615	4	5
Other Asian	5,123	6,535	36	47
Other Middle East	3,231	513	49	-
Others	86	318	-	-
	178,839	156,238	9,926	9,334

Non-current assets information presented above consist of intangible asset, property, plant and equipment, and lease receivable.

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.

Refer to item 8

16. A breakdown of sales

	2012 S$'000	**2011** S$'000	Increase / (Decrease)
(a) Sales reported for the first half year	85,270	71,713	18.9%
(b) Profit after tax before deducting minority interest for first half year	9,836	4,796	105.1%
(c) Sales reported for the second half year	93,569	84,525	10.7%
(d) Profit after tax before deducting minority interest for second half year	9,561	8,709	9.8%

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

	Latest Full Year (S$'000)	Previous Full Year (S$'000)
Ordinary	14,476	14,476
Preference	-	-
Total	14,476	14,476

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(11) in the format below. If there is no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(11) of the Listing Manual, we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

7 February 2013