

**Full Year Financial Statements and Dividend Announcement
for the Full Year Ended 31 December 2019**

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 2019

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2019	2018	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	23,813	31,476	(24.3)
Cost of Sales	(11,393)	(19,483)	(41.5)
Gross profit	12,420	11,993	3.6
Other Items of Income:			
Interest Income	149	98	52.0
Other Gains	498	1,000	(50.2)
Other Items of Expense:			
Technical Support Expenses	(4,477)	(3,643)	22.9
Distribution Costs	(1,113)	(1,298)	(14.3)
Administrative Expenses	(3,283)	(3,440)	(4.6)
Other Losses	(496)	(1,007)	(50.7)
Finance Costs	(140)	(27)	418.5
Profit Before Income Tax	3,558	3,676	(3.2)
Income Tax Expenses	(691)	(292)	136.4
Profit, Net of Tax	2,867	3,384	(15.3)
Profit, Net of Tax Attributable to:			
Owners of the Company	2,076	2,341	(11.4)
Non-Controlling Interests	791	1,043	(24.2)
Profit, Net of Tax	2,867	3,384	(15.3)

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2019	2018	Inc/(dec)
	S\$'000	S\$'000	%
Profit, Net of Tax	2,867	3,384	(15.3)
Other Comprehensive Income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	45	13	239.7
Total Comprehensive Income for the year	2,912	3,397	(14.3)
Total Comprehensive Income for the year Attributable to:			
Owners of the Company	2,127	2,370	(10.3)
Non-Controlling interest	785	1,027	(23.7)
Total Comprehensive Income for the year	2,912	3,397	(14.3)

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

	Group		
	12 months ended 31 December		
	2019	2018	Incl/(dec)
	S\$'000	S\$'000	%
Profit before income tax is stated after (charging)/crediting the following items:			
Fair Value Gain on Investments	436	888	(50.9)
Gain on Disposal of Investment	-	77	(100.0)
Foreign Exchange Loss, net	(248)	(120)	106.7
Amortisation of Intangible Assets	(459)	(483)	(4.9)
Depreciation of Plant and Equipment	(655)	(527)	24.3
Write-down of Inventories	(1)	(5)	(80.0)
Impairment Loss on Plant and Equipment	(220)	-	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)
Components of tax expense recognised in profit and loss include:			
Current Tax Expenses	(705)	(738)	(4.4)
Deferred Tax Income	104	639	(83.8)
Over adjustments in respect of prior years	16	29	(45.0)
Overseas Withholding Tax Expenses	(106)	(222)	(52.2)

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
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-Current Assets				
Plant and Equipment	1,690	1,825	-	-
Investment Property	2,301	2,305	-	-
Intangible Assets	10,888	11,050	-	-
Investments in Subsidiaries	-	-	34,778	33,892
Investment in an Associate	-	2,255	-	-
Other Financial Assets	12,073	8,948	-	-
Deferred Tax assets	1,362	1,313	-	-
Trade and Other Receivables	599	-	-	-
Total Non-Current Assets	28,913	27,696	34,778	33,892
Current assets				
Inventories	4	488	-	-
Trade and Other Receivables	11,861	13,045	9,678	9,205
Other Assets	3,073	5,834	4	4
Cash and Cash Equivalents	10,173	8,686	282	1,150
Total Current Assets	25,111	28,053	9,964	10,359
Total Assets	54,024	55,749	44,742	44,251
EQUITY AND LIABILITIES				
Equity				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	17,048	15,371	10,501	10,055
Foreign Currency Translation Reserve	(8,242)	(8,293)	-	-
Equity, Attributable to Owners of the Parent	40,754	39,026	42,449	42,003
Non-Controlling Interest	4,655	4,080	-	-
Total Equity	45,409	43,106	42,449	42,003
Non-Current Liabilities				
Deferred Tax Liabilities	-	53	-	-
Total Non-Current Liabilities	-	53	-	-
Current Liabilities				
Income Tax Payables	344	102	-	-
Trade and Other Payables	4,688	7,047	2,293	2,248
Other Liabilities	1,931	3,423	-	-
Borrowings	1,652	2,018	-	-
Total Current Liabilities	8,615	12,590	2,293	2,248
Total Liabilities	8,615	12,643	2,293	2,248
Total Equity and Liabilities	54,024	55,749	44,742	44,251

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 31/12/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,652	-	2,018	-

Amount repayable after one year

Group		Group	
As at 31/12/2019		As at 31/12/2018	
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\$1,479,000 (2018: S\$1,722,000), that is secured by an asset of the subsidiary and corporate guarantee of the company of S\$2,959,000 (2018: S\$2,973,000);
- 2) A facility with outstanding amount of Nil (2018: S\$296,000), that is secured by fixed deposits of the subsidiary amounting to approximately \$2,295,000 and covered by a personal guarantee of a director of the subsidiary, and corporate guarantee of the company of \$2,012,000 (2018: \$2,016,000); and
- 3) A facility with outstanding amount of S\$173,000 (2018: Nil), that is secured by an asset of the subsidiary and corporate guarantee of the company of S\$1,315,000 (2018: Nil).

As at the end of the financial year, the outstanding facilities covered by the guarantee were S\$1,652,000 (2018: S\$2,018,000).

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	
	2019	2018
	S\$'000	S\$'000
Operating activities:		
Profit Before Income Tax	3,558	3,676
Adjustments for:		
Amortisation of Intangible Assets	459	483
Depreciation of Plant and Equipment	655	527
Gain on Disposal of Investment	-	(77)
Fair Value Gain on Investments	(436)	(888)
Write-down of Inventories	1	5
Impairment Loss on Investment Property	-	354
Impairment Loss on Plant and Equipment	220	-
Impairment Loss on Intangible Assets	-	12
Impairment Loss on Goodwill	-	500
Interest Expense	140	27
Interest Income	(149)	(98)
Operating Cash Flow before Changes in Working Capital	4,448	4,521
Inventories	483	(448)
Trade and Other receivables	587	(816)
Other Assets	2,760	2,259
Trade and Other payables	(2,368)	(4,586)
Other Liabilities	(1,492)	1,848
Net Cash Flows From Operations	4,418	2,778
Income Tax Paid	(545)	(1,102)
Net Cash Flows From Operating Activities	3,873	1,676
Cash Flows From Investing Activities:		
Purchase of Plant and Equipment	(767)	(694)
Investment in an Associate	-	(612)
Redemption of Investment	116	-
Proceeds From Disposal of Investment	-	764
Other Financial Assets	(628)	(940)
Payment for Development Costs	(305)	(401)
Interest Income Received	149	98
Net Cash Flows Used in Investing Activities	(1,435)	(1,785)
Cash Flows From Financing Activities:		
Dividend Paid by a Subsidiary to Non-Controlling Interest	(210)	(98)
Dividend Paid to Equity Owners	(399)	(399)
Cash Restricted in Use	73	(554)
Proceeds from Interest Bearing Borrowings	478	2,506
Repayment of Interest Bearing Borrowings	(1,014)	(488)
Interest Expenses Paid	(140)	(27)
Net Cash Flows (Used in)/From Financing Activities	(1,212)	940
Net Change in Cash and Cash Equivalents	1,226	831
Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)	6,011	5,266
Effect of Exchange Rate Changes On Cash and Cash Equivalents	161	(86)
Cash and Cash Equivalents At End of the Financial Year (Note 1)	7,398	6,011

Explanatory Notes:

Note 1

	Group	
	12 months ended 31 December	
	2019	2018
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	10,173	8,686
Bank overdrafts	(173)	-
Less: Restricted Deposits	(2,602)	(2,675)
Cash and cash equivalents per consolidated statement of cash flows	7,398	6,011

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 2019

	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 2019	43,106	39,026	31,948	15,371	(8,293)	4,080
Total Comprehensive Income for the financial year	2,912	2,127	-	2,076	51	785
Dividend Paid	(609)	(399)	-	(399)	-	(210)
Closing Balance at 31 December 2019	45,409	40,754	31,948	17,048	(8,242)	4,655
Company						
Opening Balance at 1 January 2019	42,003	42,003	31,948	10,055	-	-
Total Comprehensive Income for the financial year	845	845	-	845	-	-
Dividend Paid	(399)	(399)	-	(399)	-	-
Closing Balance at 31 December 2019	42,449	42,449	31,948	10,501	-	-

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 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
Previous 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)(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 31/12/2019	As at 31/12/2018
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 2018, except as disclosed in paragraph 5 below.

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 2019. 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	
	2019	2018
	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	6.50	7.32
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 year ended 31 December 2019 and 31 December 2018.

⁽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 31/12/2019		As at 31/12/2018	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	127.53	132.83	122.12	131.43

⁽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 2019 as compared to corresponding financial year ended 31 December 2018

Group Revenue

The Group recorded consolidated revenue of S\$23.813 million for the financial year ended 31 December 2019 ("2019"), a decrease of 24.3% against the revenue achieved in the corresponding financial year ended 31 December 2018 ("2018"). The decline in Group revenue for 2019 is attributable to lower revenue recorded by GlobeOSS.

GlobeOSS recorded revenue of S\$10.876 million in 2019, a decrease of 44.7% from the S\$19.673 million recorded in 2018. This decrease in revenue was due to lower system sale contract revenues as a result of uncertainty and lumpiness in the contribution of system sale contracts, coupled by delay in the award of new system sale contracts.

In contrast, Unifiedcomms posted revenue of S\$12.937 million in 2019, an increase of 9.6% from the S\$11.803 million recorded in 2018. This improvement in revenue was driven by higher system sale revenues.

The Group's sales mix in 2019 showed a higher proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 60.8% of the Group's total revenue in 2019 as compared to 45.7% in 2018. The higher contribution of managed service contracts to the Group's sales mix in 2019 was mainly due to lower system sale contract revenues from GlobeOSS, which had decreased 45.3% from S\$17.091 million in 2018 to S\$9.345 million in 2019.

Gross Profit and Gross Profit Margins

Although Group revenue was lower in 2019, gross profit was higher at S\$12.42 million as compared to S\$11.993 million recorded in 2018. This is attributable to the higher gross profit margin of 52.2% in 2019 against 38.1% in 2018, which was driven by higher gross profit margin on system sale contract revenues. This is attributable to the higher proportionate contribution of system sale contract revenues by Unifiedcomms to Group revenue, which generally delivers higher gross profit margins.

Gross profit margin recorded by the Group on its managed service contract revenues decreased to 51% in 2019 from 53.5% in 2018. 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\$0.149 million in 2019, 52% higher against the S\$0.098 million recorded in 2018, as a result of higher bank balances in this reporting year.

Other gains

The Group recorded other gains of S\$0.498 million in 2019, 50.2% lower than the S\$1 million recorded in 2018. This is mainly attributable to lower fair value gain assessed on the Group's venture investment portfolio.

Other Items of Expense

The Group recorded total expenses of S\$9.509 million in 2019, 1% higher than the S\$9.415 million incurred in 2018. This marginal increase in total expenses was a result of the following items' movement:-

- * Net increase in technical support and distribution expenses due to changes in headcount;
- * Higher depreciation of right-of-use asset over the remaining term of the lease, due to the effect on the adoption of SFRS(I) 16 Leases. This increase was offset by the reduction in rental expenses;
- * Lower other losses as a result of absence of impairment loss on goodwill and investment property. This decrease was partly offset by i) Impairment loss on plant and equipment for certain managed service contracts which produced lower than expected returns; and ii) Higher net foreign exchange loss as a result of unfavourable exchange movement of USD against SGD; and
- * Higher finance costs on borrowings.

Net Profit and EBITDA

The Group recorded net profit of S\$2.867 million in 2019, 15.3% lower than the S\$3.384 million recorded in 2018. This is mainly attributable to the lower other gains and deferred tax asset recorded in 2019, though partly mitigated by higher gross profit.

In contrast with the above, the Group recorded EBITDA of S\$4.663 million in 2019, 1% slightly higher than the S\$4.615 million 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 2019 as compared to corresponding financial year ended 31 December 2018 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

The detailed segmental breakdown of the Group's revenue and gross profit for 2019, together with comparative results for 2018 is provided below:

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

	2019 S\$'000	Sales mix %	2018 S\$'000	Sales mix %
Unifiedcomms	12,937	54.3	11,803	37.5
GlobeOSS	10,876	45.7	19,673	62.5
Captii Ventures	-	-	-	-
Others	-	-	-	-
Total	23,813	100.0	31,476	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	2019			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	11,909	10,872	-	22,781
South Asia (SA)	578	-	-	578
Middle East & Africa (MEA)	450	-	-	450
Others	-	4	-	4
Total	12,937	10,876	-	23,813

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

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

External Sales	2019			2018		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	9,345	14,468	23,813	17,091	14,385	31,476
Gross Profit	5,037	7,383	12,420	4,303	7,690	11,993
Gross Profit (%)	53.9%	51.0%	52.2%	25.2%	53.5%	38.1%

(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 2019 as compared to the Group's financial position as at 31 December 2018

Non-cash current assets of the Group decreased from \$19.367 million as at 31 December 2018 to S\$14.938 million as at 31 December 2019. This 22.9% decrease in non-cash current assets was mainly due to a decrease in inventories, trade and other receivables and other assets, as a result of project deployment and lower revenue recorded.

Total non-current assets of the Group increased from S\$27.696 million as at 31 December 2018 to S\$28.913 million as at 31 December 2019 representing an increase of 4.4%. This increase consists of:-

- * Trade and other receivables of S\$0.599 million related to a system sale contract; and
- * An increase in fair value of S\$2.667 million in the Group's other financial assets. This increase is partly offset by a reduction in fair value of S\$2.231 million in the Group's investment in an associate. The said associate and other financial assets are investees in the Group's venture investment portfolio. The net effect of their fair value movements is reflected under the fair value gain on investments amounting to S\$0.436 million for the current year. These fair value movements assessed on the Group's venture investment portfolio, which are unrealised, is a result of changes in estimated fair valuation of the Group's venture investments following the adoption of the most appropriate valuation techniques for each investment and may not be reflective of the actual return upon disposal of these investments in the medium to long term.

Total liabilities of the Group decreased from S\$12.643 million as at 31 December 2018 to S\$8.615 million as at 31 December 2019. This 31.9% decrease in total liabilities is attributable to a decrease in trade and other payables and borrowings following repayments in the reporting year.

Review of the Group's cash flow for the financial year ended 31 December 2019 as compared to the corresponding financial year ended 31 December 2019

The Group's net cash flow from operations for 2019 was S\$4.418 million, as compared to S\$2.778 million for 2018, an increase of 59.1%. This increase was primarily due to lower working capital incurred of S\$0.03 million for 2019, as compared to S\$1.743 million for 2018, which was mainly contributed by higher collection related to trade receivables.

The Group's net cash flow used in investing activities for 2019 was S\$1.435 million, as compared to S\$1.785 million for 2018. The lower net cash used in investing activities was mainly due to the lower volume of venture investments made in the current year as compared to 2018. The decrease was partly offset by absence of proceed from disposal of investment.

The Group's net cash flow used in financing activities for 2019 was S\$1.212 million, in contrast with the net cash flow from financing activities of S\$0.94 million for 2018. This decrease was mainly due to i) Lower proceeds from borrowings; and ii) Higher repayment made to borrowings. The impact was partly mitigated by withdrawal of restricted deposits placed as performance bond in connection with new system sale contracts requirement, in contrast with additional restricted deposits placed in 2018.

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 2020 to be challenging but remain optimistic about growth prospects.

Although the growth in system sale business of GlobeOSS from 2017 to 2018 had significantly augmented the slower than desired growth of the Group's managed service contract portfolio, the significant decline in GlobeOSS revenues in 2019 evidenced the lumpiness that is to be expected in the contribution of system sale contracts to the Group's 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 and sustainable 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 2019 and paid out on 20 September 2019.

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

Any dividend declared for the corresponding period of the immediately preceding financial year?

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)

(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 final dividend has been declared/recommended for the financial year ended 31 December 2019 as the Company has paid interim dividends on 20 September 2019.

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	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
AESBI Power Systems Sdn Bhd *	249	241	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 2019

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	12,937	10,876	-	-	-	23,813
-inter-segment	-	534	-	816	(1,350)	-
	12,937	11,410	-	816	(1,350)	23,813
Cost of Sales	(5,611)	(6,243)	-	(53)	514	(11,393)
Gross Profit	7,326	5,167	-	763	(836)	12,420
Other Items of Income:						
Interest Income	42	107	-	-	-	149
Other Gains	173	0	436	47	(158)	498
Other Item of Expenses:						
Technical Support Expenses	(2,569)	(1,816)	-	(7)	(85)	(4,477)
Distribution Costs	(441)	(615)	-	(57)	-	(1,113)
Administrative Expenses	(1,898)	(624)	(560)	(1,143)	942	(3,283)
Other Losses	(422)	(14)	(56)	(147)	143	(496)
Finance Costs	(140)	-	-	-	-	(140)
Profit/(Loss) Before Income Tax	2,071	2,205	(180)	(544)	6	3,558
Income Tax Expenses	(82)	(594)	-	(15)	-	(691)
Profit/(Loss), Net of Tax	1,989	1,611	(180)	(559)	6	2,867
Profit/(Loss) for the Year Attributable to:						
Owners of the Company	1,989	820	(180)	(559)	6	2,076
Non-Controlling Interest	-	791	-	-	-	791
Profit/(Loss) for the year	1,989	1,611	(180)	(559)	6	2,867
Other information						
Impairment Loss on Plant and Equipment	(220)	-	-	-	-	(220)
Depreciation of Plant and Equipment	(633)	(74)	-	(5)	57	(655)
Amortisation of Intangible Assets	(755)	-	-	-	296	(459)
Fair Value Gain on Investments	-	-	436	-	-	436
Segment Assets	32,171	12,812	12,097	53,269	(57,687)	52,662
Unallocated Assets						1,362
Consolidated Total Assets						54,024
Segment Liabilities	9,368	3,424	9,943	6,339	(20,459)	8,615
Unallocated Liabilities						-
Consolidated Total Liabilities						8,615
Other Segment Items						
Capital Expenditure						
- Plant and Equipment	641	136	-	-	(10)	767
- Development Costs	305	-	-	-	-	305

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 2018

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group 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

	Group							
	Revenue		Total assets		Non-current assets		Capital expenditure	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
SEA	22,781	30,359	49,270	51,262	26,882	26,267	1,001	1,073
SA	578	724	694	523	98	116	71	22
MEA	450	379	198	99	-	-	-	-
Others	4	14	2,500	2,552	571	-	-	-
	23,813	31,476	52,662	54,436	27,551	26,383	1,072	1,095
Unallocated assets			1,362	1,313	1,362	1,313		
			54,024	55,749	28,913	27,696		

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 achieved a profit after tax in 2019 as compared to a loss after tax in 2018. This improvement was mainly contributed by i) Higher revenues from system sale in SEA region; and ii) Absence of impairment loss on goodwill. This improvement was partly mitigated by impairment loss on plant and equipment.

GlobeOSS recorded a decline in profit after tax in 2019 as compared to 2018. This was mainly caused by lower revenues from system sale contract in SEA region.

Captii Ventures recorded a loss after tax in 2019 as compared to a profit after tax in 2018. This is mainly attributable to the lower fair value gain on its venture investment portfolio.

Others recorded a loss after tax in 2019 as compared to a profit after tax in 2018. This is mainly attributable to the significantly lower revenue from operational headquarters and absence of dividend income from its subsidiaries, which have 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		
	2019 S\$'000	2018 S\$'000	Inc/(dec) %
(a) Sales reported for first half year	11,807	13,669	(13.6)
(b) Profit, net of tax, before deducting non-controlling interest reported for first half year	1,929	1,068	80.6
(c) Sales reported for second half year	12,006	17,807	(32.6)
(d) Profit, net of tax, before deducting non-controlling interest reported for second half year	938	2,316	(59.5)

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	
	2019 S\$'000	2018 S\$'000
Interim dividend to ordinary share	399	399

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.

20. 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 2020