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Third Quarter Financial Statements and Dividend announcement for the period ended 30th September 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 30 Sep		%	Nine months ended 30 Sep		%
	2018	2017		2018	2017	
	S$'000	S$'000	Change	S$'000	S$'000	Change
Turnover (Note 1)	68,430	89,469	-23.5%	211,289	267,387	-21.0%
Purchases and changes in inventories and direct service fees incurred (Note 2)	(61,831)	(82,263)	-24.8%	(190,907)	(245,593)	-22.3%
Commissions and other selling expenses (Note 3)	(67)	(136)	-50.7%	(222)	(222)	0.0%
Other income - operating (Note 4)	72	212	-66.0%	440	355	23.9%
Operating expenses (Note 5)	(6,336)	(6,611)	-4.2%	(19,729)	(20,387)	-3.2%
Other income - non operating (Note 14)	446	16	N.M.	4,200	216	N.M.
Other expenses - non operating	(4)	(59)	N.M.	(3)	(122)	-97.5%
Interest income from deposits (Note 17)	114	162	-29.6%	330	559	-41.0%
Finance costs (Note 18)	(72)	(76)	-5.3%	(411)	(199)	106.5%
Depreciation of property, plant and equipment (Note 19)	(305)	(217)	40.6%	(919)	(659)	39.5%
Amortisation of intangible assets	(1)	-	N.M.	(4)	(3)	33.3%
Profit / (Loss) before taxation						
From continuing operations*	446	497	-10.3%	4,064	1,332	205.1%
From discontinued operations (Note 20)	2	(11)	N.M.	(78)	(136)	-42.6%
Profit before taxation	448	486	-7.8%	3,986	1,196	233.3%
Taxation						
From continuing operations	(143)	(372)	-61.6%	(519)	(842)	-38.4%
From discontinued operations	-	-	-	-	-	-
Taxation (Note 21)	(143)	(372)	-61.6%	(519)	(842)	-38.4%
Net Profit / (Loss) after tax for the period						
From continuing operations*	303	125	142.4%	3,545	490	N.M.
From discontinued operations (Note 20)	2	(11)	N.M.	(78)	(136)	-42.6%
Net Profit after tax	305	114	167.5%	3,467	354	N.M.
Profit attributable to:						
Owners of the parent	305	114	167.5%	3,467	354	N.M.
Non-controlling interest (Note 22)	-	-	N.M.	-	-	N.M.
Total	305	114	167.5%	3,467	354	N.M.

** Please also refer to note 16*

Note 1

Turnover

	Quarter ended 30 Sep		%	Nine months ended 30 Sep		%
	2018	2017		2018	2017	
	S$'000	S$'000	Change	S$'000	S$'000	Change
Distribution of operator products and services	56,531	73,597	-23.2%	172,065	221,724	-22.4%
ICT distribution and managed services	8,618	12,753	-32.4%	28,585	35,465	-19.4%
Mobile devices distribution & retail	2,932	2,894	1.3%	9,401	9,686	-2.9%
Battery Electric Vehicle	349	225	55.1%	1,238	512	N.M.
Total (Note 2)	**68,430**	**89,469**	**-23.5%**	**211,289**	**267,387**	**-21.0%**

Note 2

Distribution of Operator products and services in Indonesia declined by 23.2% during third quarter (Q3 2018) and 22.4% during first nine months (9M 2018) of the current financial year (FY 2018) ended 30 September 2018 against corresponding quarter (Q3 2017) and first nine months (9M 2017) of the preceding financial year (FY 2017) ended 30 September 2017 respectively. As anticipated, consequent to intense competition, all telecom operators in Indonesia have been 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 32.4% during Q3 2018 and 19.4% during 9M 2018 over corresponding quarter Q3 2017 and 9M 2017 respectively. To retain and grow margins, the subsidiaries engaged in this business have been focusing more on services led business. Weakening of IDR & INR against presentation currency SGD has also resulted in visibly higher reduction in revenue over corresponding period/s. The Group continues to focus on multi-brand, MNC mobile retail business through its own retail shops in Indonesia. This also aids in business of Distribution of Operator products and services. In beginning of current financial year, the Group had 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 period/s of preceding financial year. 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, infrastructure support services fee and write back of certain accruals in past, no longer required.

Note 5

The operating expenses included the following:

	Quarter ended 30 Sep		%	Nine months ended 30 Sep		%
	2018	2017		2018	2017	
	S$'000	S$'000	Change	S$'000	S$'000	Change
Personnel costs (Note 6)	(3,922)	(4,236)	-7.4%	(12,530)	(12,855)	-2.5%
Infrastructure costs (Note 7)	(696)	(643)	8.2%	(1,914)	(2,066)	-7.4%
Marketing expenses (Note 8)	(388)	(287)	35.2%	(914)	(1,019)	-10.3%
Other expenses - operating (Note 9)	(1,330)	(1,445)	-8.0%	(4,371)	(4,447)	-1.7%
Total operating overheads	**(6,336)**	**(6,611)**	**-4.2%**	**(19,729)**	**(20,387)**	**-3.2%**

Note 6

There has been increase in manpower strength over corresponding period/s in case of one of the subsidiaries under ICT distribution & managed services, primarily due to ongoing enhanced focus on services led business and also in case of 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 30 Sep		%	Nine months ended 30 Sep		%
	2018	2017		2018	2017	
	S$'000	S$'000	Change	S$'000	S$'000	Change
Bank charges (Note 10)	(16)	(32)	-50.0%	(62)	(70)	-11.4%
Collection service fees (Note 10)	(47)	(89)	-47.2%	(225)	(252)	-10.7%
Equipment maintenance (Note 10)	(162)	(97)	67.0%	(392)	(235)	66.8%
Equipment rental (Note 10)	(61)	(52)	17.3%	(174)	(173)	0.6%
Foreign exchange gain/ (loss) (Note 11)	89	(43)	N.M.	80	(95)	N.M.
Freight and postage charges (Note 10)	(17)	(21)	-19.0%	(59)	(66)	-10.6%
Printing & stationery (Note 10)	(18)	(20)	-10.0%	(68)	(71)	-4.2%
Professional fees (Note 12)	(327)	(338)	-3.3%	(1,123)	(1,095)	2.6%
(Provision)/write back of allowance/ (write off) of doubtful non-trade debts (Note 13)	-	(11)	N.M.	6	(52)	-111.5%
(Provision)/write back of allowance/(write off) of doubtful trade debts (Note 13)	8	(95)	-108.4%	(21)	(226)	N.M.
(Provision)/write back of allowance for stock obsolescence/(write off) of stocks (Note 13)	(112)	(6)	N.M.	(206)	(73)	182.2%
Telecommunication expenses (Note 10)	(89)	(94)	-5.3%	(280)	(270)	3.7%
Travelling & entertainment expenses (Note 10)	(335)	(343)	-2.3%	(1,055)	(1,090)	-3.2%
Insurance (Note 10)	(70)	(31)	125.8%	(189)	(87)	117.2%
Others	(173)	(173)	0.0%	(603)	(592)	1.9%
Total other expenses - operating	**(1,330)**	**(1,445)**	**-8.0%**	**(4,371)**	**(4,447)**	**-1.7%**

Note 10

The changes in these operating expenses have mainly been corresponding to business requirements. Increase in equipment maintenance has primarily been attributed to enhanced focus on services led business by one of the subsidiaries engaged in ICT distribution and managed services. Similarly, increase in insurance has primarily been on account of increase in number of battery electric vehicles.

Note 11

The foreign exchange movement recognised in Q3 2018 and 9M 2018 were mainly due to unrealised and realised foreign exchange gain/(loss) incurred on fluctuation of SGD, USD, MYR, THB, IDR, RMB and INR.

Note 12

Movement in professional fee over corresponding period/s was mainly in respect of Bharat IT, primarily on account of consultancy services and reversal of certain accruals by Company during corresponding quarter Q3 2017.

Note 13

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

Note 14

	Quarter ended 30 Sep		%	Nine months ended 30 Sep		%
	2018	2017		2018	2017	
	S$'000	S$'000	Change	S$'000	S$'000	Change
Fair value gain on investment securities (Note 15)	-	-	N.M.	-	190	N.M.
Gain on sale of investment in subsidiaries (Note 16)	239	-	N.M.	3,983	-	N.M.
Gain on disposal of property,plant & equipment	3	16	-81.3%	14	26	-46.2%
Fair value gain on investment in associates (Note 16)	201	-	N.M.	201	-	N.M.
Others	3	-	N.M.	2	-	N.M.
Total other income - non operating	**446**	**16**	N.M.	**4,200**	**216**	N.M.

Note 15

The gain was consequent to sale of quoted equity investment during Q2 2017. The shareholding was insignificant, non strategic and in a non related company.

Note 16

During Q3 2018, the Group completed disposal of certain entities under its Cavu group ((please also refer to announcement dated 2nd July 2018), engaged in ICT distribution and managed services and consequently recognised gain of S$0.2 million (net of recycle of translation loss of S$.06 million) on its disposal and also gain of S$0.2 million on account of fair valuatuon of remaining shares in these disposed entities turned associates. During Q2 2018, the Group had disposed off a non operating subsidiary of the Company (please also refer to announcement dated 2nd July 2018), resulting in gain, primarily on account of recycle of translation gain of S$3.7 million pertaining to the entity disposed off.

Note 17

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

Note 18

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

Note 19

The increase in depreciation during Q3 2018 & 9M 2018 were mainly on account of increase in battery electric vehicles, largely offset by decrease in depreciation of Affinity group.

Note 20

During preceding quarter, the group initiated the process of disposal of certain entities of its Cavu group and accordingly Share Purchase Agreement (SPA) was executed on 29th June 2018 (please also refer to announcement dated 2nd July 2018). Consequently, in terms of SFRS(I) 5, the financial results of subject entities have been shown separately under income statement as well as statement of financial position.The disposal has been completed during Q3 2018. Please also refer to Note 16 above.

Note 21

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

Note 22

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 30 Sep		%	Nine months ended 30 Sep		%
	2018	2017		2018	2017	
	S$'000	S$'000	Change	S$'000	S$'000	Change
Profit for the period	**305**	**114**	**167.5%**	**3,467**	**354**	**N.M.**
Other comprehensive income/(loss):						
Items that may be reclassified subsequently to profit and loss:						
Foreign currency translation (Note 23)	(1,282)	(969)	32.3%	(2,255)	(2,340)	-3.6%
Loss/ (Gain) recognised in income statement upon disposal of foreign entity (Note 16)	61	-	-	(3,671)	-	-
Net gain recycled to income statement upon derecognition	-	-	-	-	(128)	-100.0%
Items that will not be reclassified subsequently to profit and loss:						
Revaluation of property, plant and equipment	-	10	N.M.	-	10	N.M.
Other comprehensive loss for the period	**(1,221)**	**(959)**	**N.M.**	**(5,926)**	**(2,458)**	**141.1%**
Total comprehensive loss for the period	**(916)**	**(845)**	**8.4%**	**(2,459)**	**(2,104)**	**16.9%**
Total comprehensive loss attributable to:						
Owners of the parent	(949)	(846)	12.2%	(2,493)	(2,093)	19.1%
Non-controlling interest	33	1	N.M.	34	(11)	-409.1%
Total	**(916)**	**(845)**	**8.4%**	**(2,459)**	**(2,104)**	**16.9%**

N.M. - Not Meaningful

Note 23

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	
	30 Sep 18	31 Dec 17	30 Sep 18	31 Dec 17
	S$'000	S$'000	S$'000	S$'000
Current assets	**55,078**	**62,948**	**7,835**	**7,002**
Inventories (Note 24)	15,376	19,736	-	-
Trade receivables (Note 25)	9,855	10,796	106	118
Other receivables and deposits (Note 26)	4,797	7,190	1,316	1,662
Prepayments (Note 27)	6,129	3,450	80	15
Due from subsidiaries (Note 28)	-	-	143	58
Cash and bank deposits pledged (Note 29)	8,477	7,391	3,335	3,233
Cash and cash equivalents	9,400	14,190	2,855	1,916
Tax recoverable (Note 30)	1,044	195	-	-
Non-current Assets	**12,738**	**13,254**	**37,045**	**36,807**
Property, plant and equipment (Note 31)	9,174	9,782	7,143	178
Intangible assets	17	21	14	16
Investments in subsidiaries	-	-	28,366	28,366
Investment in Associates	201	-	-	-
Investment properties (Note 31)	2,394	2,300	-	-
Long-term loans and advances to subsidiaries (Note 28)	-	-	1,522	8,247
Deferred tax assets (Note 32)	60	151	-	-
Trade receivables (Note 25)	5	6	-	-
Prepayments (Note 27)	100	176	-	-
Other receivables and deposits (Note 26)	104	113	-	-
Cash and bank deposits pledged (Note 29)	683	705	-	-
Total Assets	**67,816**	**76,202**	**44,880**	**43,809**
Current liabilities	**24,594**	**29,412**	**15,053**	**11,132**
Trade creditors (Note 33)	10,403	13,173	110	109
Other creditors and accruals (Note 34)	6,102	6,356	1,248	1,275
Deferred revenue (Note 35)	1,707	1,823	-	-
Lease obligations (Note 36)	1	18	1	5
Loans and bank borrowings (Note 37)	5,270	7,344	3,093	2,972
Due to subsidiaries (Note 28)	-	-	10,601	6,771
Tax payable (Note 38)	1,111	698	-	-
Non-current liabilities	**996**	**1,133**	**15**	**15**
Deferred tax liabilities	60	60	-	-
Provision for employee benefits	887	959	-	-
Lease obligations(Note 36)	15	15	15	15
Deferred revenue (Note 35)	34	99	-	-
Total Liabilities	**25,590**	**30,545**	**15,068**	**11,147**
Equity attributable to the owners of the parent				
Share capital	579,416	580,518	579,416	580,518
Treasury Shares (Note 39)	(3,536)	(3,779)	(3,536)	(3,779)
Accumulated losses	(520,745)	(524,213)	(536,259)	(534,343)
Other reserves	(4,224)	(4,108)	(9,032)	(8,919)
Translation reserve (Note 23)	(8,617)	(2,659)	(777)	(815)
	42,294	**45,759**	**29,812**	**32,662**
Non-controlling interest (Note 22)	(68)	(102)	-	-
Total Equity	**42,226**	**45,657**	**29,812**	**32,662**
Total liabilities and equity	**67,816**	**76,202**	**44,880**	**43,809**

Note 24

The decrease in Inventories of S$4.4 million was mainly in respect of Distribution of operator products & services and ICT distribution & managed services.

Note 25

The decrease of S$0.9 million in trade receivables was mainly in respect of Cavu group, partially offset by increase in trade receivables of Bharat IT.

Note 26

The Other Receivables and Deposits mainly included Operator's fee, GST refund, receivables on account of support services provided to a related party and balance sales conisideration consequent to disposal of certain entities of Cavu group (please also refer to Note 16 above). The decrease has primarily been in respect of Affinity group and the Company.

Note 27

The increase in prepayments was mainly in respect of Affinity group.

Note 28

The increase in amounts due to subsidiaries has mainly been on account of amounts received by the company from Affinity group and Cavu group. The decrease in loan and adavnces to subsidiaries has primarily been on account of purchase of battery electric vehicles by the company from its subsidiary, to facilitate hire purchase finance.

Note 29

The pledged deposits were primarily in respect of the company, Bharat IT, Cavu group and Affinity Group, for obtaining banking facilities.

Note 30

The increase in Tax recoverable was mainly on account of Bharat IT and Affinity group.

Note 31

Property, Plant & Equipments (PPE), primarily consisted battery electric vehicles in Singapore and building properties in Indonesia. The additions during current year, primarily in Cavu group, have been offset by depreciation charged during first nine months and transfer of a property to Investment properties. Regarding increase in PPE of the Company, please see Note 28 above.

Note 32

The deferred tax assets were in respect of Bharat IT.

Note 33

The decrease in Trade Creditors has mainly been in respect of Cavu group and Affinity group, partially offset by increase in Bharat IT.

Note 34

The decrease in other creditors and accruals was mainly in respect of the Cavu group, partially offset by increase in Affinity group and Bharat IT.

Note 35

The deferred revenue was mainly in respect of ICT Distribution & Managed services and Affinity Group.

Note 36

The Lease obligations are mainly in respect of the company.

Note 37

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 operational requirements. Pending disbursement of hire purchase finance for acquisition of certain battery electric vehicles, the Group has availed a bridge loan of S$2.9 million from one of its banks.

Note 38

The increase in tax payable was in case of Bharat IT.

Note 39

Consequent to mandate for share buyback received at EGM on 1 August 2017, renewed at AGM held on 30 April 2018, the company has been buying back its shares and till 30 September 2018, 1,536,129 shares have been bought for a consideration (excluding stamp duty and other costs) of S$4.6 million. The company has cancelled 370,924 shares valuing S$1.1 million, out of total treasury shares bought back so far.The company has been making regular announcement/s in respect of its share buy back including cancellation of treasury shares.

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

Amount repayable in one year or less, or on demand

As at 30/09/2018		As at 31/12/2017	
Secured (S$'000)	Unsecured (S$'000)	Secured (S$'000)	Unsecured (S$'000)
5,271	-	**7,362**	-

Amount repayable after one year

15	-	**15**	-

Details of any collateral

a) Subsidiaries' current assets of S$13.1 million (31/12/2017 : S$$15.6 million) and property, plant and equipment with carrying amount of S$0.6 (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$5.0 million (31/12/2017 : S$5.7 million) were given by the subsidiary to enable its subsidiaries to obtain credit facility from suppliers. Corporate guarantees of S$0.7 million were given to one of the entities of Cavu group that have been disposed during Q3 2018. Counter guarantees of equivalent amount have been obtained from the buyer of the subject entity.

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 30 Sep		Nine months ended 30 Sep	
	2018	2017	2018	2017
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Profit before taxation	**446**	**497**	**4,064**	**1,332**
Profit/ (Loss) before taxation from discontinued operations	2	(11)	(78)	(136)
Total Profit before taxation	**448**	**486**	**3,986**	**1,196**
Adjustments for:				
Depreciation and amortisation	307	218	927	669
Allowance for/ write off of doubtful non-trade debts, net	4	28	19	74
Allowance for/ write off of doubtful trade debts, net	31	108	18	249
(Reversal of)/ allowance for inventory obsolescence, net	88	104	(578)	76
Interest income from deposits	(114)	(162)	(330)	(559)
Gain on disposal of property plant and equipment	(3)	-	(14)	-
Gain on disposal of subsidiaries	(239)	-	(3,983)	-
Finance cost	72	80	418	212
Unrealised exchange differences	(940)	(797)	(1,739)	(1,678)
Fair Value Gain on Investment in Associates	(201)	-	(201)	-
Others	(32)	(128)	(72)	(70)
Operating cash flows before working capital changes	**(579)**	**(63)**	**(1,549)**	**169**
Decrease/ (Increase) in inventories	2,510	(1,262)	4,638	(2,760)
Decrease/ (Increase) in trade receivables	(1,989)	(2,105)	745	(2,552)
Decrease/ (Increase) in other receivables and deposits	580	(445)	2,243	(92)
Increase in prepayments	(1,355)	(402)	(2,642)	(1,288)
(Decrease)/ Increase in trade creditors	1,405	2,896	(2,518)	3,634
(Decrease)/ Increase in other creditors and accruals	302	(467)	56	(580)
(Decrease)/ Increase in deferred revenue	74	(405)	(3)	215
Cash (used in)/ generated from operating activities	**948**	**(2,253)**	**970**	**(3,254)**
Interest paid	(35)	(80)	(306)	(212)
Income tax paid	(187)	(229)	(878)	(463)
Net cash (used in)/ generated from operating activities	**726**	**(2,562)**	**(214)**	**(3,929)**
Cash flows from (used in) investing activities				
Interest income received from deposits	96	223	383	519
Proceeds from disposal of property, plant and equipment	(15)	246	27	269
Purchase of Intangibles	-	(18)	-	(18)
Purchase of property, plant and equipment	(136)	(1,365)	(385)	(1,538)
Disposal of certain subsidiaries of Cavu group, net of cash disposed	16	-	16	-
Net cash generated from/ (used in) investing activities	**(39)**	**(914)**	**41**	**(768)**
Cash flows from financing activities				
Placement of cash and bank deposits pledged (Note 29)	(979)	(1,113)	(1,064)	(1,413)
(Repayment of) / proceeds from loans and bank borrowings (Note 37)	654	(5,898)	(1,889)	(1,754)
Share buyback (Note 39)	(506)	(3,362)	(972)	(3,362)
Repayment of obligations under finance leases	(1)	19	(16)	1
Net cash used in financing activities	**(832)**	**(10,354)**	**(3,941)**	**(6,528)**
Net decrease in cash and cash equivalents	**(145)**	**(13,830)**	**(4,114)**	**(11,225)**
Cash and cash equivalents at the beginning of the period	9,985	29,393	14,190	27,342
Effects of exchange rate changes on the balance of cash held in foreign currencies	(440)	(226)	(676)	(780)
Cash and cash equivalents at the end of the period	**9,400**	**15,337**	**9,400**	**15,337**

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	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 period			3,163	(3)	(4,703)	**(1,543)**	0	**(1,543)**
Share Buy Back		(373)		(93)		**(466)**		**(466)**
Cancellation of Treasury Shares	(700)	700				-		-
Balance as at 30 June 2018	**579,818**	**(3,452)**	**(521,050)**	**(4,204)**	**(7,362)**	**43,750**	**(102)**	**43,648**
Total comprehensive (loss)/ income for the period			**305**	-	**(1,255)**	**(950)**	**34**	**(916)**
Share Buy Back		(486)		(20)		**(506)**		**(506)**
Cancellation of Treasury Shares	(402)	402				-		-
Balance as at 30 September 2018	**579,416**	**(3,536)**	**(520,745)**	**(4,224)**	**(8,617)**	**42,294**	**(68)**	**42,226**
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 period	-	-	240	(131)	(1,356)	**(1,247)**	(12)	**(1,259)**
Balance as at 30 June 2017	**580,518**	**-**	**(525,109)**	**(3,723)**	**(1,356)**	**50,330**	**(116)**	**50,214**
Total comprehensive (loss)/ income for the period			114	-	(970)	**(856)**	1	**(855)**
Share Buy Back		(3,293)		(68)		**(3,361)**		**(3,361)**
Revaluation surplus on disposal of properties			232	(222)		**10**	-	**10**
Balance as at 30 September 2017	**580,518**	**(3,293)**	**(524,763)**	**(4,013)**	**(2,326)**	**46,123**	**(115)**	**46,008**

	Share capital	Treasury Shares	Accumulated	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			(1,476)		3	**(1,473)**
Share Buy Back		(373)		(93)		**(466)**
Cancellation of Treasury Shares	(700)	700				-
Balance as at 30 June 2018	**579,818**	**(3,452)**	**(535,819)**	**(9,012)**	**(812)**	**30,723**
Total comprehensive (loss)/ income for the period			(440)		35	**(405)**
Share Buy Back		(486)		(20)		**(506)**
Cancellation of Treasury Shares	(402)	402				-
Balance as at 30 September 2018	**579,416**	**(3,536)**	**(536,259)**	**(9,032)**	**(777)**	**29,812**
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			(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	-	-	(1,762)	(128)	(596)	(2,486)
Balance as at 30 June 2017	**580,518**	**-**	**(535,571)**	**(8,785)**	**(596)**	**35,566**
Total comprehensive (loss)/ income for the period	-		(472)		(142)	**(614)**
Share Buy Back		(3,293)		(69)		**(3,362)**
Balance as at 30 September 2017	**580,518**	**(3,293)**	**(536,043)**	**(8,854)**	**(738)**	**31,590**

*The Group has elected to apply the transitional optional exemptions and transitional mandatory exceptions under SFRS(I) 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 SFRS(I)).

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	
	30 September 18	**30 June 18**
Issued shares at the beginning of the period	13,482,037	13,712,452
Cancellation of treasury shares	(140,509)	(230,415)
Total issued shares at the end of the period	13,341,528	13,482,037

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	
	30 Sep 18	**30 Sep 17**
Options granted under 1999 Sevak Employees' Share Option Scheme II	-	-
Options granted under 2014 Sevak Employees' Stock Option plan *	-	-

Total number of shares held as treasury shares as at 30 September 2018 were 1,165,205 (30 September 2017: 1,069,072).

Percentage (%) of number of treasury shares against total number of shares as at 30 September 2018 were 8.73% (30 September 2017: 7.80%).

Total number of subsidiary holdings as at 30 September 2018 were Nil (30 September 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 year.

Total number of issued shares excluding treasury shares as at 30 September 2018 were 12,176,323 (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.

Excess and unutilised treasury shares cancelled as at 30 September 2018 were 370,924 (31 Dec 2017 : Nil)

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.

Except as stated in Paragraph 5, 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.

The Group has elected to apply the transitional optional exemptions and transitional mandatory exceptions under SFRS(I) 1. In view of this application, the Group has adopted SFRS(I) 1-21 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 SFRS(I). A reconciling item with explanation will be disclosed in the first SFRS(I) 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 30 Sep		Nine months ended 30 Sep	
	2018	**2017**	**2018**	**2017**
Earning per ordinary share from continuing and discontinued operations for the period after deducting any provision for preference dividends:-				
i) Based on weighted average number of ordinary share in issue (S$ cent)	2.47 cents	0.84 cents	28.08 cents	2.61 cents
ii) On a fully diluted basis (S$ cent)	2.47 cents	0.84 cents	28.08 cents	2.61 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	
	30 Sep 18	**31 Dec 17**	**30 Sep 18**	**31 Dec 17**
Net asset backing per ordinary share is calculated based on 12,176,323 (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)**.	347.39 cents	366.66 cents	244.84 cents	261.72 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$68.4 million during current quarter Q3 2018 - a decrease of 23.5% over revenue of corresponding quarter Q3 2017. Distribution of Operator products and services in Indonesia declined by 23.2% during third quarter (Q3 2018) and 22.4% during first nine months (9M 2018) of the current financial year (FY 2018) ended 30 September 2018 against corresponding quarter (Q3 2017) and first nine months (9M 2017) of the preceding financial year (FY 2017) ended 30 September 2017 respectively. As anticipated, consequent to intense competition, all telecom operators in Indonesia have been 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 32.4% during Q3 2018 and 19.4% during 9M 2018 over corresponding quarter Q3 2017 and 9M 2017 respectively. To retain and grow margins, the subsidiaries engaged in this business have been focusing more on services led business. Weakening of IDR & INR against presentation currency SGD has also resulted in visibly higher reduction in revenue over corresponding period/s. 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. In beginning of current financial year, the Group had 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 period/s of preceding financial year. Correspondingly, there has been change in "Purchases and changes in inventories and direct services fee incurred".

There was decrease in operating overheads during Q3 2018/9M 2018 against Q3 2017/9M 2017.

The Group's operating earnings (before interest, depreciation, amortisation and taxation) have been S$0.3 million during Q3 2018 against S$0.7 million during corresponding Q3 2017 and operating earnings of S$0.9 million during 9M 2018 against S$1.5 million during corresponding 9M 2017, from continuing operations.

During Q3 2018, the Group completed disposal of certain entities under its Cavu group ((please also refer to announcement dated 2nd July 2018), engaged in ICT distribution and managed services and consequently recognised gain of S$0.2 million (net of recycle of translation loss of S$.06 million) on its disposal and also gain of S$0.2 million on account of fair valuatuon of remaining shares in these disposed entities turned associates. During Q2 2018, the Group had disposed off a non operating subsidiary of the Company (please also refer to announcement dated 2nd July 2018), resulting in gain, primarily on account of recycle of translation gain of S$3.7 million pertaining to the entity disposed off.

The Group earned profit before tax of S$0.4 million during Q3 2018 & S$4.1 million during 9M 2018 against S$0.5 million & S$1.3 million during corresponding Q3 2017 and 9M 2017 respectively, from continuing operations and gain/s on disposal including translation gain referred to above.

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 30 September 2018 was S$13.3 million against S$14.9 million as at 31 December 2017. Consequent to mandate for share buyback received at EGM on 1 August 2017, renewed on 30 April 2018, the company has been buying back its shares and till 30 September 2018, cumulatively 1,536,129 shares (Up to 31 December 2017 - 1,232,500 shares) have been bought for a consideration (excluding stamp duty and other costs) of S$4.6 million (Up to 31 December 2017 - S$3.8 million). The company has cancelled 370,924 treasury shares valuing S$1.1 million during current year till 30 September 2018 and consequently held 1,165,205 treasury shares valuing S$3.5 million as at 30 September 2018.

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 continues its 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. Group's continual efforts in meeting the objectives set in by one of the operators in Indonesia has yielded in renewal for one year of its clusters during the quarter.

All operators continue creating new product mix/categories and resorting to competitive pricing. This is being done to counter the challenge in the voice related business and focus more on data which is the focus going forward by the operators. The Group continues to keep a very close watch on expenses and is working with the operators to align with their strategy as always. The Gross margin remains under pressure in Indonesia business, as the Voice business continues to shrink and a shift towards data driven strategy is being implemented.

The ICT distribution & managed continues to be under margin pressure. The Cavu group is in the midst of a shift towards new services based offerings like Cloud, IOT and Server consolidation. The group continues to keep its focus on services driven business and key innovative offerings aligned to partner strategy to improve margins. The Cavu group continues to work towards large bids and Public sector and also is focusing more on annuity business.

The group had aligned its battery electric fleet (BEV) with a particular ride hailing app company. The recent merger/acquisition of two large Ride hailing app companies has created a disruption in the market and the EV fleet business of SEV also got affected. The transition period of the announced merger also affected the rides/incentive plans and the business. The transition had its challenges and this has created hurdles for the company in achieving its pre set goals.

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 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) Quarter ended 30 September 2018 S$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000) Quarter ended 30 September 2018 S$'000
Smart Global Innovations Pte. Ltd.	-	-

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 30th June 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

9 November 2018