

**First Quarter Financial Statements and Dividend Announcement  
for the Period Ended 31 March 2009**

**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 first quarter ended 31 March 2009

**Consolidated Income Statement**

	Group		
	Quarter ended 31 Mar		
	2009	2008	Inc/(dec)
	S\$'000	S\$'000	%
<b>Revenue</b>	<b>4,652</b>	<b>6,218</b>	<b>(25)</b>
Cost of sales	(2,921)	(4,085)	(28)
<b>Gross profit</b>	<b>1,731</b>	<b>2,132</b>	<b>(19)</b>
Other operating income	412	24	1617
Technical support expenses	(867)	(962)	(10)
Distribution costs	(283)	(360)	(21)
Administrative expenses	(397)	(512)	(22)
Other expenses	(133)	(219)	(39)
Total Operating Expenses	(1,679)	(2,053)	(18)
<b>Profit from operations</b>	<b>463</b>	<b>103</b>	<b>349</b>
Finance costs	(1)	(17)	(95)
Share of result of an associated company	316	462	(32)
<b>Profit before tax</b>	<b>779</b>	<b>547</b>	<b>42</b>
Income tax	(9)	(30)	(71)
<b>Net profit</b>	<b>769</b>	<b>517</b>	<b>49</b>
<b>Attributable to:</b>			
Shareholders of the Company	720	462	56
Minority interest	49	55	(10)
<b>Net profit</b>	<b>769</b>	<b>517</b>	<b>49</b>

1(a)(ii) Notes to income statements

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

	Group		
	Quarter ended		
	31-Mar		
	2009	2008	Inc/(dec)
	S\$'000	S\$'000	%
<b>Other operating income mainly comprise:</b>			
Foreign exchange gain	295	-	100
Interest Income	51	-	100
<b>Operating expenses mainly comprise:</b>			
Amortisation of development costs and intellectual property	(83)	(194)	(57)
Depreciation of plant and equipment	(271)	(384)	(29)
Foreign exchange loss	(126)	(219)	(43)

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
	31/3/2009	31/12/2008	31/3/2009	31/12/2008
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	12,209	10,092	18	19
Trade and other receivables	12,955	15,712	4,420	4,440
Inventories	1,553	1,407	-	-
	<b>26,717</b>	<b>27,211</b>	<b>4,438</b>	<b>4,459</b>
<b>Non-current assets</b>				
Investment in an associated company	620	1,233	-	-
Investments in subsidiaries	-	-	32,526	32,526
Plant and equipment	2,536	2,169	3	6
Intangible assets	1,834	1,798	-	-
Deferred income tax assets	297	298	-	-
Trade and other receivables	174	311	-	-
	<b>5,461</b>	<b>5,809</b>	<b>32,529</b>	<b>32,532</b>
<b>Total assets</b>	<b>32,178</b>	<b>33,020</b>	<b>36,967</b>	<b>36,991</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	7,404	8,840	5,139	5,132
Current income tax liabilities	42	38	-	-
Borrowings	7	99	-	-
	<b>7,453</b>	<b>8,977</b>	<b>5,139</b>	<b>5,132</b>
<b>Non-current liabilities</b>				
Borrowings	8	10	-	-
Deferred income tax liabilities	67	67	-	-
	<b>75</b>	<b>77</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>7,528</b>	<b>9,054</b>	<b>5,139</b>	<b>5,132</b>
<b>Net assets</b>	<b>24,650</b>	<b>23,966</b>	<b>31,828</b>	<b>31,859</b>
<b>EQUITY</b>				
Share capital	31,948	31,948	31,948	31,948
Foreign currency translation reserve	(1,535)	(1,435)	-	-
Accumulated losses	(6,148)	(6,868)	(120)	(89)
<b>Shareholders' equity</b>	<b>24,265</b>	<b>23,645</b>	<b>31,828</b>	<b>31,859</b>
Minority interest	385	321	-	-
	<b>24,650</b>	<b>23,966</b>	<b>31,828</b>	<b>31,859</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 31/3/2009		As at 31/12/2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
7	-	99	-

Amount repayable after one year

Group		Group	
As at 31/3/2009		As at 31/12/2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
8	-	10	-

Details of any collateral

The Group's secured facility represents hire purchase facility.

The hire purchase facility is secured by a right over the leased motor vehicle of a subsidiary with a net book value of S\$1,963 (31.12.2008:S\$4,927).

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**

	Quater ended	
	31 March	
	2009	2008
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Profit before tax and after share of results of an associated company	779	547
Adjustments for:		
Amortisation of development costs and intellectual property	83	194
Depreciation of plant and equipment	271	384
Net gain on disposals of plant and equipment	-	(1)
Interest expense	1	17
Interest income	(51)	(19)
Share of results of an associated company	(316)	(462)
<b>Operating cash flow before working capital changes</b>	<b>767</b>	<b>660</b>
Changes in operating assets and liabilities		
Inventories	(147)	109
Finance lease receivable	-	62
Trade and other receivables	3,079	(1,020)
Trade and other payables	(1,611)	(1,375)
<b>Cash from/(used in) operations</b>	<b>2,088</b>	<b>(1,564)</b>
Income tax paid	(1)	-
Interest paid	(1)	(17)
<b>Net cash from/(used in) operating activities</b>	<b>2,086</b>	<b>(1,581)</b>
<b>Cash flows from investing activities:</b>		
Purchase of plant and equipment	(658)	(63)
Proceeds from disposals of plant and equipment	7	1
Development costs paid	(122)	-
Deposits placement with a licensed bank	-	(703)
Deposits withdrawal from a licensed bank	-	803
Interest received	51	16
Dividend received from an associated company	916	1,210
<b>Net cash from investing activities</b>	<b>194</b>	<b>1,264</b>
<b>Cash flows from financing activities:</b>		
Finance lease interest income	-	3
Proceeds from borrowings	-	716
Repayments of borrowings	-	(43)
Repayments of finance leases	(2)	(16)
<b>Net cash (used in)/from financing activities</b>	<b>(2)</b>	<b>660</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)

	Quater ended	
	31 March	
	2009	2008
	S\$'000	S\$'000
Net change in cash and cash equivalents	2,278	343
Cash and cash equivalents at beginning of the financial year (Note 1)	9,911	993
Effect of exchange rate changes on cash and cash equivalents	(69)	(207)
Cash and cash equivalents at end of the financial period (Note 1)	12,120	1,129

Explanatory Notes:

**Note 1**

	31 March	
	2009	2008
	S\$'000	S\$'000
Cash and cash equivalents	12,209	2,433
Bank overdrafts	-	(317)
Restricted deposits	(89)	(987)
Cash and cash equivalents per consolidated cash flow statement	12,120	1,129

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 First Quarter ended 31 March 2009**

	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 Period ended 31/3/2009</b>						
<b>Group</b>						
Balance at 1/1/2009	319,572,675	31,948	(1,435)	(6,868)	321	23,966
Foreign currency translation differences recognised directly in equity	-	-	(100)	-	15	(85)
Net profit for the financial period	-	-	-	720	49	769
<b>Total recognised income and expenses for the financial period</b>	-	-	(100)	720	64	684
<b>Balance at 31/3/2009</b>	<b>319,572,675</b>	<b>31,948</b>	<b>(1,535)</b>	<b>(6,148)</b>	<b>385</b>	<b>24,650</b>
<b>Company</b>						
Balance at 1/1/2009	319,572,675	31,948	-	(89)	-	31,859
Net loss for the financial period	-	-	-	(31)	-	(31)
<b>Total recognised income and expenses for the financial period</b>	-	-	-	(31)	-	(31)
<b>Balance at 31/3/2009</b>	<b>319,572,675</b>	<b>31,948</b>	<b>-</b>	<b>(120)</b>	<b>-</b>	<b>31,828</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 First Quarter ended 31 March 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 Period ended 31/03/08 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	-	-	(233)	-	(1)	(234)
Net profit for financial period	-	-	-	462	55	517
<b>Total recognised income and expenses for the financial period</b>	-	-	(233)	462	54	283
<b>Balance at 31/3/2008</b>	<b>319,572,675</b>	<b>31,948</b>	<b>(753)</b>	<b>(8,894)</b>	<b>144</b>	<b>22,445</b>
<b>Company</b>						
Balance at 1/1/2008	319,572,675	31,948	-	55	-	32,003
Net loss for the financial period	-	-	-	(57)	-	(57)
<b>Total recognised income and expenses for the financial period</b>	-	-	-	(57)	-	(57)
<b>Balance at 31/12/2008</b>	<b>319,572,675</b>	<b>31,948</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>31,946</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 31/3/2009	As at 31/12/2008
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 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.

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	
	3 months ended 31 March	
	2009	2008
	cents	cents
Based on the weighted average number of ordinary shares on issue <sup>(1)</sup>	0.23	0.14
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 Quarter ended 31 March 2009 and 2008.

<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 31/3/2009		As at 31/12/2008	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share <sup>(1)</sup>	7.59	9.96	7.40	9.97

<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 first quarter ended 31 March 2009 as compared to corresponding quarter ended 31 March 2008**

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

	Q1 2009 S\$'000	Sales mix %	Q1 2008 S\$'000	Sales mix %
Technology (TECH)	2,110	45%	4,385	71%
Value-Added-Service (VAS)	1,017	22%	1,494	24%
<b>Proprietary Solutions</b>	3,127	67%	5,879	95%
<b>Distribution</b>	-	0%	89	1%
<b>Operation Support Systems (OSS)</b>	1,525	33%	250	4%
<b>Total</b>	<b>4,652</b>	<b>100%</b>	<b>6,218</b>	<b>100%</b>

**Note:**

The group has in 2008 discontinued its low growth and low profitability Distribution business segment. The Proprietary Solutions business segment has been split into the Mobile VAS Business Unit (VAS BU) and the Mobile TECH Business Unit (TECH BU) following the completion of its re-organisation initiative.

The Group recorded consolidated revenue of S\$4.6 million for the period ended 31 March 2009, representing a decrease of 25% compared to revenue achieved for the period ended 31 March 2008. The higher revenue recorded in the corresponding quarter in 2008 as compared to the current quarter is mainly attributable to the prior year corresponding quarter's revenue significantly comprising project revenue relating to the "Build Phase" of Mobile Number Portability Clearinghouse project in Malaysia which was completed in 2008.

The lower revenue from TECH BU was however, partly offset by the improvement in revenue from OSS business unit, mainly driven by the delivery of a significant project during the quarter under review.

Despite the decrease in revenue, the Group achieved improved net profit after taxation of S\$0.7 million, and an unchanged level of earnings before interest, tax, depreciation and amortisation ("EBITDA") of S\$1.1 million, as compared to a net profit of S\$0.5 million and EBITDA of S\$1.1 million respectively, for the period ended 31 March 2008.

This improvement achieved in the profit performance of the Group in the period ended 31 March 2009, in spite of lower revenue recorded is attributable primarily to the following factors:

- \* A reduction in operating expenses of the Group in the current quarter, amounting to a decrease of 18% (or S\$0.4 million) compared to corresponding period in 2008. This improvement in operating expenses was secured mainly through the savings in operating expenses from the Distribution business segment, following the Group's exit from the business in 2008;
- \* Project revenue delivered by TECH and VAS BU during the period under review enjoying higher gross profit margins as compared to that in corresponding quarter ended 31 March 2008; and
- \* A net foreign exchange gain of S\$0.2 million recorded in the current quarter, attributable primarily to revaluation gains from US Dollar denominated assets of the Group. In comparison, a net foreign loss of S\$0.2 million was recorded in the corresponding quarter in 2008.



**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 March 2009 as compared to the Group's financial position as at 31 December 2008**

Current assets decreased by S\$0.5 million or 1.8% from S\$27.2 million as at 31 December 2008 to S\$26.7 million as at 31 March 2009. This decrease is mainly attributable to the decrease in trade and other receivables amounting to S\$2.7 million as a result of receipt of payments from trade receivables. As a result, cash and cash equivalents held by the Group improved to S\$12.2 million as at 31 March 2009, from S\$10.1 million as at 31 December 2008.

Total non-current assets of the Group decreased by S\$0.3 million or 6% compared to the balance as at 31 December 2008 of S\$5.8 million. This decrease is mainly attributable to the lower investment in an associated company as a result of dividend distributed by the associated company, the decrease was partly offset by an increase in plant and equipment.

Total liabilities of the Group decreased by S\$1.5 million (or 16.9%) as at 31 March 2009, from S\$9 million as at 31 December 2008. The decrease is mainly due to the reduction in trade and other payables by S\$1.4 million.

**Review of the Group's cash flow as at 31 March 2009 as compared to the Group's cash flow as at 31 March 2008**

The Group's cash from operations for the current quarter increased by S\$3.6million, compared to the cash used in operations of S\$1.6 million for the corresponding quarter ended 2008. 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 quarter improved to S\$0.8 million as compared to the operating cash flow of S\$0.7 million for the corresponding quarter ended 2008. This increase in operating cash flow is mainly due to higher profitability of the Group in the current quarter as compared to the profit before tax and after share of results of associated company of S\$0.5 million in the corresponding quarter ended 2008.

**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 in 2008, coupled with the completion of Group reorganisation into three distinct BUs 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 in 2008. The Directors believe that this decision will enable the Group to focus its resources and efforts exclusively in realizing the further growth potential of its VAS, TECH and OSS BUs.

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 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 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 31 March 2009.

**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 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)
Nil	Nil	Nil

**BY ORDER OF THE BOARD**

Anton Syazi Ahmad Sebi  
Deputy Chief Executive Officer  
14th May 2009