

UNIFIED COMMUNICATIONS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company registration no.: 200211129W)

**Third Quarter Financial Statements and Dividend Announcement
for the Period Ended 30 September 2008**
PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS
1(a)(i) An income statement (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 third quarter ended 30 September 2008

Consolidated Income Statement

	Group			Group		
				9 months ended 30 Sept		
	Q3 2008	Q3 2007	Inc/(dec)	2008	2007	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4,817	3,304	46	13,440	10,851	24
Cost of sales	(2,790)	(2,169)	29	(7,724)	(7,503)	3
Gross profit	2,027	1,135	79	5,716	3,348	71
Other operating income	37	34	9	71	85	(16)
Technical support expenses	(970)	(1,032)	(6)	(2,709)	(3,017)	(10)
Distribution costs	(265)	(595)	(55)	(917)	(1,752)	(48)
Administrative expenses	(459)	(431)	7	(1,398)	(1,307)	7
Other expenses	(21)	(276)	(92)	(36)	(541)	(93)
Total Operating Expenses	(1,715)	(2,334)	(27)	(5,060)	(6,618)	(24)
Profit/(loss) from operations	349	(1,165)	(130)	727	(3,184)	(123)
Finance costs	(15)	(8)	93	(48)	(22)	118
Share of result of an associated company	443	322	38	1,308	921	42
Profit/(loss) before tax	777	(851)	(191)	1,987	(2,285)	(187)
Income tax	(36)	14	(356)	(70)	(34)	105
Net profit/(loss)	741	(837)	(189)	1,917	(2,319)	(183)
Attributable to:						
Shareholders of the Company	601	(857)	(170)	1,725	(2,467)	(170)
Minority interest	140	20	599	192	148	29
Net profit/(loss)	741	(837)	(189)	1,917	(2,319)	(183)

1(a)(ii) Notes to income statements

The following items have been included in arriving at profit/(loss) from operations:

	Group			Group		
				9 months ended		
				30-Sep		
	Q3 2008	Q3 2007	Inc/(dec)	2008	2007	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Amortisation of development costs and intellectual property	121	193	(37)	499	588	(15)
Depreciation of plant and equipment	354	409	(14)	1,096	1,431	(23)
Finance lease income	-	(18)	(100)	(4)	(61)	(93)
Foreign exchange (gain)/loss	(377)	189	(299)	(387)	431	(190)
Allowance for impairment of trade receivables	-	191	(100)	-	191	(100)
Allowance for impairment of other receivables	80	-	100	80	-	100
Allowance for inventory obsolescence	171	-	100	162	-	100
Inventories written back	2	24	(90)	2	24	(90)
Plant and equipment written off	107	-	100	116	2	100

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

Balance Sheets

	Group	Group	Company	Company
	As at	As at	As at	As at
	30/9/2008	31/12/2007	30/9/2008	31/12/2007
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	1,967	2,179	20	8
Trade and other receivables	23,381	24,981	9,398	9,654
Finance lease receivables	-	145	-	-
Inventories	711	1,217	-	-
	26,059	28,522	9,418	9,662
Non-current assets				
Investment in an associated company	931	1,561	-	-
Investments in subsidiaries	-	-	22,526	22,526
Plant and equipment	2,539	3,533	8	15
Intangible assets	1,643	1,298	-	-
Deferred income tax assets	299	302	-	-
Trade and other receivables	1,315	1,299	-	-
	6,727	7,993	22,534	22,541
Total assets	32,786	36,515	31,952	32,203
LIABILITIES				
Current liabilities				
Trade and other payables	8,726	14,066	193	200
Current income tax liabilities	87	36	-	-
Borrowings	789	158	-	-
	9,602	14,260	193	200
Non-current liabilities				
Borrowings	12	18	-	-
Deferred income tax liabilities	72	75	-	-
	84	93	-	-
Total liabilities	9,686	14,353	193	200
Net assets	23,100	22,162	31,759	32,003
EQUITY				
Share capital	31,948	31,948	31,948	31,948
Foreign currency translation reserve	(1,495)	(520)	-	-
Retained earnings/(accumulated losses)	(7,631)	(9,356)	(189)	55
Shareholders' equity	22,822	22,072	31,759	32,003
Minority interest	278	90	-	-
	23,100	22,162	31,759	32,003

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 30/9/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
87	702	158	-

Amount repayable after one year

Group		Group	
As at 30/9/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
12	-	18	-

Details of any collateral

The Group's secured facilities comprise bank overdraft and hire purchase facilities.

The bank overdraft is secured by way of corporate guarantee from the Company to bank for facility extended to its wholly-owned subsidiary.

The hire purchase is secured by plant and equipment of a subsidiary with a net book value of S\$8,000 (31.12.2007:S\$26,000).

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

Consolidated Cash Flow Statement

			9 months ended 30 September	
	Q3 2008	Q3 2007	2008	2007
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit/(loss) before tax and after share of results of an associated company	777	(851)	1,987	(2,287)
Adjustments for:				
Amortisation of development costs and intellectual property	121	193	499	588
Depreciation of plant and equipment	354	409	1,096	1,431
Plant and equipment written off	107	-	116	2
Net (gain)/loss on disposals of plant and equipment	1	(3)	(1)	(3)
Interest expense	15	8	48	22
Interest income	(3)	(18)	(24)	(61)
Share of results of an associated company	(443)	(322)	(1,308)	(921)
Operating cash flow before working capital changes	929	(584)	2,413	(1,229)
Changes in operating assets and liabilities				
Inventories	294	(176)	508	(19)
Finance lease receivable	20	244	145	472
Trade and other receivables	(425)	2,567	(1,805)	1,546
Trade and other payables	(543)	(664)	(1,850)	127
Cash from/(used in) operations	275	1,387	(589)	897
Income tax (paid)/refund	1	(4)	(9)	157
Interest paid	(15)	(8)	(48)	(22)
Net cash flow from/(used in) operating activities	261	1,375	(646)	1,032
Cash flows from investing activities:				
Purchase of plant and equipment	(121)	(141)	(332)	(476)
Proceeds from disposals of plant and equipment	1	306	17	613
Development costs paid	(496)	-	(919)	-
Deposits placement with a licensed bank	(57)	-	(760)	-
Deposits withdrawal from a licensed bank	-	-	1,192	-
Interest received	3	-	20	-
Dividend received from associated company	663	-	1,873	458
Net cash flow (used in)/from investing activities	(7)	165	1,091	595
Cash flows from financing activities:				
Finance lease income	-	18	4	61
Proceeds from borrowings	698	49	1,414	476
Repayments of borrowings	(476)	(425)	(754)	(475)
Repayments of finance leases	(2)	(11)	(14)	(34)
Payment of dividend to minority shareholders	-	-	-	(67)
Net cash flow (used in)/from financing activities	220	(369)	650	(39)

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

			9 months ended	
			30 September	
	Q3 2008	Q3 2007	2008	2007
	S\$'000	S\$'000	S\$'000	S\$'000
Net change in cash and cash equivalents	474	1,171	1,095	1,588
Cash and cash equivalents at beginning of the financial period	964	1,125	993	565
Effect of Foreign Exchange rate changes	(187)	(318)	(837)	(175)
Cash and cash equivalents at end of the financial period (Note 1)	1,251	1,978	1,251	1,978

Explanatory Notes:

Note 1

(0)

	As at 30 Sept	
	2008	2007
	S\$'000	S\$'000
Cash and cash equivalents	1,967	2,596
Bank overdrafts	(81)	(343)
Restricted deposits	(635)	(275)
Cash and cash equivalents per consolidated cash flow statement	1,251	1,978

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.

Statement of Changes in Equity for the Third Quarter 30 September 2008

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Minority interest	Total
	Number of shares	Share capital				
		S\$'000				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/9/2008						
Group						
Balance at 1/7/2008	319,572,675	31,948	(1,423)	(8,232)	141	22,434
Foreign currency translation differences recognised directly in equity	-	-	(72)	-	(3)	(75)
Net profit/(loss) for the financial period	-	-	-	601	140	741
Total recognised income/ (expenses) for the financial period	-	-	(72)	601	137	666
Balance at 30/9/2008	319,572,675	31,948	(1,495)	(7,631)	278	23,100
Company						
Balance at 1/7/2008	319,572,675	31,948	-	(105)	-	31,843
Net loss for the financial period	-	-	-	(84)	-	(84)
Total recognised income/ (expenses) for the financial period	-	-	-	(84)	-	(84)
Balance at 30/9/2008	319,572,675	31,948	-	(189)	-	31,759

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)

Statement of Changes in Equity for the Third Quarter 30 September 2007

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Minority interest	Total
	Number of shares	Share capital				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/9/2007						
Group						
Balance at 1/7/2007	319,572,675	31,948	(340)	(7,431)	199	24,376
Foreign currency translation differences recognised directly in equity	-	-	-	(189)	(51)	(240)
Net profit/(loss) for financial period	-	-	(320)	(668)	20	(968)
Dividends paid to minority shareholders	-	-	-	-	-	-
Total recognised income/(expenses) for the financial period	-	-	(320)	(857)	(31)	(1,208)
Balance at 30/9/2007	319,572,675	31,948	(660)	(8,288)	168	23,168
Company						
Balance at 1/7/2007	319,572,675	31,948	-	(72)	-	31,876
Net loss for the financial period	-	-	-	(57)	-	(57)
Total recognised income/ (expenses) for the financial period	-	-	-	(57)	-	(57)
Balance at 30/9/2007	319,572,675	31,948	-	(129)	-	31,819

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.

Statement of Changes in Equity for the 9 months ended 30 September 2008

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Minority interest	Total
	Number of shares	Share capital				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/9/2008						
Group						
Balance at 1/1/2008	319,572,675	31,948	(520)	(9,356)	90	22,162
Foreign currency translation differences recognised directly in equity	-	-	(975)	-	(4)	(979)
Net profit/(loss) for the financial period	-	-	-	1,725	192	1,917
Total recognised income/ (expenses) for the financial period	-	-	(975)	1,725	188	938
Balance at 30/9/2008	319,572,675	31,948	(1,495)	(7,631)	278	23,100
Company						
Balance at 1/1/2008	319,572,675	31,948	-	55	-	32,003
Net loss for the financial period	-	-	-	(244)	-	(244)
Total recognised income/ (expenses) for the financial period	-	-	-	(244)	-	(244)
Balance at 30/9/2008	319,572,675	31,948	-	(189)	-	31,759

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)

Statement of Changes in Equity for the 9 months ended 30 September 2007

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Minority interest	Total
	Number of shares	Share capital				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/9/2007						
Group						
Balance at 1/1/2007	319,572,675	31,948	(618)	(5,821)	139	25,648
Foreign currency translation differences recognised directly in equity	-	-	(42)	(431)	(51)	(524)
Net profit/(loss) for financial period	-	-	-	(2,036)	148	(1,888)
Dividends paid to minority shareholders	-	-	-	-	(68)	(68)
Total recognised income /(expenses) for the financial period	-	-	(42)	(2,467)	29	(2,480)
Balance at 30/9/2007	319,572,675	31,948	(660)	(8,288)	168	23,168
Company						
Balance at 1/1/2007	319,572,675	31,948	-	58	-	32,006
Net loss for the financial period	-	-	-	(187)	-	(187)
Total recognised income/ (expenses) for the financial period	-	-	-	(187)	-	(187)
Balance at 30/9/2007	319,572,675	31,948	-	(129)	-	31,819

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 30/9/2008	As at 31/12/2007
Ordinary shares	319,572,675	319,572,675

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 applied the same accounting policies and methods of computation for the current financial year as compared to the most recent audited financial statements of the Group for the financial year ended 31 December 2007.

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.

Not applicable.

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		Group	
			9 months ended 30 September	
	Q3 2008	Q3 2007	2008	2007
	cents	cents	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	0.19	(0.27)	0.54	(0.77)
On fully diluted basis (detailing any adjustments made to the earnings) ⁽²⁾	n.a	n.a	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 net profit/(loss) after tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 319,572,675 shares for Q3 2008 and Q3 2007.

⁽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 30/9/2008		As at 31/12/2007	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	7.14	9.94	6.91	10.01

⁽¹⁾ 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 at the relevant financial period/year end and the existing issued share capital of 319,572,675 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 quarter ended 30 September 2008 as compared to corresponding quarter in 2007

Group revenue analysed by business segment for the quarter under review is as follows: -

	Q3 2008 S\$'000	Sales mix %	Q3 2007 S\$'000	Sales mix %
Proprietary Solutions	3,801	79	1,606	49
Distribution	12	0	1,375	41
Operation Support Systems (OSS)	1,004	21	323	10
Total	4,817	100	3,304	100

The Group achieved revenue of S\$4.8 million for the quarter, representing an increase of 45% compared to the corresponding period in 2007. The higher revenue achieved in the current quarter is attributable to improved revenue achieved by Proprietary Solutions (PS) and Operation Support Systems (OSS) segments. This improvement in revenue was driven by project revenues of the PS segment from its Mobile Number Portability and other system expansion projects, as well as new projects secured and delivered by the OSS segment in Indonesia. The Group's Distribution segment has meanwhile ceased its business operations from this quarter following management's decision to exit from this business segment to focus primarily on its PS and OSS businesses.

With the higher revenue achieved by the Group in the current quarter as compared to the corresponding period in 2007, the Group delivered a significant improvement in profitability. For the current quarter, the Group recorded a net profit after taxation of S\$0.7 million, and earnings before interest, tax, depreciation ("EBITDA") of S\$1.2 million, as compared to a net loss of S\$0.8 million and negative EBITDA of S\$0.3 million respectively, for the corresponding period in 2007.

This improvement in the profit performance of the Group in the current quarter has been driven by the following factors:

- * The steady growth in higher-margin revenues earned from revenue-share projects and higher quality system / solution sale revenues of the Group's PS segment. This more profitable revenue mix resulted in gross profit earned by the Group in the current quarter being some S\$0.9 million higher than that achieved in the corresponding quarter in 2007;
- * The significant reduction in operating expenses of the Group in the current quarter, amounting to a decrease of 26% (or S\$0.6 million) from the operating expenses incurred in the corresponding quarter in 2007. This sizeable reduction in operating expenses of the Group was secured through the careful operating cost containment exercise in the PS segment, as well as substantial reductions in the operating expenses of the Distribution segment, associated with the Group's exit from this business segment during the current quarter; and
- * A net foreign exchange gain of S\$0.4 million recorded in the current quarter, attributable primarily to revaluation gains from US Dollar assets of the Group. In comparison, in the corresponding quarter of 2007, an insignificant gain was recorded for the same.

Review of results for the nine month period ended 30 September 2008 as compared to corresponding period in 2007

Group revenue analysed by business segment for the first half under review is as follows: -

	YTD Sept 2008 S\$'000	Sales mix %	YTD Sept 2007 S\$'000	Sales mix %
Proprietary Solutions	11,636	87	5,787	53
Distribution	225	2	3,727	34
Operation Support Systems (OSS)	1,579	12	1,337	13
Total	13,440	100	10,851	100

The Group achieved an improved revenue of S\$13.4 million for the first 9 months, representing an increase of 24% compared to the previous corresponding period in 2007. The higher revenue achieved in the current nine month period is mainly contributed by PS segment which doubled its revenue, mainly derived from revenues associated with the Mobile Number Portability and other system/solution sale projects as well as the steady growth secured in recurrent revenue from the group's revenue sharing projects. This increase in revenue of PS segment had more than offset the dip in revenue from the Distribution segment as a result of the progressive scaling down of this segment's operations which was completed in Q3 this year.

In tandem with the increase in revenue and gross profit achieved by the Group in the nine month period ended 30 September 2008 as compared to the corresponding period in 2007, the Group delivered a significant improvement in profitability. For the current nine month period, the Group recorded a net profit after taxation of S\$1.9 million, and earnings before interest, tax, depreciation ("EBITDA") of S\$3.6 million, as compared to a net loss of S\$2.3 million and negative EBITDA of S\$0.3 million respectively, for the corresponding period in 2007.

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)

This improvement in the profit performance of the Group in the nine month period to 30 September 2008 is attributable primarily to the following factors:

- * The significant growth in revenue of the PS segment, driven by both revenues earned from revenue-share as well as system/ solution sale projects relating to both the segment's own VAS and mobile data software products / solutions as well as for the Mobile Number Portability project in Malaysia;
- * The significant growth in gross profits of the PS segment driven by a more favourable revenue mix. This more profitable revenue mix resulted in gross profit earned by the Group in the current nine months being S\$5.7 million, representing an increase of 71% (or S\$3.3 million) on that achieved in the corresponding period in 2007; and
- * The significant reduction in operating expenses of the Group in the current nine month period, amounting to a decrease of 24% (or S\$1.6 million) from the operating expenses incurred in the corresponding period in 2007. This sizeable reduction in operating expenses of the Group was secured through the further expense reductions achieved in the operations of the PS segment, as well as substantial reductions in the operating expenses of the Distribution segment, associated with the Group's exit from the Distribution business within the period.

Review of the Group's financial position as at 30 September 2008 as compared to the Group's financial position as at 31 December 2007

Current assets decreased by S\$2.5 million or 8.6% from S\$28.5 million as at 31 December 2007 to S\$26 million as at 30 September 2008. This decrease is mainly attributable to the decrease in trade and other receivables as a result of receipt of payments from trade debtors and a reduction in Inventories by S\$0.5mil arising from deployment of inventories for projects and further allowances for impairment of inventory set aside for the Distribution segment.

Total non-current assets of the Group decreased by S\$1.3 million or 15.8%, compared to the balance as at 31 December 2007 of S\$8.0 million. This decrease is mainly attributable to the lower investment in an associated company, as a result of the dividends distributed by the associated company, and depreciation charges for Plant and Equipment.

Total liabilities of the Group decreased by S\$4.6 million (or 32.4%), as at 30 September 2008, from S\$14.3 million as at 31 December 2007. The decrease is mainly due to the reduction in trade and other payables by S\$5.4 million. The reduction is however offset by the increase in short term borrowings by approximately S\$0.6 million to finance the working capital requirements of the Group.

Review of the Group's cash flow for the quarter and nine month period ended 30 September 2008 as compared to the Group's cash flow for the corresponding periods in 2007

The Group's cash from operations for the current quarter decreased by S\$1.1million, compared to the cash from operations of S\$1.4 million for the corresponding quarter in 2007. This decrease in cash from operations is mainly attributable to the increase in trade and other receivables. The cash used in operations for the 9 months of 2008 amounted to S\$0.6 million, compared to the cash generated from operations of S\$0.9 million for the corresponding period in 2007. This increase in cash used in operations for the current quarter is mainly due to the increase in trade and other receivables and the decrease in trade and other payables.

Operating cash flow before working capital changes for the current quarter and first nine months of 2008 however, improved to a positive of S\$0.9 million and S\$2.4 million respectively as compared to the negative operating cash flow of S\$0.6 million and S\$1.2 million respectively for the corresponding periods in 2007. This significant increase in operating cash flow is mainly due to the return to profitability of the Group in the current year to date as compared to the loss before tax and after share of results of associated company of S\$0.9million and S\$2.3 million respectively in the corresponding period in 2007.

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 year 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.

Barring any unforeseen circumstances, the Directors remain cautiously optimistic about the Group's long-term prospects.

The Group will continue to strive towards maintaining profitability guided by strategies that have been mapped out. Focus will continue to be given on growing the PS and OSS business segments. This will involve, among others, continuously strengthening the Group's position within the following businesses and markets:

- * mobile data and value-added services ("VAS") solution/applications and businesses;
- * recurring revenue streams via managed services business; and
- * participating in the growth of developing and emerging telecommunications markets such as South East Asia, South Asia and the Middle East.

As part of executing the strategy to focus primarily on growing the Proprietary Solutions and OSS business segments, the Group has discontinued the operations of its non-profitable Distribution business segment. The Directors believe that this decision will enable the Group to redirect its resources and efforts exclusively to realizing the further growth potential of its PS and OSS business segments.

The Directors believe that the Group's efforts to execute its three key strategies for growth and development are showing some early results. On the back of the positive results achieved during the quarter and the year to-date, the Directors believe that the Group will continue to make progress in improving its future performance and financial results.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the period ended 30 September 2008.

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

13. 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.

14. 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.

15. A breakdown of sales.

Not applicable.

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

Not applicable.

17. Interested Person Transactions

Name of the Interested Person	Aggregate value of all interested person transactions during the financial period 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)
Nil	Nil	Nil

BY ORDER OF THE BOARD

Anton Syazi Ahmad Sebi
Deputy Chief Executive Officer
14th November 2008