



Appendix

MATERIAL DIFFERENCES BETWEEN AUDITED AND UNAUDITED FINANCIAL STATEMENTS

Fourth Quarter & Full-Year Financial Statement and Dividend announcement for the period ended 31 December 2016

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 Dec 2016			Twelve months ended 31 Dec 2016		
	Audited	Unaudited	Change	Audited	Unaudited	Change
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
Operating expenses (Note 5)	(6,814)	(6,834)	20	(25,433)	(25,453)	20
Other expenses - non operating (Note 18)	(2,024)	(574)	(1,450)	(1,678)	(228)	(1,450)
Profit / (Loss) before taxation						
From continuing operations	(1,513)	(83)	(1,430)	1,637	3,067	(1,430)
Total Profit / (Loss) before taxation	(1,513)	(83)	(1,430)	1,637	3,067	(1,430)
Net Profit / (Loss) after tax for the period						
From continuing operations	(1,781)	(351)	(1,430)	473	1,903	(1,430)
Total Net Profit / (Loss) after tax for the period	(1,781)	(351)	(1,430)	473	1,903	(1,430)
Profit / (Loss) attributable to:						
Owners of the parent	(1,795)	(365)	(1,430)	462	1,892	(1,430)
Total	(1,781)	(351)	(1,430)	473	1,903	(1,430)

N.M. - Not Meaningful

Note 5

Operating expenses included the following:

	Quarter Ended 31 Dec 2016			Twelve months ended 31 Dec 2016		
	Audited	Unaudited	Change	Audited	Unaudited	Change
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
Other expenses - operating (Note 9)	(1,154)	(1,174)	20	(5,544)	(5,564)	20
Total operating overheads	(6,814)	(6,834)	20	(25,433)	(25,453)	20

Note 9

Other expenses - operating include the following:

	Quarter Ended 31 Dec 2016			Twelve months ended 31 Dec 2016		
	Audited	Unaudited	Change	Audited	Unaudited	Change
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
Foreign exchange gain/ (loss) (Note 10)	26	6	20	75	55	20
Total other expenses - operating	(1,154)	(1,174)	20	(5,544)	(5,564)	20

Note 10

The foreign exchange movement recognised in Q4 2016 and FY 2016 was mainly due to unrealised and realised foreign exchange gain/loss incurred on fluctuation of SGD, USD, MYR, THB, IDR, RMB and INR.

Note 18

The amount in Q4 2016 mainly represented provision for impairment loss of S\$1.8 million (unaudited - S\$0.4 million) against a loan receivable, after taking into consideration the probability of default or significant delay in repayment (please also refer to Note 32) and certain receivables in respect of one of the subsidiaries engaged in mobility products. The amount during FY 2016 was also comprised of write back of certain accruals/provisions, in respect of certain non-recurring costs recognised in previous periods as part of alignment of certain business segments in light of industry shifts. The amount in Q4 2015 and FY 2015 mainly represented certain costs related to then ongoing restructuring initiatives and probable losses at the time of receipt of last payment from disposal of Voice business. (Please also refer to announcement dated 30 December 2015 in respect of disposal of Voice business). This was partially offset by write back of certain portion of accruals, as no longer required. These accruals were in respect of certain non-recurring costs recognised in FY 2014 as part of alignment of certain business segments in light of industry shifts.

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 Dec 2016		Change	Twelve months ended 31 Dec-16		Change
	Audited	Unaudited		Audited	Unaudited	
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
Profit/ (loss) for the period	(1,781)	(351)	(1,430)	473	1,903	(1,430)
Other comprehensive income:						
Items that may be reclassified subsequently to profit and loss:						
Foreign currency translation (Note 26)	1,507	1,527	(20)	984	1,004	(20)
Other comprehensive Income/(Loss) for the period	1,524	1,544	(20)	3,149	3,169	(20)
Total comprehensive Income/(Loss) for the period	(257)	1,193	(1,450)	3,622	5,072	(1,450)
Total comprehensive Income/ (Loss) attributable to:						
Owners of the parent	(261)	1,189	(1,450)	3,658	5,108	(1,450)
Total	(257)	1,193	(1,450)	3,622	5,072	(1,450)

N.M. - Not Meaningful

Note 26

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 as at 31 Dec 16			Company as at 31 Dec 16		
	Audited	Unaudited	Change	Audited	Unaudited	Change
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current assets	64,009	65,459	(1,450)	20,425	21,875	(1,450)
Loan receivable (Note 32)	-	1,450	(1,450)	-	1,450	(1,450)
Total Assets	72,098	73,548	(1,450)	46,790	48,240	(1,450)
Current liabilities	19,420	19,490	(70)	8,738	8,738	-
Tax payable (Note 44)	787	857	(70)	-	-	-
Non-current liabilities	1,205	1,135	70	-	-	-
Deferred tax liabilities	70	0	70	-	-	-
Equity attributable to the owners of the parent						
Accumulated losses	(457,516)	(456,086)	(1,430)	(479,023)	(477,593)	(1,430)
Other reserves (Note 47)	(3,592)	(3,595)	3	(8,657)	(8,657)	-
Translation reserve (Note 26)	(67,833)	(67,810)	(23)	(54,786)	(54,766)	(20)
	51,577	53,027	(1,450)	38,052	39,502	(1,450)
Total Equity	51,473	52,923	(1,450)	38,052	39,502	(1,450)
Total liabilities and equity	72,098	73,548	(1,450)	46,790	48,240	(1,450)

Note 32

The amount represented balance portion of a loan advanced in year 2008. The company had signed a deed of addendum dated 24 September 2014 ("Deed") (please refer to announcement dated 24 September 2014). The party had met its commitments towards partial payment up to 31 March 2015. The loan was due for conversion in September 2016, though subject to certain conditions as per the deed of addendum. However, the party, unilaterally, converted the loan into shares without complying with the conditions of the Deed. The Company had disputed the validity and propriety of the aforesaid conversion. (Please refer to company's announcement dated 28 September 2016). As announced by the Company on 23 March 2017, the High Court of Singapore has dismissed the Company's application to inter alia set aside the issuance of shares by the party. Consequently, the Company has recognised provision for impairment loss against the loan receivable. The Company is currently seeking legal advice and considering whether to appeal to the Court of Appeal.

Note 44

An amount of S\$0.07 million was reclassified from Tax Payable to Deferred Tax Liabilities.

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 Dec 2016			Twelve months ended 31 Dec 2016		
	Audited	Unaudited	Change	Audited	Unaudited	Change
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities						
Profit/ (Loss) before taxation from continuing operations	(1,513)	(83)	(1,430)	1,637	3,067	(1,430)
Total Profit/ (Loss) before taxation	(1,513)	(83)	(1,430)	1,637	3,067	(1,430)
Adjustments for:						
Impairment of loan receivable	1,838	-	1,838	1,838	-	1,838
Unrealised exchange differences	1,590	1,610	(20)	797	817	(20)
Others	189	577	(388)	172	560	(388)
Operating Profit/ (Loss) before working capital changes	2,520	2,520	-	5,518	5,518	-

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.

	Audited						Unaudited						Change											
	Equity attributable to the owner of the parent					Non-controlling interest	Total Equity	Equity attributable to the owner of the parent					Non-controlling interest	Total Equity	Equity attributable to the owner of the parent					Non-controlling interest	Total Equity			
	Share capital	Accumulated losses	Other reserves	Translation reserve	Total			Share capital	Accumulated losses	Other reserves	Translation reserve	Total			Share capital	Accumulated losses	Other reserves	Translation reserve	Total					
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
The Group																								
Balance as at 30 September 2016	580,518	(455,721)	(3,612)	(69,347)	51,838	(108)	51,730	580,518	(455,721)	(3,612)	(69,347)	51,838	(108)	51,730	-	-	-	-	-	-	-	-	-	-
Total comprehensive (loss)/ income for the period	-	(1,795)	20	1,514	(261)	4	(257)	-	(365)	17	1,537	1,189	4	1,193	-	(1,430)	3	(23)	(1,450)	-	(1,450)	-	(1,450)	-
Balance as at 31 December 2016	580,518	(457,516)	(3,592)	(67,833)	51,577	(104)	51,473	580,518	(456,086)	(3,595)	(67,810)	53,027	(104)	52,923	-	(1,430)	3	(23)	(1,450)	-	(1,450)	-	(1,450)	-
The Company																								
Total comprehensive income for the period	-	6,912	17	961	7,890	-	8,342	-	8,342	17	981	9,340	-	(1,430)	-	(20)	(1,450)	-	(1,450)	-	(1,450)	-	(1,450)	-
Balance as at 31 December 2016	580,518	(479,023)	(8,657)	(54,786)	38,052	580,518	(477,593)	580,518	(477,593)	(8,657)	(54,766)	39,502	-	(1,430)	-	(20)	(1,450)	-	(1,450)	-	(1,450)	-	(1,450)	-

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 Dec 2016			Twelve months ended 31 Dec-16		
	Audited	Unaudited	Change	Audited	Unaudited	Change
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)	(13.09 cents)	(2.67 cents)	(10.42 cents)	3.37 cents	13.79 cents	(10.42 cents)
ii) On a fully diluted basis (S\$ cent)	(13.09 cents)	(2.67 cents)	(10.42 cents)	3.37 cents	13.79 cents	(10.42 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 as at 31 Dec 16			Company as at 31 Dec 16		
	Audited	Unaudited	Change	Audited	Unaudited	Change
Net asset backing per ordinary share is calculated based on 13,712,452 (31/12/2015 :13,712,452) ordinary shares in issue at the end of the period under review and of the immediate preceding financial year (S\$ cent).	376.14 cents	386.71 cents	(10.57 cents)	277.50 cents	288.07 cents	(10.57 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 turnover of S\$87.3 million - an increase of 4.7% over revenue of corresponding quarter. Turnover of Distribution of Operator products & services in Indonesia grew during the quarter ended 31 December 2016 ("Q4 2016") against corresponding quarter of preceding year ended on 31 December 2015 ("Q4 2015"). As announced on 2 October 2015, overall clusters consolidation and reallocation exercise for the distribution of operator products carried out by one of the operators in Indonesia resulted in reduction in number of clusters to one of the subsidiaries of the company in Indonesia. Consequently, as anticipated, this resulted in significant reduction in revenue from Distribution of Operator products & services during the twelve months ended 31 December 2016 ("FY 2016") against corresponding twelve months ended 31 December 2015 ("FY 2015") of preceding year. Revenue from ICT distribution & managed services has shown a decline in Q4 2016 and FY 2016 over corresponding Q4 2015 and FY 2015. To retain & grow margins, one of the subsidiaries engaged in this business has been focusing more on services led business. The company continues to focus on profitable revenue stream of multi-brand, MNC mobile retail business through our own retail shops in Indonesia. During later part of FY 2016, the company through one of the subsidiaries in Singapore has ventured into business of battery electric vehicles and passenger land transport. (Please refer to announcement dated 18 September 2016). Correspondingly, there has been change in "Purchases and changes in inventories and direct services fee incurred".

Overheads during FY 2016 were lower on account of cost optimization measures taken by the company.

The group generated Earnings (before interest, depreciation, amortisation and taxation) from continuing operations of S\$0.7 million during Q4 2016 against S\$0.9 million during corresponding quarter. During FY 2016, the group generated Earnings (before interest, depreciation, amortisation and taxation) from continuing operations of S\$2.9 million against Loss (before interest, depreciation, amortisation and taxation) of S\$0.9 million in corresponding period FY 2015.

The amount in Q4 2016 mainly represented provision for impairment loss of S\$1.8 million (unaudited - S\$0.4 million) against a loan receivable, after taking into consideration the probability of default or significant delay in repayment (please refer to company's announcement dated 23 March 2017) and certain receivables in respect of one of the subsidiaries engaged in mobility products. The amount in Q4 2015 and FY 2015 mainly represented certain costs related to then ongoing restructuring initiatives and probable losses at the time of receipt of last payment from disposal of Voice business. (Please also refer to announcement dated 30 December 2015 in respect of disposal of Voice business). During FY 2016 and FY 2015, certain accruals including in respect of certain non-recurring costs recognised in previous periods as part of alignment of certain business segments in light of industry shifts were written back. In addition, certain unclaimed loan and advance received against supply of materials in past by one of the subsidiaries engaged in ICT Distribution & managed services, were written back during Q1 2016. During FY 2015, the company also disposed off certain businesses engaged in Voice business and Mobility business and consequently recognised gain of S\$3.5 million.

The Group incurred loss before tax of S\$1.5 million (unaudited - S\$0.1 million) and profit before tax of S\$1.6 million (unaudited - S\$3.0 million) from continuing operations during Q4 2016 and FY 2016 respectively as against profit before tax of S\$2.9 million and S\$0.8 million during corresponding quarter Q4 2015 and FY 2015 respectively.

The company has continued its focus on operating efficiencies and management of working capital in terms of stocks, trade debtors, trade creditors and loans and borrowings in accordance with its business requirements.

During Q2 2016, the company carried out distribution of cash of S\$0.729 per share totaling to approximately S\$10 million to its shareholders. It also sold certain properties in Indonesia as no longer required. During Q1 2016, a gain of S\$2.0 million (net) was recognised on account of revaluation of buildings under property, plant & equipment. During Q3-Q4 2016, the company also incurred capital expenditure of S\$1.5 million in respect of its advent in battery electric vehicles. The net assets as of 31 December 2016 were S\$51.5 million (unaudited - S\$52.9 million) against S\$57.8 million as of 31 December 2015. Cash in hand (net of borrowings) as at 31 December 2016 was S\$29.3 million against S\$40.0 million as at 31 December 2015.

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.

	Audited 2016						Unaudited 2016						Change 2016					
	Twelve months ended 31 Dec 2016						Twelve months ended 31 Dec 2016						Twelve months ended 31 Dec 2016					
	Distribution of operator products & services (S\$'000)	ICT distribution & managed services (S\$'000)	Mobile devices distribution & retail (S\$'000)	Battery electric vehicles (S\$'000)*	Operation related to disposal group classified as held for sale (S\$'000)	Group (S\$'000)	Distribution of operator products & services (S\$'000)	ICT distribution & managed services (S\$'000)	Mobile devices distribution & retail (S\$'000)*	Battery electric vehicles (S\$'000)**	Operation related to disposal group classified as held for sale (S\$'000)	Group (S\$'000)	Distribution of operator products & services (S\$'000)	ICT distribution & managed services (S\$'000)	Mobile devices distribution & retail (S\$'000)	Battery electric vehicles (S\$'000)**	Operation related to disposal group classified as held for sale (S\$'000)	Group (S\$'000)
Foreign exchange gain/(loss)	25	59	-	(9)	-	75	25	39	-	(9)	-	55	-	20	-	-	-	20
Others	189	(854)	(76)	-	-	(741)	189	596	(76)	-	709	-	(1,450)	-	-	-	-	(1,450)
Profit/(loss) before taxation	3,648	(696)	(965)	(350)	-	1,637	3,648	734	(350)	-	3,067	-	(1,430)	-	-	-	-	(1,430)
Profit/(loss) after taxation	3,549	(1,657)	(1,069)	(350)	-	473	3,549	(227)	(1,069)	(350)	-	1,903	-	(1,430)	-	-	-	(1,430)
Assets:																		
Segment assets	21,307	40,270	8,613	1,908	-	72,098	21,307	41,720	8,613	1,908	-	73,548	-	(1,450)	-	-	-	(1,450)

* This business has been started during FY 2016, hence, no corresponding figures for FY 2015.

17. A breakdown of sales.

	Group			Operation related to disposal group classified as held for sale			Group - Net of operations related to disposal group classified as held for sale		
	S\$'000			S\$'000			S\$'000		
	12-month Ended 31/12/2016			12-month Ended 31/12/2016			12-month Ended		
	Audited	Unaudited	Change	Audited	Unaudited	Change	Audited	Unaudited	Change
Profit/(loss)/Loss reported for second half year	(1,316)	114	(1,430)	-	-	-	(1,316)	114	(1,430)