First Quarter Financial Statements and Dividend announcement for the period ended 31st March 2018 (Unaudited)

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

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

	Quarter ended 31 Mar		%
	2018	2017	
	S$'000	S$'000	Change
Turnover (Note 1)	76,456	88,572	-13.7%
Purchases and changes in inventories and direct service fees incurred (Note 2)	(68,990)	(81,040)	-14.9%
Commissions and other selling expenses (Note 3)	(77)	(71)	8.5%
Other income - operating (Note 4)	108	101	6.9%
Operating expenses (Note 5)	(6,845)	(7,088)	-3.4%
Other income - non operating	5	-	N.M.
Other expenses - non operating	-	(12)	N.M.
Interest income from deposits (Note 14)	110	224	-50.9%
Finance costs (Note 15)	(110)	(19)	478.9%
Depreciation of property, plant and equipment (Note 16)	(299)	(269)	11.2%
Amortisation of intangible assets (Note 17)	(1)	(3)	-66.7%
Profit before taxation	**357**	**395**	**-9.6%**
Taxation (Note 18)	(215)	(282)	-23.8%
Net Profit after tax	**142**	**113**	**25.9%**
Profit attributable to:			
Owners of the parent	142	113	25.7%
Non-controlling interest (Note 19)	-	-	N.M.
Total	**142**	**113**	**25.9%**

Note 1

Turnover

	Quarter ended 31 Mar		%
	2018	2017	
	S$'000	S$'000	Change
Distribution of operator products and services	60,902	72,405	-15.9%
ICT distribution and managed services	11,887	12,723	-6.6%
Mobile devices distribution & retail	3,165	3,282	-3.6%
Battery Electric Vehicle	502	162	209.9%
Total (Note 2)	**76,456**	**88,572**	**-13.7%**

Note 2

Distribution of Operator products and services in Indonesia declined by 8.2% during first quarter (Q1 2018) ended 31 March 2018 against corresponding quarter (Q1 2017) ended 31 March 2017. However, weakening of Indonesian rupiah (IDR) over corresponding period against Singapore dollar (SGD), the presentation currency, resulted in visible decline of 15.9%. As anticipated, consequent to intense competition, all telecom operators in Indonesia are resorting to competitive pricing to increase customers as the voice business continues to shrink and a shift towards data driven strategy is being implemented. The Group continues to be diligent and is working with the operators to align with this strategy. Revenue from ICT distribution and managed services has also declined by 6.6% during Q1 2018 over corresponding quarter Q1 2017. To retain and grow margins, the subsidiaries engaged in this business have been focusing more on services led business. The Group continues to focus on multi-brand, MNC mobile retail business through our own retail shops in Indonesia. This also aids in business of Distribution of Operator products and services. During Q1 2018, the Group has inducted more Battery Electric Vehicles (BEV) in its fleet for providing passenger land transport services in Singapore, using car hailing application. Consequently, the revenue of BEV has increased against corresponding quarter. Correspondingly, there has been change in "Purchases and changes in inventories and direct services fee incurred".

Note 3

The commissions and other selling expenses were mainly related to ICT distribution & managed services and sale of mobile devices.

Note 4

Other income - operating mainly included rentals from certain properties, Government subsidy, rebate/incentive from principals and infrastructure support services fee.

Note 5

The operating expenses included the following:

	Quarter ended 31 Mar		%
	2018	2017	
	S$'000	S$'000	Change
Personnel costs (Note 6)	(4,410)	(4,412)	0.0%
Infrastructure costs (Note 7)	(653)	(782)	-16.5%
Marketing expenses (Note 8)	(274)	(362)	-24.3%
Other expenses - operating (Note 9)	(1,508)	(1,532)	-1.6%
Total operating overheads	**(6,845)**	**(7,088)**	**-3.4%**

Note 6

There has been increase in manpower strength over corresponding quarter, primarily due to operator driven manpower requirement/planning, ongoing enhanced focus on services led business in case of one of the subsidiaries under ICT distribution & managed services and Battery Electric Vehicle (BEV) business. However, the efforts have been made to rationalise and contain the increase in manpower cost.

Note 7

The change in infrastructure costs was mainly due to need based changes in infrastructure requirements.

Note 8

Marketing expenses had mainly been on account of operator driven marketing outlay by Affinity group for its Distribution of operator products & services and new business of battery electric vehicles by one of the Company's subsidiaries in Singapore.

Note 9

Other expenses- operating included the following:

	Quarter ended 31 Mar		%
	2018	**2017**	
	S$'000	**S$'000**	**Change**
Bank charges (Note 10)	(22)	(22)	0.0%
Collection service fees (Note 10)	(78)	(64)	21.9%
Equipment maintenance (Note 10)	(109)	(66)	65.2%
Equipment rental (Note 10)	(58)	(55)	5.5%
Foreign exchange loss (Note 11)	(45)	(23)	95.7%
Freight and postage charges (Note 10)	(23)	(23)	0.0%
Printing & stationery (Note 10)	(24)	(25)	-4.0%
Professional fees (Note 12)	(427)	(356)	19.9%
(Provision)/write back of allowance/(write off) of doubtful non-trade debts (Note 13)	(40)	(25)	60.0%
(Provision)/write back of allowance/(write off) of doubtful trade debts (Note 13)	38	(98)	-138.8%
(Provision)/write back of allowance for stock obsolescence/(write off) of stocks (Note 13)	(57)	(61)	-6.6%
Telecommunication expenses (Note 10)	(91)	(89)	2.2%
Travelling & entertainment expenses (Note 10)	(371)	(374)	-0.8%
Others	(201)	(251)	-19.9%
Total other expenses - operating	**(1,508)**	**(1,532)**	**-1.6%**

Note 10

The changes in these operating expenses have mainly been corresponding to business requirements.

Note 11

The foreign exchange movement recognised in Q1 2018 was mainly due to unrealised and realised foreign exchange gain/(loss) incurred on fluctuation of SGD, USD, MYR, THB, IDR, RMB and INR.

Note 12

Increase in professional fee during Q1 2018 over corresponding period/s was mainly in respect of Bharat IT, primarily on account of consultancy services.

Note 13

The amounts mainly represented allowances to adjust carrying value of trade/non trade receivables and inventories.

Note 14

The interest income was mainly on account of deposits with the banks.

Note 15

The changes in finance cost against corresponding period in the preceding year were mainly on account of utilisation level of loans and bank borrowings by Affinity group & Cavu group based on their business needs and also on account of bank borrowing for buying more battery electric vehicles.

Note 16

The increase in depreciation during Q1 2018 was mainly on account of increase in battery electric vehicles, largely offset by decrease in depreciation of Affinity group.

Note 17

The reduction in amortisation cost of intangible assets was mainly on account of ICT Distribution & managed services.

Note 18

The taxation was mainly in respect of Bharat IT engaged in ICT Distribution & managed services and Affinity group.

Note 19

Profit/(Loss) attributable to Non-controlling interest related to one of the subsidiaries of Affinity group.

A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Quarter ended 31 Mar		%
	2018	2017	
	S$'000	S$'000	Change
Profit for the period	**142**	**113**	**25.9%**
Other comprehensive income:			
Items that may be reclassified subsequently to profit and loss:			
Foreign currency translation (Note 20)	(1,016)	(896)	13.4%
Net gain recycled to profit or loss upon derecognition	-	99	-100.0%
Other comprehensive loss for the period	**(1,016)**	**(797)**	**27.5%**
Total comprehensive loss for the period	**(874)**	**(684)**	**27.7%**
Total comprehensive loss attributable to:			
Owners of the parent	(877)	(675)	29.9%
Non-controlling interest	3	(9)	-133.3%
Total	**(874)**	**(684)**	**27.8%**

N.M. - Not Meaningful

Note 20

The movement in foreign currency translation was mainly due to movement of USD, MYR, THB, INR, RMB and IDR against SGD.

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.

	Group		Company	
	31 Mar 18	31 Dec 17	31 Mar 18	31 Dec 17
	S$'000	S$'000	S$'000	S$'000
Current assets	**65,058**	**62,948**	**7,409**	**7,002**
Inventories (Note 21)	22,223	19,736	-	-
Trade receivables (Note 22)	11,335	10,796	109	118
Other receivables and deposits (Note 23)	6,090	7,190	1,282	1,662
Prepayments (Note 24)	4,918	3,450	51	15
Due from subsidiaries (Note 25)	-	-	232	58
Cash and bank deposits pledged (Note 26)	7,523	7,391	3,173	3,233
Cash and cash equivalents	12,259	14,190	2,562	1,916
Tax recoverable (Note 27)	710	195	-	-
Non-current Assets	**13,174**	**13,254**	**36,879**	**36,807**
Property, plant and equipment (Note 28)	9,789	9,782	161	178
Intangible assets	19	21	15	16
Investments in subsidiaries	-	-	28,366	28,366
Investment properties (Note 28)	2,375	2,300	-	-
Long-term loans and advances to subsidiaries (Note 25)	-	-	8,337	8,247
Deferred tax assets (Note 29)	67	151	-	-
Trade receivables (Note 22)	6	6	-	-
Prepayments (Note 24)	156	176	-	-
Other receivables and deposits (Note 23)	109	113	-	-
Cash and bank deposits pledged (Note 26)	653	705	-	-
Total Assets	**78,232**	**76,202**	**44,288**	**43,809**
Current liabilities	**32,761**	**29,412**	**12,754**	**11,132**
Trade creditors (Note 30)	15,083	13,173	117	109
Other creditors and accruals (Note 31)	6,631	6,356	1,295	1,275
Deferred revenue (Note 32)	2,749	1,823	-	-
Lease obligations (Note 33)	10	18	4	5
Loans and bank borrowings (Note 34)	7,269	7,344	3,018	2,972
Due to subsidiaries (Note 25)	-	-	8,320	6,771
Tax payable (Note 35)	1,019	698	-	-
Non-current liabilities	**1,075**	**1,133**	**15**	**15**
Deferred tax liabilities	60	60	-	-
Provision for employee benefits	926	959	-	-
Lease obligations(Note 33)	15	15	15	15
Deferred revenue (Note 32)	74	99	-	-
Total Liabilities	**33,836**	**30,545**	**12,769**	**11,147**
Equity attributable to the owners of the parent				
Share capital	580,518	580,518	580,518	580,518
Treasury Shares (Note 36)	(4,115)	(3,779)	(4,115)	(3,779)
Accumulated losses	(524,071)	(524,213)	(535,037)	(534,343)
Other reserves	(4,159)	(4,108)	(8,970)	(8,919)
Translation reserve (Note 20)	(3,678)	(2,659)	(877)	(815)
	44,495	**45,759**	**31,519**	**32,662**
Non-controlling interest (Note 19)	(99)	(102)	-	-
Total Equity	**44,396**	**45,657**	**31,519**	**32,662**
Total liabilities and equity	**78,232**	**76,202**	**44,288**	**43,809**

<u>*Note 21*</u>
The increase in Inventories of S$2.5 million was mainly in respect of Distribution of operator products & services and ICT distribution & managed services.

<u>*Note 22*</u>
The increase of S$ 0.5 million in trade receivables was mainly in respect of ICT Distribution & managed services and Affinity group.

<u>*Note 23*</u>
The Other Receivables and Deposits mainly included Operator's fee, GST refund and Receivables on account of support services provided to a related party. The decrease was primarily in respect of Affinity group and the Company.

<u>*Note 24*</u>
The increase in prepayments was mainly in respect of Affinity group and ICT products & services.

<u>*Note 25*</u>
The movement in amounts due from/to subsidiaries had mainly been on account of amounts received by the company from Affinity group and Cavu group.

<u>*Note 26*</u>
The pledged deposits are primarily in respect of the Company, Bharat IT, Cavu group and Affinity Group, for obtaining banking facilities.

<u>*Note 27*</u>
The increase in Tax recoverable was mainly on account of Bharat IT and Affinity group.

<u>Note 28</u>
Property, Plant & Equipments (PPE), primarily consisted battery electric vehicles and building properties in Indonesia. The additions made during the quarter primarily in Cavu group have been offset by depreciation charged during the quarter and transfer of a property to Investment properties.

<u>Note 29</u>
The deferred tax assets are in respect of Bharat IT.

<u>Note 30</u>
The increase in Trade Creditors has mainly been in respect of Affinity group.

<u>Note 31</u>
The increase in other creditors and accruals was mainly in respect of the Affinity group and Singapore Electric Vehicles Pte Limited (SEV), partially offset by decrease in ICT Distribution and managed services.

<u>Note 32</u>
The deferred revenue was mainly in respect of ICT Distribution & Managed services and Affinity Group.

<u>Note 33</u>
The Lease obligations are mainly in respect of the Company & Affinity group.

<u>Note 34</u>
The movement in loans and borrowings was mainly on account of utilisation of credit facilities, including with the banks by Affinity group, corresponding to its level of operations. Pending disbursement of loan for acquisition of certain battery electric vehicles, the Group has availed a bridge loan of S$2.9 million from one of its banks.

<u>Note 35</u>
The increase in tax payable was mainly in case of Bharat IT.

<u>Note 36</u>
Consequent to mandate for share buyback received at EGM on 1 August 2017, the company has been buying back its shares and till 31 March 2018, 1,352,195 shares have been bought for a consideration (excluding stamp duty and other costs) of S$4.1 million.

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

Amount repayable in one year or less, or on demand

As at 31/03/2018		As at 31/12/2017	
Secured (S$'000)	Unsecured (S$'000)	Secured (S$'000)	Unsecured (S$'000)
7,279	**-**	**7,362**	**-**

Amount repayable after one year

15	**-**	**15**	**-**

Details of any collateral

a) Subsidiaries' current assets of S$16.6 million (31/12/2017 : S$$15.6 million) and property, plant and equipment with carrying amount of S$0.7 (31/12/2017: S$0.7 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.

b) Corporate guarantees of S$8.0 million (31/12/2017 : S$8.0 million) were given by the Company to enable a subsidiary to obtain credit facility from suppliers.

c) Corporate guarantees of S$5.5 million (31/12/2017 : S$5.7 million) were given by the subsidiary to enable its subsidiaries to obtain credit facility from suppliers.

d) Corporate guarantees of S$1.1 million (31/12/2017 : S$1.0 million) were given by the subsidiary to enable its subsidiaries to obtain banking facilities.

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

	Quarter ended 31 Mar	
	2018	**2017**
	S$'000	**S$'000**
Cash flows from operating activities		
Profit before taxation	**357**	**395**
Adjustments for:		
Depreciation and amortisation	300	272
Allowance for/ write off of doubtful non-trade debts, net	40	25
(Reversal of)/ allowance for/ write off of doubtful trade debts, net	(38)	98
Reversal of inventory obsolescence, net	(548)	(22)
Interest income from deposits	(110)	(224)
Gain on disposal of property plant and equipment	(5)	-
Finance cost	110	19
Unrealised exchange differences	(752)	(229)
Others	(33)	(1)
Operating profit/ (loss) before working capital changes	**(679)**	**333**
Increase in inventories	(2,208)	(854)
Increase in trade receivables	(480)	(1,867)
Decrease in other receivables and deposits	1,075	266
Increase in prepayments	(1,392)	(38)
Increase in trade creditors	1,912	1,697
Increase in other creditors and accruals	282	208
Increase in deferred revenue	901	1,472
Cash (used in)/ generated from operating activities	**(589)**	**1,217**
Interest paid	(73)	(19)
Income tax paid	(332)	(407)
Net cash (used in)/ generated from operating activities	**(994)**	**791**
Cash flows from investing activities		
Interest income received from deposits	100	146
Proceeds from disposal of property, plant and equipment	16	2
Purchase of property, plant and equipment	(219)	(85)
Net cash generated from/ (used in) investing activities	**(103)**	**63**
Cash flows from financing activities		
(Placement)/ withdrawal of cash and bank deposits pledged (Note 26)	(81)	537
Proceeds from loans and bank borrowings (Note 34)	27	256
Share buyback (Note 36)	(387)	-
Repayment of obligations under finance leases	(7)	(18)
Net cash generated from/ (used in) financing activities	**(448)**	**775**
Net increase/(decrease) in cash and cash equivalents	**(1,545)**	**1,629**
Cash and cash equivalents at beginning of the period	14,190	27,342
Effects of exchange rate changes on the balance of cash held in foreign currencies	(386)	(764)
Cash and cash equivalents at end of the period	**12,259**	**28,207**

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Equity attributable to the owner of the parent						Non-controlling interest	Total Equity
	Share capital	Treasury Shares	Accumulated losses	Other reserves	Translation reserve	Total		
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
The Group								
Balance as at 1 January 2018	**580,518**	**(3,779)**	**(524,213)**	**(4,108)**	**(2,659)**	**45,759**	**(102)**	**45,657**
Total comprehensive income/ (loss) for the			142		(1,019)	**(877)**	3	**(874)**
Share Buy Back		(336)		(51)		**(387)**		**(387)**
Balance as at 31 March 2018	**580,518**	**(4,115)**	**(524,071)**	**(4,159)**	**(3,678)**	**44,495**	**(99)**	**44,396**
Balance as at 1 January 2017	**580,518**	**-**	**(457,516)**	**(3,592)**	**(67,833)**	**51,577**	**(104)**	**51,473**
Transfer of translation reserve as of 1 Jan 2017 to Accumulated Losses *			(67,833)		67,833	-		-
Balance as at 1 January 2017	**580,518**	**-**	**(525,349)**	**(3,592)**	**-**	**51,577**	**(104)**	**51,473**
Total comprehensive (loss)/ income for the	-	-	113	99	(887)	**(675)**	(9)	**(684)**
Balance as at 31 March 2017	**580,518**	**-**	**(525,236)**	**(3,493)**	**(887)**	**50,902**	**(113)**	**50,789**

	Share capital	Treasury Shares	Accumulated losses	Other reserves	Translation reserve	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
The Company						
Balance as at 1 January 2018	**580,518**	**(3,779)**	**(534,343)**	**(8,919)**	**(815)**	**32,662**
Total comprehensive (loss)/ income for the period			(694)		(62)	**(756)**
Share Buy Back		(336)		(51)		**(387)**
Balance as at 31 March 2018	**580,518**	**(4,115)**	**(535,037)**	**(8,970)**	**(877)**	**31,519**
Balance as at 1 January 2017	**580,518**	**-**	**(479,022)**	**(8,657)**	**(54,787)**	**38,052**
Transfer of translation reserve as of 1 Jan 2017 to Accumulated Losses *			(54,787)		54,787	-
Balance as at 1 January 2017	**580,518**	**-**	**(533,809)**	**(8,657)**	**-**	**38,052**
Total comprehensive (loss)/ income for the period	-	-	(671)	99	(368)	(940)
Balance as at 31 March 2017	**580,518**	**-**	**(534,480)**	**(8,558)**	**(368)**	**37,112**

*The Group has elected to apply the transitional optional exemptions and transitional mandatory exceptions under SG-IFRS 1. Consequently, the Group has deemed the cumulative translation differences for all foreign operations to be zero as of 1 Jan 2017 (the date of transition to SG-IFRS). Please also see no. 5 on page 8.

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, , 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 period. 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.

	No. of Shares	
	31 March 18	**31 Dec 17**
Issued shares at the beginning of the period	13,712,452	13,712,452
Total issued shares at the end of the period	13,712,452	13,712,452

The details of the outstanding share options and share awards granted under the Employees' Share Option Schemes and Share Plans respectively are as follows:

	No. of Shares	
	31 Mar 18	**31 Mar 17**
Options granted under 1999 S i2i Employees' Share Option Scheme II	-	-
Options granted under 2014 S i2i Employees' Stock Option plan *	-	-

Total number of shares held as treasury shares as at 31 March 2018 were 1,352,195 (31 March 2017: Nil).

Percentage (%) of number of treasury shares against total number of shares as at 31 March 2018 were 9.86% (31 March 2017: Nil).

Total number of subsidiary holdings as at 31 March 2018 were Nil (31 March 2017: 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

Total number of issued shares excluding treasury shares as at 31 March 2018 were 12,360,257 (31 Dec 2017 : 12,479,952).

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

There were no treasury shares sold, transferred, disposed, cancelled and/ or used as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfer, disposal, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on.

There were no subsidiary holdings 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 or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditor's 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 as the audited financial statements for the year ended 31 December 2017.

5. If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

As stated in the most recent audited annual financial statements for the year ended 31 December 2017, the Group has elected to apply the transitional optional exemptions and transitional mandatory exceptions under SG-IFRS 1. In view of this application, the Group has adopted SG-IAS 21 prospectively and has deemed the cumulative translation difference for all foreign operations to be zero as at 01 January 2017, the date of transition to SG-IFRS. A reconciling item with explanation will be disclosed in the first SG-IFRS financial statements for the financial year ending 31 December 2018.

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	
	Quarter ended 31 Mar	
	2018	**2017**
Earning per ordinary share for the period after deducting any provision for preference dividends:-		
i) Based on weighted average number of ordinary share in issue (S$ cent)	1.15 cents	0.82 cents
ii) On a fully diluted basis (S$ cent)	1.15 cents	0.82 cents

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		**Company**	
	31 Dec 18	**31 Dec 17**	**31 Dec 18**	**31 Dec 17**
Net asset backing per ordinary share is calculated based on 12,360,257 (31/12/2017 : 12,479,952) ordinary shares in issue at the end of the period under review and of the immediate preceding financial year **(S$ cent)**.	359.98 cents	366.66 cents	255.01 cents	261.73 cents

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.

The group recorded a turnover of S$76.5 million during current quarter Q1 2018 - a decrease of 13.7% over revenue of corresponding quarter Q1 2017. Distribution of Operator products and services in Indonesia declined by 8.2% during first quarter (Q1 2018) ended 31 March 2018 against corresponding quarter (Q1 2017) ended 31 March 2017. However, weakening of Indonesian rupiah (IDR) over corresponding period against Singapore dollar (SGD), the presentation currency, resulted in visible decline of 15.9%. As anticipated, consequent to intense competition, all telecom operators in Indonesia are resorting to competitive pricing to increase customers as the voice business continues to shrink and a shift towards data driven strategy is being implemented. The Group continues to be diligent and is working with the operators to align with this strategy. Revenue from ICT distribution and managed services has also declined by 6.6% during Q1 2018 over corresponding quarter Q1 2017. To retain and grow margins, the subsidiaries engaged in this business have been focusing more on services led business. The Group continues to focus on multi-brand, MNC mobile retail business through our own retail shops in Indonesia. This also aids in business of Distribution of Operator products and services. During Q1 2018, the Group has inducted more Battery Electric Vehicles (BEV) in its fleet for providing passenger land transport services in Singapore, using car hailing application. Consequently, the revenue of BEV has increased against corresponding quarter. Correspondingly, there has been change in "Purchases and changes in inventories and direct services fee incurred".

There was marginal decrease in operating overheads during Q1 2018 against Q1 2017.

The earnings (before interest, depreciation, amortisation and taxation) during Q1 2018 has been S$0.7 million against S$0.5 million during corresponding Q1 2017.

The Group earned profit before tax of S$0.4 million during Q1 2018 against S$0.4 million during corresponding Q1 2017.

The Group has continued its focus on operating efficiencies and management of working capital in terms of inventories, trade debtors, trade creditors and loans and borrowings in accordance with its business requirements. Cash in hand (net of borrowings) as at 31 March 2018 was S$13.2 million against S$14.9 million as at 31 December 2017. Consequent to mandate for share buyback received at EGM on 1 August 2017, the company has been buying back its shares and till 31 March 2018, 1,352,195 shares have been bought for a consideration (excluding stamp duty and other costs) of S$4.1 million (Up to 31 December 2017 - S$3.8 million).

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

There was no forecast or prospect statement disclosed to shareholders previously.

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 focus on operator driven plans at the cluster levels as required by the operators and their strategic plans in the business of distribution of operator products & services continues.

This business segment in Indonesia is subject to "cluster renewals" by operators periodically which maybe 2 or 3 years. This is a risk identified. This business is viable but has this risk associated with it. There is a possible option of the operators going digital as in other countries, but Indonesia being a country with more than a thousand islands and subscribers spread far and wide, the traditional cluster model will remain for some time. The Group is aware of the risk and is in constant touch with operators to align with their new strategy and be a part, whenever affected in future. Intense competition is making all operators create new data and innovative products and resorting to competitive pricing. This may result in some pressure on margins in the short run. The Group continues to be diligent and is working with the operators to align with this strategy.

The ICT distribution & managed services is a highly competitive business primarily due to the economic scenario and continuous changes & innovations happening in this space. The ICT Industry has moved towards innovative and disruptive offerings & technology and the Cavu group is also making plans to shift more towards Cloud, IOT, Server consolidation, Virtualization and other services relevant to a developed economy.

The ICT business continues to keep focus on the financial sector, public sector and mid market segment. It also focuses now more on "wrap around" services as they sell hardware oriented projects.

The Group's fleet of 50 BYD BEVs, as it stands now, (as B2B taxi model) in the Singapore market place with alliance from App hailing services is proceeding as planned.

The Grab and Uber merger has given a temporary setback to the Group in on going quarter which is not unique for our own Electric Vehicles business but for the whole Industry.

Without losing its sight on opportunities in other parts of ASEAN & Asia, the Group continues to focus on establishing its BEV business in Singapore and looking out for other opportunities.

The proposed and approved name change for SEVAK ltd from Si2i Ltd in the recent EGM by shareholders as explained in the rationale in the circular is to enhance and reinforce a "Services oriented" culture in the Goup, which is the Groups's core value as is evident from each business unit. The name change was initiated by the Group to reflect the same in its name, which creates a constant positive recall for stakeholders.

The Group continues to work on a time bound plan to cut down all loss making businesses, hold and grow profitable businesses, move from Information to Innovation and come out of watch list.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared or recommended

13. Utilisation of Rights Issue proceeds

Not Applicable.

14. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 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 SGD100,000)
	Quarter ended 31 Mar 2018	Quarter ended 31 Mar 2018
	S$'000	S$'000
Smart Global Innovations Pte. Ltd.	557	-

There was neither renewal nor new IPT mandate obtained during the Annual General Meeting of the Company held on 30th April 2018.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. 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.

16. 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.

17. A breakdown of sales.

Not Applicable.

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

Not Applicable

19. Statement Pursuant to Rule 705(5) of The Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the quarter ended 31st March 2018 to be false or misleading in any material respects.

20. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the form 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 form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Maneesh Tripathi
Executive Director & Group Chief Executive Officer

14 May 2018