

**UNIFIED COMMUNICATIONS HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)  
(Company registration no.: 200211129W)

**Full Year Financial Statements and Dividend Announcement  
for the Year Ended 31 December 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 year ended 31 December 2008

**Consolidated Income Statement**

	Group		
	12 months ended 31 Dec		
	2008	2007	Inc/(dec)
	S\$'000	S\$'000	%
<b>Revenue</b>	<b>19,633</b>	<b>24,841</b>	<b>(21)</b>
Cost of sales	(10,407)	(15,860)	(34)
<b>Gross profit</b>	<b>9,226</b>	<b>8,981</b>	<b>3</b>
Other operating income	1,218	192	534
Technical support expenses	(3,934)	(3,967)	(1)
Distribution costs	(1,234)	(2,236)	(45)
Administrative expenses	(2,136)	(1,712)	25
Other expenses	(1,962)	(5,765)	(66)
Total Operating Expenses	(9,266)	(13,681)	(32)
<b>Profit/(loss) from operations</b>	<b>1,178</b>	<b>(4,507)</b>	<b>(126)</b>
Finance costs	(43)	(38)	13
Share of result of an associated company	1,598	1,318	21
<b>Profit/(loss) before tax</b>	<b>2,733</b>	<b>(3,227)</b>	<b>(185)</b>
Income tax	(11)	(281)	(96)
<b>Net profit/(loss)</b>	<b>2,722</b>	<b>(3,508)</b>	<b>(178)</b>
<b>Attributable to:</b>			
Shareholders of the Company	2,488	(3,535)	(170)
Minority interest	234	27	765
<b>Net profit/(loss)</b>	<b>2,722</b>	<b>(3,508)</b>	<b>(178)</b>

1(a)(ii) Notes to income statements

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

	Group		
	12 months ended		
	31-Dec		
	2008	2007	Inc/(dec)
	S\$'000	S\$'000	%
<b>Other operating income mainly comprise:</b>			
Finance lease interest income	(4)	(55)	(92)
Foreign exchange gain	(1,103)	(43)	2,465
Interest Income	(29)	(27)	8
Gain on disposal of fixed assets	(3)	(7)	(56)
Writeback of allowance for doubtful debts	-	(16)	(100)
<b>Operating expenses mainly comprise:</b>			
Amortisation of development costs and intellectual property	590	780	(24)
Depreciation of plant and equipment	1,389	1,811	(23)
Allowance for impairment of trade receivables	28	1,685	(98)
Allowance for impairment of other receivables	230	1,251	(82)
Allowance for inventory obsolescence	350	775	(55)
Foreign exchange loss	821	912	(10)
Impairment loss on plant and equipment	68	-	100
Discount allowed on trade receivable	-	504	(100)
Inventories written off	23	452	(95)
Loss on disposal of plant and equipment	1	124	(99)
Plant and equipment written off	369	15	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
	31/12/08	31/12/2007	31/12/08	31/12/2007
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	10,092	2,179	19	8
Trade and other receivables	15,712	24,981	4,440	9,654
Finance lease receivables	-	145	-	-
Inventories	1,407	1,217	-	-
	<b>27,211</b>	<b>28,522</b>	<b>4,459</b>	<b>9,662</b>
<b>Non-current assets</b>				
Investment in an associated company	1,233	1,561	-	-
Investments in subsidiaries	-	-	32,526	22,526
Plant and equipment	2,169	3,533	6	15
Intangible assets	1,798	1,298	-	-
Deferred income tax assets	298	301	-	-
Trade and other receivables	311	1,299	-	-
	<b>5,809</b>	<b>7,992</b>	<b>32,532</b>	<b>22,541</b>
<b>Total assets</b>	<b>33,020</b>	<b>36,514</b>	<b>36,991</b>	<b>32,203</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	8,840	14,066	5,132	200
Current income tax liabilities	38	35	-	-
Borrowings	99	158	-	-
	<b>8,977</b>	<b>14,259</b>	<b>5,132</b>	<b>200</b>
<b>Non-current liabilities</b>				
Borrowings	10	18	-	-
Deferred income tax liabilities	67	75	-	-
	<b>77</b>	<b>93</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>9,054</b>	<b>14,352</b>	<b>5,132</b>	<b>200</b>
<b>Net assets</b>	<b>23,966</b>	<b>22,162</b>	<b>31,859</b>	<b>32,003</b>
<b>EQUITY</b>				
Share capital	31,948	31,948	31,948	31,948
Foreign currency translation reserve	(1,435)	(520)	-	-
Retained earnings/(accumulated losses)	(6,868)	(9,356)	(89)	55
<b>Shareholders' equity</b>	<b>23,645</b>	<b>22,072</b>	<b>31,859</b>	<b>32,003</b>
Minority interest	321	90	-	-
	<b>23,966</b>	<b>22,162</b>	<b>31,859</b>	<b>32,003</b>

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 31/12/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
99	-	158	-

Amount repayable after one year

Group		Group	
As at 31/12/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10	-	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\$4,927 (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**

	12 months ended	
	31 December	
	2008	2007
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Profit/(loss) before tax and after share of results of an associated company	2,733	(3,227)
Adjustments for:		
Amortisation of development costs and intellectual property	590	780
Depreciation of plant and equipment	1,389	1,811
Impairment loss on plant and equipment	68	-
Plant and equipment written off	369	15
Allowance for impairment of trade and other receivables (net)	258	2,920
Allowance for impairment of inventory	350	775
Inventories written off	23	452
Net (gain)/loss on disposals of plant and equipment	(2)	117
Interest expense	43	38
Interest income	(33)	(82)
Share of results of an associated company	(1,598)	(1,318)
<b>Operating cash flow before working capital changes</b>	<b>4,190</b>	<b>2,281</b>
Changes in operating assets and liabilities		
Inventories	(545)	831
Finance lease receivable	145	532
Trade and other receivables	10,214	(10,519)
Trade and other payables	(5,299)	7,869
<b>Cash from operations</b>	<b>8,705</b>	<b>994</b>
Income tax (paid)/refund	(21)	112
Interest paid	(43)	(38)
<b>Net cash from operating activities</b>	<b>8,641</b>	<b>1,068</b>
<b>Cash flows from investing activities:</b>		
Purchase of plant and equipment	(735)	(819)
Proceeds from disposals of plant and equipment	124	686
Development costs paid	(1,101)	-
Deposits placement with a licensed bank	998	(853)
Interest received	29	27
Dividend received from associated company	1,865	456
<b>Net cash from/(used in) investing activities</b>	<b>1,180</b>	<b>(503)</b>
<b>Cash flows from financing activities:</b>		
Finance lease interest income	4	55
Proceeds from borrowings	1,435	518
Repayments of borrowings	(1,476)	(524)
Repayments of finance leases	(16)	(45)
Payment of dividend to pre-listing shareholder	-	(164)
Payment of dividend to minority shareholders	-	(66)
<b>Net cash used in financing activities</b>	<b>(53)</b>	<b>(226)</b>

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)

	12 months ended	
	31 December	
	2008	2007
	S\$'000	S\$'000
Net change in cash and cash equivalents	9,768	339
Cash and cash equivalents at beginning of the financial year (Note 1)	993	565
Effect of exchange rate changes on cash and cash equivalents	(850)	89
Cash and cash equivalents at end of the financial year (Note 1)	9,911	993

Explanatory Notes:

**Note 1**

	31 December	
	2008	2007
	S\$'000	S\$'000
Cash and cash equivalents	10,092	2,179
Bank overdrafts	(92)	(99)
Restricted deposits	(89)	(1,087)
Cash and cash equivalents per consolidated cash flow statement	9,911	993

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 year ended 31 December 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
<b>Financial Year ended 1/1/2008</b>						
<b>Group</b>						
Balance at 1/1/2008	319,572,675	31,948	(520)	(9,356)	90	22,162
Foreign currency translation differences recognised directly in equity	-	-	(915)	-	(3)	(918)
Net profit for the financial year	-	-	-	2,488	234	2,722
<b>Total recognised income/ (expenses) for the financial year</b>	-	-	(915)	2,488	231	1,804
<b>Balance at 31/12/2008</b>	<b>319,572,675</b>	<b>31,948</b>	<b>(1,435)</b>	<b>(6,868)</b>	<b>321</b>	<b>23,966</b>
<b>Company</b>						
Balance at 1/1/2008	319,572,675	31,948	-	55	-	32,003
Net loss for the financial year	-	-	-	(144)	-	(144)
<b>Total recognised income/ (expenses) for the financial year</b>	-	-	-	(144)	-	(144)
<b>Balance at 31/12/2008</b>	<b>319,572,675</b>	<b>31,948</b>	<b>-</b>	<b>(89)</b>	<b>-</b>	<b>31,859</b>

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 year ended 31 December 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
<b>Financial Year ended 31/12/07 Group</b>						
Balance at 1/1/2007	319,572,675	31,948	(618)	(5,821)	139	25,648
Foreign currency translation differences recognised directly in equity	-	-	98	-	(10)	88
Net profit/(loss) for financial year	-	-	-	(3,535)	27	(3,508)
Dividends paid to minority shareholders	-	-	-	-	(66)	(66)
<b>Total recognised income /(expenses) for the financial year</b>	-	-	<b>98</b>	<b>(3,535)</b>	<b>(49)</b>	<b>(3,486)</b>
<b>Balance at 31/12/2007</b>	<b>319,572,675</b>	<b>31,948</b>	<b>(520)</b>	<b>(9,356)</b>	<b>90</b>	<b>22,162</b>
<b>Company</b>						
Balance at 1/1/2007	319,572,675	31,948	-	58	-	32,006
Net loss for the financial year	-	-	-	(3)	-	(3)
<b>Total recognised income/ (expenses) for the financial year</b>	-	-	-	<b>(3)</b>	-	<b>(3)</b>
<b>Balance at 31/12/2007</b>	<b>319,572,675</b>	<b>31,948</b>	<b>-</b>	<b>55</b>	<b>-</b>	<b>32,003</b>

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 31/12/2008	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.

During the financial year, the Group adopted FRS 31 Interest in Joint Ventures using proportionate consolidation to account for the investment in Unified Telecom Private Limited, a joint venture company, during the financial year.

Save as disclosed above, the same accounting policies and methods of computation are followed in the financial statements as compared with the most recent audited 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.

Please refer to paragraph 4.

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	
	2008	2007
	cents	cents
Based on the weighted average number of ordinary shares on issue <sup>(1)</sup>	0.78	(1.11)
On fully diluted basis (detailing any adjustments made to the earnings) <sup>(2)</sup>	n.a	n.a

n.a.: not applicable

<sup>(1)</sup> 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 Year 2008 and Year 2007.

<sup>(2)</sup> 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 31/12/2008		As at 31/12/2007	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share <sup>(1)</sup>	7.40	9.97	6.91	10.01

<sup>(1)</sup> 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 financial year ended 31 December 2008 as compared to corresponding financial year ended 31 December 2007**

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

	2008 S\$'000	Sales mix %	2007 S\$'000	Sales mix %
Proprietary Solutions	16,522	84	19,158	77
Distribution	227	1	3,714	15
Operation Support Systems (OSS)	2,884	15	1,969	8
<b>Total</b>	<b>19,633</b>	<b>100</b>	<b>24,841</b>	<b>100</b>

The Group recorded consolidated revenue of S\$19.6 million for the year, representing a decrease of 21% compared to revenue recorded in 2007. The lower revenue recorded in the current year is mainly attributable to the following factors:

- \* A substantial decrease in revenue from Distribution segment as a result of the progressive scaling down and subsequently, the full winding down of this segment's operations which was completed in Q3 of this year; and
- \* A reduction in revenue from Proprietary Solutions ("PS") segment attributable to lower Mobile Number Portability project-related revenue upon achieving completion of the project's 'Build Phase' in the current year.

However, the lower revenue from Distribution and PS segments was partly offset by the significant improvement in revenue from OSS segment, mainly driven by the delivery of further new projects and opportunities secured during the year .

Despite the decrease in revenue, the Group delivered a significant improvement in profitability for the year. For the current year, the Group recorded net profit after taxation and MI of S\$2.5 million, and earnings before interest, tax, depreciation and amortisation ("EBITDA") of S\$4.7 million, as compared to a net loss of S\$3.5 million and negative EBITDA of S\$0.6 million respectively, for 2007.

This improvement in the profit performance of the Group in the year ended 31 December 2008 is attributable primarily to the following factors:

- \* The growth in gross profits of the PS and OSS segments driven by a more favourable revenue mix comprising higher software licensing-related revenue. This more profitable revenue mix resulted in gross profit earned by the Group in the current year being S\$9.2 million, representing an increase of 3% (or S\$0.2 million) on that achieved in 2007 in spite of lower revenue being achieved in the current year; and
- \* The significant reduction in operating expenses of the Group in the year, amounting to a decrease of 32% (or S\$4.4 million) from the operating expenses incurred 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 current year.



**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 2008 as compared to the Group's financial position as at 31 December 2007**

Current assets decreased by S\$1.31million or 4.6% from S\$28.5 million as at 31 December 2007 to S\$27.2 million as at 31 December 2008. This decrease is mainly attributable to the decrease in trade and other receivables amounting to S\$9.3 million as a result of receipt of payments from trade debtors. Most notably, cash and equivalents held by the Group improved significantly to S\$10.1 million as at 31 December 2008, from S\$2.2 million as at 31 December 2007.

Total non-current assets of the Group decreased by S\$2.2 million or 27.3%, compared to the balance as at 31 December 2007 of S\$8.0 million. This decrease is mainly attributable to the lower Plant and Equipment as a result of depreciation charges and Plant and Equipment written off.

Total liabilities of the Group decreased by S\$5.3 million (or 37.0%), as at 31 December 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\$5.2 million.

**Review of the Group's cash flow as at 31 December 2008 as compared to the Group's cash flow as at 31 December 2007**

The Group's cash from operations for the current year increased by S\$7.7million, compared to the cash from operations of S\$1 million for the corresponding year ended 2007. This significant increase in cash from operations is mainly contributed by the decrease in trade and other receivables.

Operating cash flow before working capital changes for the current year improved to S\$4.2 million as compared to the operating cash flow of S\$2.3 million for the corresponding year ended 2007. This significant increase in operating cash flow is mainly due to the return to profitability of the Group in the current year as compared to the loss before tax and after share of results of associated company of S\$3.2 million in the corresponding year ended 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 Directors believe that the Group's efforts to execute its three key strategies for growth and development are showing positive results. On the back of the positive results achieved during the year, coupled with the completion of Group reorganisation into three distinct Business Units in 2009, the Directors believe that the Group will continue to make progress in improving its future performance and financial results.

As part of executing the strategy to focus primarily on growing the Proprietary Solutions and OSS business segments, the Group had discontinued the operations of its non-profitable Distribution business segment during the year. 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 Group will continue to strive towards maintaining profitability guided by strategies that have been mapped out. Focus will continue to be given on

- \* 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.

## 11. Dividend

### (a) Current Financial Year Reported On

Any dividend declared for the current financial year 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/recommended, a statement to that effect.

No dividend has been declared or recommended for the period ended 31 December 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.

### Financial year ended 31 December 2008

	Proprietary Solution S\$'000	Distribution S\$'000	GlobeOSS S\$'000	Others S\$'000	Elimi- nation S\$'000	Group S\$'000
Sales:						
-external sales	16,522	227	2,884	-	-	19,633
-inter-segment sales	-	-	662	-	(662)	-
	<u>16,522</u>	<u>227</u>	<u>3,546</u>	<u>-</u>	<u>(662)</u>	<u>19,633</u>
Segment result	2,087	(692)	445	-	(662)	1,178
Finance costs						(43)
Share of result of associated company						<u>1,598</u>
Profit before tax						2,733
Income tax						<u>(11)</u>
Profit before tax						2,722
Minority interest						<u>(234)</u>
Net profit attributable to shareholders						<u>2,488</u>
Segment assets	27,969	364	3,246	42	(132)	31,489
Associated company						1,233
Unallocated assets						<u>298</u>
Consolidated total assets						<u>33,020</u>
Segment liabilities	6,574	1,081	2,724	248	(1,748)	8,879
Unallocated liabilities						<u>175</u>
Consolidated total liabilities						<u>9,054</u>
Other segment items						
Capital expenditure						
- Plant and equipment	652	-	83	-	-	735
-Development costs of intellectual property	722	-	439	-	-	1,161
-Amortisation of development cost and intellectual property	573	-	17	-	-	590
Depreciation of plant and equipment	1,316	56	11	9	(3)	1,389
Allowance for impairment of trade receivables	12	16	-	-	-	28
Allowance for impairment of other receivables	230	-	-	-	-	230
Allowance for impairment of plant and equipment	68	-	-	-	-	68
Allowance for impairment of inventories	160	190	-	-	-	350
Write-off of inventories	15	8	-	-	-	23
Plant and equipment written off	369	-	-	-	-	369

**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. (continued)**

**Financial year ended 31 December 2007**

	Proprietary Solution S\$'000	Distribution S\$'000	GlobeOSS S\$'000	Others S\$'000	Elimi- nation S\$'000	Group S\$'000
Sales:						
-external sales	19,158	3,714	1,969	-	-	24,841
-inter-segment sales	-	494	-	-	(494)	-
	<b>19,158</b>	<b>4,208</b>	<b>1,969</b>	<b>-</b>	<b>(494)</b>	<b>24,841</b>
Segment result	(3,270)	(1,516)	279	-	-	(4,507)
Finance costs						(38)
Share of result of associated company						1,318
Loss before tax						(3,227)
Income tax						(281)
Loss after tax						(3,508)
Minority interest						(27)
Net loss attributable to shareholders						<b>(3,535)</b>
Segment assets	31,974	1,719	1,357	30	(480)	34,600
Associated company						1,561
Unallocated assets						353
Consolidated total assets						<b>36,514</b>
Segment liabilities	12,367	4,680	1,406	200	(4,586)	14,067
Unallocated liabilities						285
Consolidated total liabilities						<b>14,352</b>
Other segment items						
Capital expenditure						
- Plant and equipment	795	7	17	-	-	819
-Development costs of intellectual property	-	-	-	-	-	-
-Amortisation of development cost and intellectual property	780	-	-	-	-	780
Depreciation of plant and equipment	1,722	76	4	9	-	1,811
Write back of allowance for doubtful debts	(16)	-	-	-	-	(16)
Allowance for impairment of trade receivables	1,661	24	-	-	-	1,685
Allowance for impairment of other receivables	1,251	-	-	-	-	1,251
Allowance for impairment of plant and equipment	-	-	-	-	-	-
Allowance for impairment of inventories	286	489	-	-	-	775
Write-off of inventories	330	122	-	-	-	452
Plant and equipment written off	11	4	-	-	-	15

	Group					
	Sales		Total assets		Capital expenditure	
	2008 S\$'000	2007 S\$'000	2008 S\$'000	2007 S\$'000	2008 S\$'000	2007 S\$'000
ASEAN	14,202	20,249	28,057	31,488	735	819
Greater China	1,940	2,689	793	1,094	-	-
North America and other countries	128	254	117	384	-	-
South Asia and Middle East	3,363	1,649	2,522	1,634	-	-
	<b>19,633</b>	<b>24,841</b>	<b>31,489</b>	<b>34,600</b>	<b>735</b>	<b>819</b>
Associated company			1,233	1,561		
Unallocated assets			298	353		
			<b>33,020</b>	<b>36,514</b>		

**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.**

	Year ended 31 December		
	2008 S\$'000	2007 S\$'000	Inc/(dec) %
(a) Sales reported for first half year	8,623	7,546	14%
(b) Operating profit /(loss) after tax before deducting minority interest reported for first half year	1,176	(1,484)	179%
(c) Sales reported for second half year	11,010	17,295	-36%
(d) Operating profit /(loss) after tax before deducting minority interest reported for second half year	1,546	(2,024)	176%

**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 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)	
	2008 S\$'000	2007 S\$'000	2008 S\$'000	2007 S\$'000
Advance Synergy Capital Berhad	193	171	Nil	Nil
Ann Wan Kuan	102	59	Nil	Nil

**BY ORDER OF THE BOARD**

Anton Syazi Ahmad Sebi  
Deputy Chief Executive Officer  
25th February 2009