

**Full Year Financial Statements and Dividend Announcement
for the Full Year Ended 31 December 2018**

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

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

Set out below are the financial statements for the financial year ended 31 December 2018

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2018	2017	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	31,476	24,807	26.9
Cost of Sales	(19,483)	(13,466)	44.7
Gross profit	11,993	11,341	5.7
Other Items of Income:			
Interest Income	98	154	(36.3)
Other Gains	1,000	52	1,823.0
Other Items of Expense:			
Technical Support Expenses	(3,643)	(3,069)	18.7
Distribution Costs	(1,298)	(1,290)	0.6
Administrative Expenses	(3,440)	(3,404)	1.1
Other Losses	(1,007)	(970)	3.8
Finance Costs	(27)	-	100.0
Profit Before Income Tax	3,676	2,814	30.6
Income Tax Expenses	(292)	(514)	(43.1)
Profit, Net of Tax	3,384	2,300	47.1
Profit, Net of Tax Attributable to:			
Owners of the Company	2,341	1,166	100.7
Non-Controlling Interests	1,043	1,134	(8.1)
Profit, Net of Tax	3,384	2,300	47.1

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2018	2017	Inc/(dec)
	S\$'000	S\$'000	%
Profit, Net of Tax	3,384	2,300	47.1
Other Comprehensive Income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	13	887	98.5
Total Comprehensive Income for the year	3,397	3,187	6.6
Total Comprehensive Income for the year Attributable to:			
Owners of the Company	2,370	1,970	20.3
Non-Controlling interest	1,027	1,217	(15.6)
Total Comprehensive Income for the year	3,397	3,187	6.6

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

	Group		
	12 months ended 31 December		
	2018	2017	Incl/(dec)
	S\$'000	S\$'000	%
Profit before income tax is stated after (charging)/crediting the following items:			
Reversal of Payables	-	38	(100.0)
Fair Value Gain/(Loss) on Investments	888	(351)	353.0
Gain on Disposal of Investment	77	-	100.0
Loss on Disposal of Plant and Equipment	-	(1)	(100.0)
Foreign Exchange Loss, net	(120)	(590)	(79.7)
Amortisation of Intangible Assets	(483)	(540)	(10.6)
Depreciation of Plant and Equipment	(527)	(512)	2.9
Write-down of Inventories	(5)	(1)	360.4
Impairment Loss on Receivables	-	(6)	100.0
Impairment Loss on Intangible Assets	(12)	-	100.0
Impairment Loss on Investment Property	(354)	-	100.0
Impairment Loss on Goodwill	(500)	-	100.0
Inventories Written-Off	-	(3)	(100.0)
Components of tax expense recognised in profit and loss include:			
Current Tax Expenses	(738)	(1,137)	(35.1)
Deferred Tax Income	639	673	(5.1)
Over adjustments in respect of prior years	29	13	123.1
Overseas Withholding Tax Expenses	(222)	(63)	252.4

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Statements of Financial Position

	Group	Group	Company	Company
	As at	As at	As at	As at
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-Current Assets				
Plant and Equipment	1,825	1,694	-	-
Investment Property	2,305	2,660	-	-
Intangible Assets	11,050	11,646	-	-
Investments in Subsidiaries	-	-	33,892	32,734
Investment in an Associate	2,255	1,860	-	-
Other Financial Assets	8,948	7,439	-	-
Deferred Tax assets	1,313	933	-	-
Total Non-Current Assets	27,696	26,232	33,892	32,734
Current assets				
Inventories	488	45	-	-
Trade and Other Receivables	16,549	17,035	9,205	7,848
Other Assets	2,330	3,346	4	4
Cash and Cash Equivalents	8,686	7,391	1,150	1,231
Total Current Assets	28,053	27,817	10,359	9,083
Total Assets	55,749	54,049	44,251	41,817
EQUITY AND LIABILITIES				
Equity				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	15,371	13,429	10,055	8,784
Foreign Currency Translation Reserve	(8,293)	(8,322)	-	-
Equity, Attributable to Owners of the Parent	39,026	37,055	42,003	40,732
Non-Controlling Interest	4,080	3,151	-	-
Total Equity	43,106	40,206	42,003	40,732
Non-Current Liabilities				
Deferred Tax Liabilities	53	305	-	-
Total Non-Current Liabilities	53	305	-	-
Current Liabilities				
Income Tax Payables	102	359	-	-
Trade and Other Payables	7,047	11,604	2,248	1,085
Other Liabilities	3,423	1,575	-	-
Borrowings	2,018	-	-	-
Total Current Liabilities	12,590	13,538	2,248	1,085
Total Liabilities	12,643	13,843	2,248	1,085
Total Equity and Liabilities	55,749	54,049	44,251	41,817

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

Amount repayable in one year or less, or on demand

Group		Group	
As at 31/12/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,018	-	-	-

Amount repayable after one year

Group		Group	
As at 31/12/2018		As at 31/12/2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Details of any collateral

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

- 1) A facility with outstanding amount of S\$1,722,000, that is secured by an asset of the subsidiary and corporate guarantee of the company of S\$2,973,000 (2017: Nil); and
- 2) A facility with outstanding amount of S\$296,000, that is secured by fixed deposits of the subsidiary amounting to approximately \$2,536,000 and covered by a personal guarantee of a director of the subsidiary, and corporate guarantee of the company of \$505,000 (2017: \$505,000).

As at the end of the financial year, the outstanding facilities covered by the guarantee were S\$2,018,000 (2017: Nil).

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

Consolidated Statement of Cash Flow

	Group	
	12 months ended 31 December	
	2018	2017
	S\$'000	S\$'000
Operating activities:		
Profit Before Income Tax	3,676	2,814
Adjustments for:		
Amortisation of Intangible Assets	483	540
Depreciation of Plant and Equipment	527	512
Loss on Disposal of Plant and Equipment	-	1
Gain on Disposal of Investment	(77)	-
Fair Value (Gain)/Loss on Investments	(888)	351
Reversal of Payables	-	(38)
Write-down of Inventories	5	1
Inventories Written Off	-	3
Impairment Loss on Investment Property	354	-
Impairment Loss on Intangible Assets	12	-
Impairment Loss on Goodwill	500	-
Impairment Loss on Receivables	-	6
Interest Expense	27	-
Interest Income	(98)	(154)
Operating Cash Flow before Changes in Working Capital	4,521	4,036
Inventories	(448)	(29)
Trade and Other receivables	427	59
Other Assets	1,016	(2,762)
Trade and Other payables	(4,586)	2,920
Other Liabilities	1,848	(426)
Net Cash Flows From Operations	2,778	3,798
Income Tax Paid	(1,102)	(1,171)
Net Cash Flows From Operating Activities	1,676	2,627
Cash Flows From Investing Activities:		
Purchase of Plant and Equipment	(694)	(950)
Investment in an Associate	(612)	(305)
Proceeds From Disposal of Investment	764	-
Other Financial Assets	(940)	(2,445)
Payment for Development Costs	(401)	(270)
Interest Income Received	98	154
Net Cash Flows Used in Investing Activities	(1,785)	(3,816)
Cash Flows From Financing Activities:		
Dividend Paid by a Subsidiary to Non-Controlling Interest	(98)	(471)
Dividend Paid to Equity Owners	(399)	(799)
Cash Restricted in Use	(554)	(1,139)
Proceeds from Interest Bearing Borrowings	2,506	-
Repayment of Interest Bearing Borrowings	(488)	-
Interest Expenses Paid	(27)	-
Net Cash Flows From/(Used in) Financing Activities	940	(2,409)
Net Change in Cash and Cash Equivalents	831	(3,598)
Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)	5,266	8,096
Effect of Exchange Rate Changes On Cash and Cash Equivalents	(86)	768
Cash and Cash Equivalents At End of the Financial Year (Note 1)	6,011	5,266

Explanatory Notes:

Note 1

	Group	
	12 months ended 31 December	
	2018	2017
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	8,686	7,391
Less: Restricted Deposits	(2,675)	(2,125)
Cash and cash equivalents per consolidated statement of cash flows	6,011	5,266

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of Changes in Equity for the year ended 31 December 2018

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non- Controlling Interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current Year:						
Group						
Opening Balance at 1 January 2018	40,206	37,055	31,948	13,429	(8,322)	3,151
Total Comprehensive Income for the financial year	3,397	2,370	-	2,341	29	1,027
Dividend Paid	(497)	(399)	-	(399)	-	(98)
Closing Balance at 31 December 2018	43,106	39,026	31,948	15,371	(8,293)	4,080
Company						
Opening Balance at 1 January 2018	40,732	40,732	31,948	8,784	-	-
Total Comprehensive Income for the financial year	1,670	1,670	-	1,670	-	-
Dividend Paid	(399)	(399)	-	(399)	-	-
Closing Balance at 31 December 2018	42,003	42,003	31,948	10,055	-	-

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

Statements of Changes in Equity for the year ended 31 December 2017

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non- Controlling Interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Previous Year:						
Group						
Opening Balance at 1 January 2017	38,289	35,884	31,948	13,062	(9,126)	2,405
Total Comprehensive Income for the financial year	3,187	1,970	-	1,166	804	1,217
Dividend Paid	(1,270)	(799)	-	(799)	-	(471)
Closing Balance at 31 December 2017	40,206	37,055	31,948	13,429	(8,322)	3,151
Company						
Opening Balance at 1 January 2017	38,592	38,592	31,948	6,644	-	-
Total Comprehensive Income for the financial year	2,939	2,939	-	2,939	-	-
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 31 December 2017	40,732	40,732	31,948	8,784	-	-

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous financial year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

None

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year.

	Company	
	As at 31/12/2018	As at 31/12/2017
Ordinary share	31,957,264	31,957,264

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

Not applicable.

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

These figures have neither been audited nor reviewed.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current period as those applied in their audited financial statements for the year ended 31 December 2017, except as disclosed in paragraph 5 below.

The Group and the Company have also adopted all new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and the Interpretations to SFRS(I)s ("SFRS(I) INT") that are effective for the year beginning on 1 January 2018. The adoption of these SFRS(I) and SFRS(I) INT does not have any significant effect on the financial performance or position of the Group and Company.

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements.

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

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and the related Interpretations to SFRS(I)s ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2018. The adoption of these SFRS(I) and SFRS(I) INT did not result in any significant impact on the financial statements of the Group.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	12 months ended 31 December	
	2018	2017
	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	7.32	3.65
On fully diluted basis (detailing any adjustments made to the earnings) ⁽²⁾	n.a	n.a

n.a.: not applicable

⁽¹⁾ For comparative purposes, the earnings per ordinary share of the Group has been computed based on the profit, net of tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 31,957,264 shares for financial period ended 31 December 2018 and 2017.

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

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.

	As at 31/12/2018		As at 31/12/2017	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	122.12	131.43	115.95	127.46

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

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

Review of results for the financial year ended 31 December 2018 as compared to corresponding financial year ended 31 December 2017

Group Revenue

The Group achieved consolidated revenue of S\$31.476 million for the financial year ended 31 December 2018 ("2018"), an increase of 26.9% against the revenue recorded in the corresponding financial year ended 31 December 2017 ("2017"). The increase in Group revenue for 2018 is attributable to the improved revenue performance of GlobeOSS.

GlobeOSS posted revenue of S\$19.673 million in 2018, an increase of 50.3% from the S\$13.088 million recorded in 2017. This improvement in revenue was driven by higher revenues from both system sale and managed service contracts.

Unifiedcomms posted revenue of S\$11.803 million in 2018, a slight increase of 0.7% from the S\$11.719 million recorded in 2017.

The Group's sales mix in 2018 showed a decrease in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 45.7% of the Group's total revenue in 2018 as compared to 53.5% in 2017. The lower contribution of managed service contracts to the Group's sales mix in 2018 was mainly contributed by the improvement in system sale contract revenues of the Group mainly contributed by GlobeOSS, which had increased 48.1% from S\$11.541 million in 2017 to S\$17.091 million in 2018.

Gross Profit and Gross Profit Margins

The Group posted gross profit of S\$11.993 million in 2018, an increase of 5.7% from the S\$11.341 million recorded in 2017. Gross profit margin was however lower at 38.1%, compared to 45.7% achieved in 2017. This was primarily due to lower gross profit margin realised on Group's system sale contract revenues, which declined from 35.6% in 2017 to 25.2% in 2018. The decline in gross profit margin is mainly attributable to the higher proportionate contribution of system sale contract revenues by GlobeOSS, which generally delivers lower gross profit margin as a result of its typically higher third party costs.

Gross profit margin recorded by the Group on its managed service contract revenues also decreased slightly to 53.5% in 2018 from 54.5% in 2017. This decrease in gross profit margin was mainly due to higher third-party costs on certain managed service contracts.

Interest Income

The Group recorded interest income of S\$0.098 million in 2018, 36.3% lower against the S\$0.154 million recorded in 2017. This is mainly attributable to lower cash and cash equivalents as a result of on-going investment in other financial assets by the Group's venture investment subsidiary, Captii Ventures Pte Ltd.

Other gains

The Group recorded other gains of S\$1 million in 2018, 1,823% higher against the S\$0.052 million recorded in 2017. This is mainly attributable to fair value gain assessed on the Group's venture investment portfolio, and gain on disposal of a venture investment.

Other Items of Expense

The Group recorded total expenses of S\$9.415 million in 2018, 7.8% higher than the S\$8.733 million incurred in 2017. This is mainly attributable to:-

- * Higher technical support expenses recorded in 2018, due to an increase in technical support headcounts;
- * Impairment loss on goodwill of S\$0.5 million relating to the acquisition of Ahead Mobile Sdn Bhd, that are now believed to produce lower than expected profitability; and returns; and
- * Impairment loss of S\$0.354 million on investment property following the open market valuation conducted by an independent professional valuer.

The increase in operating expenses was partly mitigated by:-

- * Lower foreign exchange loss recorded in 2018, as a result of a favourable exchange rate movement of USD and MYR against SGD, the Group's reporting currency; and
- * Absence of fair value loss of S\$0.351 million assessed on the Group's venture investment portfolio.

Net Profit and EBITDA

The Group recorded higher net profit of S\$3.384 million and EBITDA of S\$4.615 million in 2018 as compared to S\$2.300 million in net profit and S\$3.712 million in EBITDA recorded by the Group in 2017. The higher net profit and EBITDA results recorded in 2018 are mainly attributable to the flow-down effects of higher revenue and higher other income recorded in 2018.

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

Review of results for the financial year ended 31 December 2018 as compared to corresponding financial year ended 31 December 2017 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

The detailed segmental breakdown of the Group's revenue and gross profit for 2018, together with comparative results for 2017 is provided below:

Table 8.1: Group revenue as analysed by business unit for the financial year ended 31 December

	2018 S\$'000	Sales mix %	2017 S\$'000	Sales mix %
Unifiedcomms	11,803	37.5	11,719	47.2
GlobeOSS	19,673	62.5	13,088	52.8
Captii Ventures	-	-	-	-
Others	-	-	-	-
Total	31,476	100.0	24,807	100.0

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

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

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

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

Table 8.2: Group revenue as analysed by geographical segment for the financial year ended 31 December

External Sales	2018			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	10,700	19,659	-	30,359
South Asia (SA)	724	-	-	724
Middle East & Africa (MEA)	379	-	-	379
Others	-	14	-	14
Total	11,803	19,673	-	31,476

External Sales	2017			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	10,474	13,072	-	23,546
SA	800	-	-	800
MEA	445	-	-	445
Others	-	16	-	16
Total	11,719	13,088	-	24,807

Table 8.3: Group revenue as analysed by contract type for the financial year ended 31 December

External Sales	2018			2017		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	17,091	14,385	31,476	11,541	13,266	24,807
Gross Profit	4,303	7,690	11,993	4,105	7,236	11,341
Gross Profit (%)	25.2%	53.5%	38.1%	35.6%	54.5%	45.7%

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

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

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

Review of the Group's financial position as at 31 December 2018 as compared to the Group's financial position as at 31 December 2017

Non-cash current assets of the Group decreased from \$20.426 million as at 31 December 2017 to S\$19.367 million as at 31 December 2018. This 5.2% decrease in non-cash current assets was mainly due to decrease in trade and other receivables, and other asset as a result of collection received in 2018 relating to trade receivables and other assets from late 2017.

Total non-current assets of the Group increased from S\$26.232 million as at 31 December 2017 to S\$27.696 million as at 31 December 2018. This 5.6% increase in non-current assets is mainly attributable to increase in investment in other financial assets and an associate, made by the Group's venture investment subsidiary, Captii Ventures Pte Ltd. The increase was however partly offset by the impairment loss on goodwill (classified as intangible assets) amounting to S\$0.5 million.

Total liabilities of the Group decreased from S\$13.843 million as at 31 December 2017 to S\$12.643 million as at 31 December 2018. This 8.7% decrease in total liabilities is attributable to the decrease in trade and other payables, following repayment made accordingly to the vendors. This impact was partly mitigated by increase in other liabilities.

Review of the Group's cash flow for the financial year ended 31 December 2018 as compared to the corresponding financial year ended 31 December 2017

The Group's net cash flow from operations for 2018 was S\$2.778 million, as compared to S\$3.798 million for 2017, a decrease of 26.9%. This decrease was primarily due to higher working capital incurred of S\$1.743 million for 2018, as compared to S\$0.238 million for 2017, which was mainly caused by higher repayment to trade payables in 2018 as compared to 2017.

The Group's net cash flow used in investing activities for 2018 was S\$1.785 million, as compared to S\$3.816 million for 2017. The lower net cash used in investing activities was mainly due to the lower volume of venture investments and investment in plant and equipment for new managed service contracts made in 2018, as compared to 2017.

The Group's net cash flow from financing activities for 2018 was S\$0.94 million, in contrast with the net cash flow used in financing activities of S\$2.409 million for 2017. This increase was mainly due to:-

- * Proceeds from borrowings;
- * Lower restricted deposits placed as performance bond in connection with new system sale contracts awarded; and
- * Lower dividend payout to both equity holders of the Company and Non-Controlling Interest.

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

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

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The directors and management of the Group expect the financial year 2019 to be challenging but remain optimistic about growth prospects.

Although the growth in system sale business of GlobeOSS in 2017 and 2018 had significantly augmented the slower than desired growth of the Group's managed service contract portfolio, uncertainty and hence lumpiness is still to be expected in the contribution of system sale contracts to the Group's future results.

The need for management to continue to strengthen the Group's managed service contract portfolio and to continue to grow its venture investment portfolio as the basis for delivering steady, if not rapid yet sustainable future growth, remains.

The growing interest and opportunity in internet-driven application services for enterprises, fintech as well as internet and handset-app delivered digital media will guide the Group's venture investment activities. The Group's venture investment plans in the year ahead will continue to focus primarily on these growth businesses in the SEA region and will complement the organic growth strategy in place for the Unifiedcomms and GlobeOSS businesses.

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

An interim dividend has been declared on 14 August 2018 and paid out on 18 September 2018.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	1.25 Singapore Cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	2.5 Singapore Cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

13. Interested Person Transactions

Name of the Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	12 months ended 31 December		12 months ended 31 December	
	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000
AESBI Power Systems Sdn Bhd *	241	229	Nil	Nil

* A wholly-owned subsidiaries of Advance Synergy Capital Sdn. Bhd. (a wholly-owned subsidiary of Advance Synergy Berhad, the Group's ultimate holding corporation)

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

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

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Financial year ended 31 December 2018

	Unifiedcomms	GlobeOSS	Captii Ventures	Others	Elimination	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
-external	11,803	19,673	-	-	-	31,476
-inter-segment	-	541	-	5,161	(5,702)	-
	11,803	20,214	-	5,161	(5,702)	31,476
Cost of Sales	(7,341)	(14,986)	-	(50)	2,894	(19,483)
Gross Profit	4,462	5,228	-	5,111	(2,808)	11,993
Other Items of Income:						
Interest Income	24	74	-	-	-	98
Other Gains	120	-	1,115	710	(945)	1,000
Other Item of Expenses:						
Technical Support Expenses	(1,291)	(1,386)	-	(1,093)	127	(3,643)
Distribution Costs	(705)	(550)	-	(459)	416	(1,298)
Administrative Expenses	(1,992)	(568)	(536)	(1,416)	1,072	(3,440)
Other Losses	(777)	(64)	-	(359)	193	(1,007)
Finance Costs	(23)	(4)	-	-	-	(27)
Profit/(Loss) Before Income Tax	(182)	2,730	579	2,494	(1,945)	3,676
Income Tax Expenses	85	(603)	305	(79)	-	(292)
Profit/(Loss), Net of Tax	(97)	2,127	884	2,415	(1,945)	3,384
Profit/(Loss) for the Year Attributable to:						
Owners of the Company	(97)	1,084	884	2,415	(1,945)	2,341
Non-Controlling Interest	-	1,043	-	-	-	1,043
Profit/(Loss) for the year	(97)	2,127	884	2,415	(1,945)	3,384
Other information						
Impairment Loss on Intangible assets	(12)	-	-	-	-	(12)
Impairment Loss on Investment Property	-	-	-	(354)	-	(354)
Impairment Loss on Goodwill	(500)	-	-	-	-	(500)
Depreciation of Plant and Equipment	(542)	(45)	-	(7)	67	(527)
Amortisation of Intangible Assets	(579)	-	-	-	96	(483)
Gain on Disposal of Investments	-	-	77	-	-	77
Fair Value Gain on Investments	-	-	888	-	-	888
Segment Assets	30,594	15,423	11,213	54,263	(57,057)	54,436
Unallocated Assets						1,313
Consolidated Total Assets						55,749
Segment Liabilities	11,027	7,277	8,882	5,652	(20,248)	12,590
Unallocated Liabilities						53
Consolidated Total Liabilities						12,643
Other Segment Items						
Capital Expenditure						
- Plant and Equipment	638	111	-	4	(59)	694
- Development Costs	430	-	-	-	(29)	401

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (continued)

Financial year ended 31 December 2017

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	11,719	13,088	-	-	-	24,807
-inter-segment	-	519	-	7,107	(7,626)	-
	11,719	13,607	-	7,107	(7,626)	24,807
Cost of Sales	(7,221)	(9,098)	-	(48)	2,901	(13,466)
Gross Profit	4,498	4,509	-	7,059	(4,725)	11,341
Other Items of Income:						
Interest Income	67	78	-	9	-	154
Other Gains	115	64	6	50	(183)	52
Other Item of Expenses:						
Technical Support Expenses	(1,122)	(1,072)	-	(1,093)	218	(3,069)
Distribution Costs	(732)	(416)	-	(454)	312	(1,290)
Administrative Expenses	(1,888)	(544)	(465)	(1,291)	784	(3,404)
Other Losses	(261)	(6)	(639)	(133)	69	(970)
Profit/(Loss) Before Income Tax	677	2,613	(1,098)	4,147	(3,525)	2,814
Income Tax Expenses	(189)	(302)	195	(92)	(126)	(514)
Profit/(Loss), Net of Tax	488	2,311	(903)	4,055	(3,651)	2,300
Profit/(Loss) for the Year Attributable to:						
Owners of the Company	488	1,177	(903)	4,055	(3,651)	1,166
Non-Controlling Interest	-	1,134	-	-	-	1,134
Profit/(Loss) for the year	488	2,311	(903)	4,055	(3,651)	2,300
Other information						
Depreciation of Plant and Equipment	(516)	(33)	-	(7)	44	(512)
Amortisation of Intangible Assets	(669)	-	-	-	29	(540)
Fair Value Loss on Investments	-	-	(351)	-	-	(351)
Segment Assets	27,973	16,584	9,300	51,557	(52,298)	53,116
Unallocated Assets						933
Consolidated Total Assets						54,049
Segment Liabilities	9,393	10,549	7,547	4,985	(18,936)	13,538
Unallocated Liabilities						305
Consolidated Total Liabilities						13,843
Other Segment Items						
Capital Expenditure						
- Plant and Equipment	1,005	62	-	3	(120)	950
- Development Costs	280	-	-	-	(10)	270

	Group							
	Revenue		Total assets		Non-current assets		Capital expenditure	
	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000
SEA	30,359	23,546	51,262	49,675	26,267	25,145	1,073	1,170
SA	724	800	523	507	116	154	22	50
MEA	379	445	99	133	-	-	-	-
Others	14	16	2,552	2,801	-	-	-	-
	31,476	24,807	54,436	53,116	26,383	25,299	1,095	1,220
Unallocated assets			1,313	933	1,313	933		
			55,749	54,049	27,696	26,232		

The Group has from 2010 onwards changed its geographical segments into four main areas comprising SEA, SA, MEA and Others. In 2009, Others represented Greater China, North America and other countries outside of SEA, SA and MEA.

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

Unifiedcomms recorded a loss after tax in 2018, in contrast with the profit after tax in 2017, which was mainly due to higher other losses, mainly from the impairment loss on goodwill.

GlobeOSS achieved a increase in revenue was mainly contributed by higher revenues from both system sale and managed service contracts in SEA region. However lower profit after tax in 2018 versus that recorded in 2017, as a result of lower gross profit margin and higher technical support expenses.

Captii Ventures recorded a profit after tax in 2018, in contrast with the loss after tax in 2017. This was mainly attributable to a fair value gain on its venture investment portfolio as compared to a fair value loss recorded in 2017, and gain on disposal of a venture investment.

Others recorded a decline in profit after tax in 2018 as compared to in 2017, which is mainly attributable to significantly lower dividend income from its subsidiaries, which had no impact on the Group's financial performance.

For further information, please refer to note 8.

16. A breakdown of sales.

	Group		
	12 months ended 31 December		
	2018	2017	Inc/(dec)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	13,669	9,351	46.2
(b) Profit, net of tax, before deducting non-controlling interest reported for first half year	1,068	926	15.3
(c) Sales reported for second half year	17,807	15,456	15.2
(d) Profit, net of tax, before deducting non-controlling interest reported for second half year	2,316	1,374	68.6

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

	Total annual dividend	
	2018	2017
	S\$'000	S\$'000
Interim dividend to ordinary share	399	799

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company hereby confirms that as at the date of this announcement, to the best of its knowledge, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a Director or Chief Executive Office or Substantial Shareholder of the Company.

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

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

On behalf of the Board of Directors

Wong Tze Leng
Executive Chairman

Anton Syazi Ahmad Sebi
Executive Director

BY ORDER OF THE BOARD

Wong Tze Leng
Executive Chairman
26 February 2019