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 2010

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 2010

Consolidated Income Statement

	Group		
	12 months ended 31 Dec		
	2010	2009	Inc/(dec)
	S$'000	S$'000	%
Revenue	**18,223**	**18,964**	**(4)**
Cost of sales	(8,901)	(9,693)	(8)
Gross profit	**9,322**	**9,271**	**1**
Other operating income	1,512	1,000	51
Expenses:			
Technical support expenses	(2,803)	(3,482)	(20)
Distribution costs	(1,874)	(1,689)	11
Administrative expenses	(2,425)	(1,887)	28
Other operating expenses	(2,086)	(962)	117
Finance costs	(1)	(2)	(28)
Share of profit from an equity-accounted associate	1,156	1,038	11
Profit before income tax	**2,801**	**3,287**	**(15)**
Income tax expenses	(329)	(54)	510
Profit for the year	**2,472**	**3,233**	**(24)**
Profit attributable to:			
Owners of the Company	2,067	2,900	(29)
Non-controlling interest	405	333	22
Profit for the year	**2,472**	**3,233**	**(24)**

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 Dec		
	2010	2009	Inc/(dec)
	S$'000	S$'000	%
Profit for the year	2,472	3,233	(24)
Other comprehensive income:			
Exchange difference on translating foreign operations	566	(501)	(213)
Total comprehensive income for the year	**3,038**	**2,732**	**11**
Total comprehensive income attributable to:			
Owners of the Company	2,628	2,393	10
Non-controlling interest	410	339	21
Total comprehensive income for the year	**3,038**	**2,732**	**11**

1(a)(ii) Notes to income statement

The following items have heen included in arriving at profit before income tax:

	Group		
	12 months ended 31 Dec		
	2010	2009	Inc/(dec)
	S$'000	S$'000	%
Other operating income, comprising:			
Write back of allowance for impairment of receivables - trade	182	-	100
Write back of allowance for impairment of receivables - non-trade	49	-	100
Foreign exchange gain	726	663	10
Interest income	415	183	127
Net gain on disposals of plant and equipment	28	19	50
Other operating expenses, comprising:			
Allowance for inventories obsolescence	(36)	(53)	(31)
Allowance for impairment of trade receivables	(52)	-	100
Allowance for impairment of other receivables	(29)	(22)	33
Amortisation of development costs and intellectual property	(627)	(479)	31
Depreciation of plant and equipment	(571)	(951)	(40)
Foreign exchange loss	(772)	(600)	29
Impairment loss on development costs	(447)	(77)	481
Impairment loss on plant and equipment	(734)	(181)	306
Plant and equipment written off	(1)	-	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
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	S$'000	S$'000	S$'000	S$'000
ASSETS				
Non-current assets				
Plant and equipment	3,799	3,905	-	-
Intangible assets	3,286	2,390	-	-
Investments in subsidiaries	-	-	32,734	32,734
Investment in an associate	1,449	808	-	-
Deferred income tax assets	43	311	-	-
Trade and other receivables	2,672	2,851	-	-
Total non-current assets	**11,249**	**10,265**	**32,734**	**32,734**
Current assets				
Inventories	158	212	-	-
Trade and other receivables	7,043	9,314	6,354	3,850
Cash and cash equivalents	17,220	15,019	9	19
Total current assets	**24,421**	**24,545**	**6,363**	**3,869**
Total assets	**35,670**	**34,810**	**39,097**	**36,603**
EQUITY AND LIABILITIES				
Equity				
Share capital	31,948	31,948	31,948	31,948
(Accumulated losses)/Retained earnings	(2,221)	(3,968)	6,708	(402)
Foreign currency translation reserve	(1,381)	(1,942)	-	-
Equity attributable to owners of the Company	**28,346**	**26,038**	**38,656**	**31,546**
Non-controlling interest	1,029	660	-	-
Total equity	**29,375**	**26,698**	**38,656**	**31,546**
Non-current liabilities				
Deferred income tax liabilities	25	54	-	-
Borrowings	-	3	-	-
Total non-current liabilities	**25**	**57**	**-**	**-**
Current liabilities				
Current income tax liabilities	39	29	-	-
Trade and other payables	6,231	8,019	441	5,057
Borrowings	-	7	-	-
Total current liabilities	**6,270**	**8,055**	**441**	**5,057**
Total liabilities	**6,295**	**8,112**	**441**	**5,057**
Total equity and liabilities	**35,670**	**34,810**	**39,097**	**36,603**

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 31/12/2010		As at 31/12/2009	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	-	7	-

Amount repayable after one year

Group		Group	
As at 31/12/2010		As at 31/12/2009	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	-	3	-

Details of any collateral

In 2009, the Group's secured facility represented a hire purchase facility.

The hire purchase facility was secured by a right over a leased motor vehicle of a subsidiary which was disposed in 2010.

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 Statement of Cash Flow

	Group	
	12 months ended 31 Dec	
	2010	2009
	S$'000	S$'000
Operating activities:		
Profit before income tax	2,801	3,287
Adjustments for:		
Amortisation of development costs and intellectual property	627	479
Depreciation of plant and equipment	571	951
Plant and equipment written off	1	-
Write back of allowance for impairment of receivables - trade	(182)	-
Write back of allowance for impairment of receivables - non-trade	(49)	-
Impairment loss on plant and equipment	734	181
Impairment loss on development costs	447	77
Allowance for inventories obsolescence	36	53
Allowance for impairment of trade receivables	52	-
Allowance for impairment of other receivables	29	22
Net gain on disposals of plant and equipment	(28)	(19)
Interest expense	1	2
Interest income	(415)	(183)
Share of profit from an equity-accounted associate	(1,156)	(1,038)
Operating cash flow before movement in working capital	**3,469**	**3,812**
Changes in operating assets and liabilities		
Inventories	(23)	1,051
Trade and other receivables	2,528	3,945
Trade and other payables	(1,773)	(838)
Cash generated from operations	**4,201**	**7,970**
Income tax paid	(58)	(40)
Interest paid	(1)	(2)
Net cash from operating activities	**4,142**	**7,928**
Investing activities:		
Purchase of plant and equipment	(1,308)	(2,910)
Proceeds from disposals of plant and equipment	35	47
Development costs paid	(1,784)	(1,057)
Deposits withdrawal from a licensed bank	-	61
Interest received	415	183
Dividend received from an equity-accounted associate	508	1,432
Net cash used in investing activities	**(2,134)**	**(2,244)**
Financing activities:		
Dividend paid by a subsidiary to non-controlling interest	(41)	-
Dividend paid to equity holders of the Company	(320)	-
Repayments of finance leases	(10)	(7)
Net cash used in financing activities	**(371)**	**(7)**

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)

	Group	
	12 months ended 31 Dec	
	2010	2009
	S$'000	S$'000
Net change in cash and cash equivalents	**1,637**	**5,677**
Cash and cash equivalents at beginning of the financial year (Note 1)	**14,991**	**9,911**
Effect of exchange rate changes on cash and cash equivalents	**566**	**(597)**
Cash and cash equivalents at end of the financial year (Note 1)	**17,194**	**14,991**

Explanatory Notes:

Note 1

	Group	
	12 months ended 31 Dec	
	2010	2009
	S$'000	S$'000
Cash and cash equivalents	17,220	15,019
Restricted deposits	(26)	(28)
Cash and cash equivalents per consolidated cash flow statement	**17,194**	**14,991**

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 2010

	Issued and fully paid						
	Number of shares	Share capital	Foreign currency translation reserve	(Accumulated losses) / Retained earnings	Equity attributable to owners of the Company	Non-controlling Interest	Total
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Financial year ended 31/12/2010							
Group							
Balance at 1/1/2010	319,572,675	31,948	(1,942)	(3,968)	26,038	660	26,698
Total comprehensive income/ (expenses) for the financial year	-	-	561	2,067	2,628	410	3,038
Dividend paid to equity holders of the Company	-	-	-	(320)	(320)	-	(320)
Dividend paid to Non-controlling interest	-	-	-	-	-	(41)	(41)
Balance at 31/12/2010	**319,572,675**	**31,948**	**(1,381)**	**(2,221)**	**28,346**	**1,029**	**29,375**
Company							
Balance at 1/1/2010	319,572,675	31,948	-	(402)	31,546	-	31,546
Total comprehensive income/ (expenses) for the financial year	-	-	-	7,430	7,430	-	7,430
Dividend paid to equity holders of the Company	-	-	-	(320)	(320)	-	(320)
Balance at 31/12/2010	**319,572,675**	**31,948**	**-**	**6,708**	**38,656**	**-**	**38,656**

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 2009

	Issued and fully paid						
	Number of shares	**Share capital**	**Foreign currency translation reserve**	**(Accumulated losses) / Retained earnings**	**Equity attributable to owners of the Company**	**Non-controlling Interest**	**Total**
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Financial year ended 31/12/2009 **Group**							
Balance at 1/1/2009	319,572,675	31,948	(1,435)	(6,868)	23,645	321	23,966
Total comprehensive income/ (expenses) for the financial year	-	-	(507)	2,900	2,393	339	2,732
Balance at 31/12/2009	**319,572,675**	**31,948**	**(1,942)**	**(3,968)**	**26,038**	**660**	**26,698**
Company							
Balance at 1/1/2009	319,572,675	31,948	-	(89)	31,859	-	31,859
Total comprehensive income/ (expenses) for the financial year	-	-	-	(313)	(313)	-	(313)
Balance at 31/12/2009	**319,572,675**	**31,948**	**-**	**(402)**	**31,546**	**-**	**31,546**

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 31/12/2010	**As at 31/12/2009**
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 adopted the same accounting policies and methods of computation in the financial statements for the current year as those applied in their audited financial statements for the year ended 31 December 2009.

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	
	12 months ended 31 Dec	
	2010	**2009**
	cents	**cents**
Based on the weighted average number of ordinary shares on issue [1]	0.65	0.91
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 net profit after tax from the financial statements of the relevant financial year and the weighted average number of ordinary shares issued of 319,572,675 shares for Year 2010 and Year 2009.

[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 31/12/2010		As at 31/12/2009	
	Group cents	**Company cents**	**Group cents**	**Company cents**
Net asset value per ordinary share [1]	8.87	12.10	8.15	9.87

[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 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 2010 as compared to corresponding financial year ended 31 December 2009

The Group recorded consolidated revenue of S$18.2 million for year ended 31 December 2010, representing a marginal decrease of 4% against revenue achieved in the previous year.

The lower revenue recorded in the year under review was mainly attributable to lower revenue recorded by VAS BU. The decline in revenue for VAS BU for the year under review was mainly due to the slower than expected realization of system sale opportunities. The Group believes that this may be associated with the following:

* Certain mobile network operators undergoing major core network upgrades, including various stages of 3G core network roll out or expansion;
* Several mobile network operators taking a more conservative stance during the first half of the year in the wake of macroeconomic uncertainty;
* The Group's sales and business development activities in Middle East and Africa region (MEA) in the earlier part of 2010 being primarily in the early stage of the sales cycle; and
* Merger and acquisition activity within the mobile telecommunications markets of MEA affecting new VAS system investment and system implementation projects.

In addition, a greater number of the Group's existing and prospective customers across are showing increasing interest in and favour for the deployment of new services under a managed service business model. This has contributed to relatively lower system sales opportunities and resultant lower system sale contract revenues for VAS BU.

However, the decrease in VAS BU was largely offset by the improvement in revenue achieved by TECH BU and OSS BU. This improvement in revenue achieved by TECH and OSS BUs can be attributed to:

* Further penetration of OSS BU into a new customer in the South East Asia region (SEA) giving rise to both new system sale and system expansion revenues;
* System expansion and new system sale revenues secured by TECH BU in SEA; and
* New system sale revenues for TECH BU delivered through a new channel partner in the MEA region.

Group consolidated revenue for the year period under review, as analysed by business unit, is provided below:

	2010 S$'000	Sales mix %	2009 S$'000	Sales mix %
Mobile Technology (TECH BU)	6,498	-	5,314	-
Mobile Value-Added-Service (VAS BU)	4,513	-	7,161	-
Proprietary Solutions	11,011	60	12,475	66
Operation Support Systems (OSS BU)	7,212	40	6,489	34
Total	**18,223**	**100**	**18,964**	**100**

Across the Group's three regions of focus – South East Asia (SEA), South Asia (SA) and the Middle East and Africa (MEA), revenue from SEA continues to be the most significant contributor to Group consolidated revenue for the year under review.

As compared to the year ended 31 December 2009, revenue derived from SEA in the year under review increased by S$1.8m or 14%. The increase in revenue contribution from this region is attributable primarily to the significant improvement in the revenue performance of TECH BU and OSS BU, which focus primarily on the SEA markets.

Revenue from MEA continues to be the second largest contributor to Group consolidated revenue. However for the year under review, revenue from MEA showed a decline of S$1.8m (or 51%) against the result achieved in 2009. This was largely due to VAS BU enjoying higher sales activity and considerably higher revenue from system sale contracts in this region in 2009. Consolidated revenue from SA meanwhile was lower against 2009, in spite of VAS BU recording an increase in revenue that was driven by improvement in the performance of its revenue sharing contracts in this region. A noticeable decline in contribution to revenue for the year period under review can be seen from countries within other regions from which the Group has reduced its focus – namely Greater China, a territory which is included in the 'Others' category.

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 year ended 31 December 2010 as compared to corresponding financial year ended 31 December 2009 (continued)

Group consolidated revenue for the year under review, as analysed by geographical segment, is provided below:

External Sales	2010			
	TECH S$'000	VAS S$'000	OSS S$'000	Group S$'000
South East Asia (SEA)	6,450	1,522	7,172	15,144
South Asia (SA)	48	692	40	780
Middle East & Africa (MEA)	-	1,772	-	1,772
Others	-	527	-	527
Total	**6,498**	**4,513**	**7,212**	**18,223**

External Sales	2009			
	TECH S$'000	VAS S$'000	OSS S$'000	Group S$'000
South East Asia (SEA)	5,085	1,750	6,447	13,282
South Asia (SA)	229	628	42	899
Middle East & Africa (MEA)	-	3,588	-	3,588
Others	-	1,195	-	1,195
Total	**5,314**	**7,161**	**6,489**	**18,964**

The Group also continues to place significant emphasis on growing revenue of a recurrent nature to complement the revenue generated from the sale of systems comprising the products and technologies of its business units as turnkey solutions. Group consolidated revenue can be decomposed into revenue generated from two types of contracts, as described below:

(a) 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.

(b) 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.

For the year under review, the 4% decrease in Group consolidated revenue is mainly attributable to lower revenue from system sale contracts. Group consolidated revenue from managed service contracts for the year under review as compared to 2009 was however higher. Gross profit for system sale revenue meanwhile showed only a marginal decline against 2009 despite system sale revenues being lower by 11%. This was mainly due to a more favourable sales mix enjoyed by the Group in the year under review, resulting in an increase in the gross profit margins of TECH and OSS BUs.

In terms of proportionate contribution of each contract type to Group consolidated revenue, managed service contract revenues now constitute almost half of Group consolidated revenue. In the year under review, the proportion of revenue accounted for by managed service contracts was 46% of Group consolidated revenue, as compared to 42% in 2009.

Group consolidated revenue for the year under review, as analysed by contract type, is provided below:

External Sales	2010			2009		
	System Sales	Managed Services	Group	System Sales	Managed Services	Group
Revenue	9,778	8,445	18,223	10,993	7,971	18,964
Gross Profit	4,077	5,245	9,322	4,223	5,048	9,271
Gross Profit (%)	42%	62%	51%	38%	63%	49%

For the year under review, the Group recorded net profit of S$2.5 million and EBITDA of S$3.6 million, as compared to a net profit of S$3.2 million and EBITDA of S$4.5 million respectively for 2009. The decrease in net profit of 24% was mainly due to:

* An impairment loss on plant and equipment and development costs in respect of certain managed services contracts that are now believed to produce lower than expected profitability and returns;

* A net foreign exchange loss of approximately S$0.1 million recorded in the year under review, primarily due to a revaluation loss associated with SGD and USD denominated assets of the Group’s MYR reporting subsidiaries for the current year. In comparison, a net foreign exchange gain of less than S$0.1 million was recorded in 2009; and

* Higher distribution costs recorded in the year period under review, due to expansion of headcount within BUs to cater for anticipated growth within South East Asia especially for OSS BU and in preparation for expansion in the Group’s other regions of focus of SA and MEA.

The impact of the above on the Group’s profit performance for the year under review was partially offset by the following factors:

* Write back of allowance for impairment of receivables arising from successful debt recovery, amounting to S$0.2 million in year under review;

* Interest income of S$0.2 million for the year under review primarily due to interest received from one of the Group’s major accounts receivables under an installment payment scheme; and

* A decrease in depreciation charges to S$0.5 million for the year under review, as compared to S$0.9 million for the corresponding year of 2009. This was due to certain plant and equipment of the Group reaching the end of their estimated useful lives in late 2009.

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 2010 as compared to the Group's financial position as at 31 December 2009

Current assets decreased by S$0.1 million or 1% from S$24.5 million as at 31 December 2009 to S$24.4 million as at 31 December 2010. This decrease is attributable mainly to the decrease in trade and other receivables by S$2.3 million as a result of improvement in receipts from trade and other receivables. The improvement in receipts had however contributed to the increase in cash and cash equivalents held by the Group to S$17.2 million as at 31 December 2010, from S$15 million as at 31 December 2009.

Total non-current assets of the Group increased by S$1 million or 10%, from S$10.3 million as at 31 December 2009 to S$11.2 million as at 31 December 2010. This increase is attributable mainly to intangible assets increasing by S$0.9 million as a result of investment in intellectual properties, and investment in an associate increasing by S$0.6 million as a result of an increase in the share of profit from the associate.

Total liabilities of the Group decreased by S$1.8 million (or 22%) from S$8.1 million as at 31 December 2009 to $6.3 million as at 31 December 2010. The decrease is mainly due to the reduction in trade and other payables.

Review of the Group's cash flow for the financial year ended 31 December 2010 as compared to the corresponding financial year ended 31 December 2009

The Group's cash from operations for the year under review was S$4.2 million, a decrease of 53% as compared to cash from operations of S$7.9 million for the corresponding year ended 31 December 2009. This decrease is attributable mainly to lower accounts receivables of the Group at the beginning of the year under review as compared to the prior year.

Operating cash flow before working capital changes for the year under review decreased to S$3.5 million as compared to S$3.8 million for 2009. This decrease in operating cash flow is mainly due to lower profit before tax of the Group in the year under review of S$2.8 million as compared to the profit before tax of S$3.3 million in 2009.

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.

The Group will continue to execute the strategies for growth and development as described in its annual report for the financial year ended 31 December 2009. The key strategies being pursued by the Group are:

* Defend Existing Businesses

  The focus for VAS BU and TECH BU will be on defending existing market share, especially in SEA, by ensuring that the Group's service delivery and solution portfolio are superior to competition and commercially competitive.

  As for OSS BU, focus will continue to be applied on capturing opportunities in the growing business and operation support systems (BSS/OSS) segment.

* Re-Establish Growth Path

  The Group will re-establish its growth path both organically and by way of acquisition of and/or strategic investment in complementary businesses.

  Organic growth is expected to be achieved through the further development and release of new application and platform products in the areas of business support, service analytics, service lifecycle management, interactive mobile marketing and advertising, and mobile internet-driven VAS including mobile media services.

  The Group has established a new business unit to address mobile media growth opportunities within its regions of focus and has been in commercialisation of its first service in the final quarter of 2010.

  Inorganic growth will also be pursued as the Group now has the capacity to direct a significant proportion of its capital towards acquisition(s) and/or strategic investment(s) in complementary businesses to drive the future profit growth and deliver improvements in return on shareholders' equity.

* Brand Building

  The Group has also embarked on a brand building initiative that focuses on the repositioning of the Group towards its customers, business partners and shareholders. The first visible outcome of this initiative is the revitalised corporate identity for the Group, signified by a refreshed logo and an updated corporate website.

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 (continued)

* Prospects for 2011

The Group has now delivered three consecutive years of profits. The Directors and Management of the Group are optimistic of securing the Group's removal from the SGX Watch List in 2011 and to extend this track record of profitable performance.

However, the Directors and Management of the Group expect 2011 to be a challenging year due to the following factors:

(a) Intensifying competition for many of the Group's more mature products and technologies;

(b) Pressure on the Group's capacity to recruit and retain suitable human capital to support growth and development plans partly due to increased competition for talent in SEA and MEA; and

(c) Political instability or civil unrest in MEA which may affect new investment by mobile network operators or hamper the progress of imminent or existing system implementation projects.

11. Dividend

(a) Current Financial Year Reported On

Any dividend declared for the current financial year reported on?

An interim dividend has been declared on 11 August 2010 and paid out on 24 September 2010.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	0.1 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? 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 final dividend has been declared or recommended for the year ended 31 December 2010.

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 2010

	TECH S$'000	VAS S$'000	OSS S$'000	OHQ S$'000	Elimination S$'000	Group S$'000
Sales:						
-external sales	6,490	4,513	7,212	8	-	18,223
-inter-segment sales	931	2	715	2,432	(4,080)	-
	7,421	**4,515**	**7,927**	**2,440**	**(4,080)**	**18,223**
Interest income	399	-	14	2	-	415
Amortisation of development costs and intellectual property	510	33	90	1	(7)	627
Depreciation of plant and equipment	195	295	48	35	(2)	571
Allowance for impairment of trade receivables	-	52	-	9	(9)	52
Allowance for impairment of other receivables	-	-	-	5	24	29
Allowance for inventories obsolescence	5	31	-	-	-	36
Impairment loss on development costs	-	447	-	-	-	447
Impairment loss on plant and equipment	-	744	-	-	(10)	734
Plant and equipment written off	1	-	-	-	-	1
Profit/(Loss) from operations	3,037	(1,984)	1,085	7,614	(8,106)	1,646
Finance cost	(1)	-	-	-	-	(1)
Share of profit from an equity-accounted associate	-	1,150	-	-	6	1,156
Profit/(Loss) before tax	3,036	(834)	1,085	7,614	(8,100)	2,801
Income tax	19	(311)	(1)	(35)	(1)	(329)
Profit/(Loss) after tax	3,055	(1,145)	1,084	7,579	(8,101)	2,472
Non-controlling interest	-	127	(532)	-	-	(405)
Net profit/(loss) attributable to owners of the Company	**3,055**	**(1,018)**	**552**	**7,579**	**(8,101)**	**2,067**
Segment assets	24,312	9,621	5,240	42,587	(47,582)	34,178
Associate	-	1,449	-	-	-	1,449
Unallocated assets	28	-	-	-	15	43
Consolidated total assets						**35,670**
Segment liabilities	3,192	9,918	3,176	3,616	(13,632)	6,270
Unallocated liabilities	-	-	-	25	-	25
Consolidated total liabilities						**6,295**
Other segment items						
Capital expenditure						
- Plant and equipment	346	792	64	126	(20)	1,308
- Development costs of intellectual property	874	973	-	130	(193)	1,784

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 2009

	TECH S$'000	VAS S$'000	OSS S$'000	OHQ S$'000	Elimination S$'000	Group S$'000
Sales:						
-external sales	5,314	7,161	6,489	-	-	18,964
-inter-segment sales	3,470	265	987	1,090	(5,812)	-
	8,784	**7,426**	**7,476**	**1,090**	**(5,812)**	**18,964**
Interest income	183	-	-	-	-	183
Amortisation of development costs and intellectual property	390	2	87	-	-	479
Depreciation of plant and equipment	523	374	32	22	-	951
Allowance for impairment of other receivables	-	22	-	-	-	22
Allowance for inventories obsolescence	34	19	-	-	-	53
Impairment loss on development costs	68	9	-	-	-	77
Impairment loss on plant and equipment	33	148	-	-	-	181
Profit/(Loss) from operations	2,109	571	861	(390)	(900)	2,251
Finance costs	(2)	-	-	-	-	(2)
Share of profit from an equity-accounted associate	-	1,038	-	-	-	1,038
Profit/(Loss) before tax	2,107	1,609	861	(390)	(900)	3,287
Income tax	(43)	(14)	(16)	3	16	(54)
Profit/(Loss) after tax	2,064	1,595	845	(387)	(884)	3,233
Non-controlling interest	-	81	(414)	-	-	(333)
Net profit/(loss) attributable to owners of the Company	**2,064**	**1,676**	**431**	**(387)**	**(884)**	**2,900**
Segment assets	27,400	11,736	5,565	38,037	(49,047)	33,691
Associate	-	808	-	-	-	808
Unallocated assets	-	295	-	-	16	311
Consolidated total assets						**34,810**
Segment liabilities	2,397	10,051	4,552	6,361	(15,313)	8,048
Unallocated liabilities	64	-	-	-	-	64
Consolidated total liabilities						**8,112**
Other segment items						
Capital expenditure						
- Plant and equipment	185	2,741	79	97	(192)	2,910
- Development costs of intellectual property	582	488	4	-	(17)	1,057

	Group					
	Sales		Total assets		Capital expenditure	
	2010 S$'000	2009 S$'000	2010 S$'000	2009 S$'000	2010 S$'000	2009 S$'000
South East Asia (SEA)	15,144	13,282	30,046	29,422	2,326	1,546
South Asia (SA)	780	899	3,469	3,236	760	2,420
Middle East & Africa (MEA)	1,772	3,588	323	370	-	-
Others	527	1,195	340	663	6	1
	18,223	**18,964**	**34,178**	**33,691**	**3,092**	**3,967**
Investment in an associate			1,449	808		
Unallocated assets			43	311		
			35,670	**34,810**		

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.

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.

	Group 12 months ended 31 Dec		
	2010 S$'000	**2009 S$'000**	**Inc/(dec) %**
(a) Sales reported for first half year	7,832	8,509	(8)
(b) Profit after tax before deducting non-controlling interest reported for first half year	1,191	1,622	(27)
(c) Sales reported for second half year	10,391	10,455	(1)
(b) Profit after tax before deducting non-controlling interest reported for second half year	1,281	1,611	(20)

16. 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	
	2010 S$'000	**2009 S$'000**
Interim dividend to ordinary share	**320**	**-**

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 $100,000)	
	12 months ended 31 Dec		12 months ended 31 Dec	
	2010 S$'000	2009 S$'000	2010 S$'000	2009 S$'000
AESBI Power System Sdn Bhd *	302	202	Nil	Nil
Orient Escape Travel Sdn Bhd #	56	119	Nil	Nil

** A wholly-owned subsidiary of Advance Synergy Capital Sdn. Bhd. (a subsidiary of Advance Synergy Berhad)*

 # A Wholly-owned subsidiary of Advance Synergy Berhad

BY ORDER OF THE BOARD

Anton Syazi Ahmad Sebi
Chief Executive Officer
24 February 2011