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 2012

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Set out below are the financial statements for the year ended 31 December 2012

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2012	2011	Inc/(dec)
	S$'000	S$'000	%
Revenue	**16,611**	**13,947**	**19**
Cost of sales	(7,044)	(6,362)	11
Gross profit	**9,567**	**7,585**	**26**
Other operating income	7,021	1,502	367
Expenses:			
Technical support expenses	(3,384)	(3,034)	12
Distribution costs	(1,560)	(1,222)	28
Administrative expenses	(3,245)	(3,273)	(1)
Other operating expenses	(1,475)	(154)	858
Finance costs	(38)	-	100
Share of profit from an equity-accounted associate	48	1,031	(95)
Profit before income tax	**6,934**	**2,435**	**185**
Income tax expenses	(722)	(260)	178
Profit for the year	**6,212**	**2,175**	**186**
Profit attributable to:			
Owners of the Company	5,954	1,918	210
Non-controlling interest	258	257	1
Profit for the year	**6,212**	**2,175**	**186**

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2012	2011	Inc/(dec)
	S$'000	S$'000	%
Profit for the year	6,212	2,175	186
Other comprehensive income:			
Exchange differences on translating foreign operations	(742)	(460)	(61)
Total comprehensive income for the year	**5,470**	**1,715**	**219**
Total comprehensive income attributable to:			
Owners of the Company	5,189	1,469	253
Non-controlling interest	281	246	14
Total comprehensive income for the year	**5,470**	**1,715**	**219**

1(a)(ii) Notes to income statement

Profit after tax is stated after (charging)/crediting the following items:

	Group		
	12 months ended 31 December		
	2012	2011	Inc/(dec)
	S$'000	S$'000	%
Other operating income, comprising:			
Write back of allowance for impairment of receivables	87	54	60
Foreign exchange gain	339	153	122
Write-back of allowance for inventory obsolescence	-	8	(1)
Write-back of allowance for impairment of plant and equipment	-	68	(1)
Reversal of payables	67	213	(1)
Fair value gain on investment property	-	388	(1)
Interest income	327	491	(33)
Fair value gain on remeasurement of the Group's 40% equity interest in an associate	5,176	-	100
Fair value gain on contingent consideration of acquisition of a subsidiary	977	-	100
Gain on disposal of plant and equipment	33	2	100
Gain on disposal of a subsidiary	-	83	(1)
Other operating expenses, comprising:			
Allowance for inventory obsolescence	(7)	(14)	100
Allowance for impairment of receivables	(72)	(21)	244
Amortisation of development costs and intellectual property	(983)	(702)	40
Depreciation of plant and equipment	(971)	(493)	97
Foreign exchange loss	(494)	(93)	431
Allowance for impairment of plant and equipment	(472)	-	100
Allowance for Impairment of development cost	(141)	-	100
Allowance for impairment of other asset	(222)	-	100
Plant and equipment written off	(11)	(2)	100
Income tax expenses:			
Current income tax	313	283	11
Deferred income tax	33	-	100
Under provision in preceding financial years	(2)	(23)	(92)
Overseas witholding tax	378	-	100

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

Statements of Financial Position

	Group	Group	Company	Company
	As at	As at	As at	As at
	12/31/2012	12/31/2011	12/31/2012	12/31/2011
	S$'000	S$'000	S$'000	S$'000
ASSETS				
Non-current assets				
Plant and equipment	2,888	3,846	-	-
Investment property	3,540	3,630	-	-
Intangible assets	16,357	3,765	-	-
Investments in subsidiaries	-	-	32,734	32,734
Investment in an associate	-	798	-	-
Deferred income tax assets	13	42	-	-
Trade and other receivables	965	880	-	-
Other assets	-	173	-	-
Total non-current assets	**23,763**	**13,134**	**32,734**	**32,734**
Current assets				
Inventories	38	94	-	-
Trade and other receivables	7,867	6,351	5,114	6,451
Cash and cash equivalents	11,942	15,083	13	37
Total current assets	**19,847**	**21,528**	**5,127**	**6,488**
Total assets	**43,610**	**34,662**	**37,861**	**39,222**
EQUITY AND LIABILITIES				
Equity				
Share capital	31,948	31,948	31,948	31,948
Retained earnings/(Accumulated losses)	4,852	(623)	5,355	6,704
Foreign currency translation reserve	(2,595)	(1,830)	-	-
Equity attributable to owners of the Company	**34,205**	**29,495**	**37,303**	**38,652**
Non-controlling interest	1,494	1,273	-	-
Total equity	**35,699**	**30,768**	**37,303**	**38,652**
Non-current liabilities				
Other payables	2,293	-	-	-
Deferred income tax liabilities	29	25	-	-
Total non-current liabilities	**2,322**	**25**	**-**	**-**
Current liabilities				
Current income tax liabilities	280	7	-	-
Trade and other payables	5,309	3,862	558	570
Total current liabilities	**5,589**	**3,869**	**558**	**570**
Total liabilities	**7,911**	**3,894**	**558**	**570**
Total equity and liabilities	**43,610**	**34,662**	**37,861**	**39,222**

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 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	-	-	-

Amount repayable after one year

Group		Group	
As at 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
-	-	-	-

Details of any collateral

Not applicable

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

Consolidated Statement of Cash Flow

	Group	
	12 months ended 31 December	
	2012	2011
	S$'000	S$'000
Operating activities:		
Profit before income tax	6,934	2,435
Adjustments for:		
Amortisation of development costs and intellectual property	983	702
Depreciation of plant and equipment, net of amount capitalised into intangible assets	971	493
Gain on disposal of a subsidiary	-	(83)
Plant and equipment written off	11	2
Write-back of allowance for impairment of receivables	(87)	(54)
Write-back of allowance for impairment of plant and equipment	-	(68)
Reversal of payables	(67)	(213)
Fair value gain on investment property	-	(388)
Allowance for inventory obsolescence	7	14
Impairment loss on plant and equipment	472	-
Allowance for impairment of development cost	141	-
Allowance for impairment of other asset	222	-
Write-back of allowance for inventory obsolescence	-	(8)
Allowance for impairment of receivables	72	21
Gain on disposals of plant and equipment	(33)	(2)
Interest expense	38	-
Interest income	(327)	(491)
Fair value gain on remeasurement of the Group's 40% equity interest in an associate	(5,176)	-
Fair value gain on contingent consideration of acquisition of a subsidiary	(977)	-
Share of profit from an equity-accounted associate	(48)	(1,031)
Operating cash flow before movements in working capital	**3,136**	**1,329**
Changes in operating assets and liabilities		
Inventories	63	89
Trade and other receivables	518	2,519
Trade and other payables	(389)	(1,955)
Cash generated from operations	**3,328**	**1,982**
Income tax paid	(469)	(248)
Net cash generated from operating activities	**2,859**	**1,734**
Investing activities:		
Purchase of plant and equipment	(529)	(640)
Other assets	(49)	(173)
Purchase of investment property	-	(3,243)
Proceeds from disposal of plant and equipment	48	6
Acquisition of a subsidiary, net of cash acquired	(3,939)	-
Disposal of subsidiary, net of cash disposed	-	(4)
Development costs paid	(905)	(1,143)
Deposits placement with licensed banks	(3,406)	(754)
Interest received	327	491
Dividend received from an equity-accounted associate	-	1,640
Net cash used in investing activities	**(8,453)**	**(3,820)**
Financing activities:		
Dividend paid by a subsidiary to non-controlling interest	(60)	(80)
Dividend paid to equity holders of the Company	(479)	(320)
Net cash used in financing activities	**(539)**	**(400)**

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

	Group	
	12 months ended 31 December	
	2012	2011
	S$'000	S$'000
Net change in cash and cash equivalents	**(6,133)**	**(2,486)**
Cash and cash equivalents at beginning of the financial year (Note 1)	**14,303**	**17,194**
Effect of exchange rate changes on cash and cash equivalents	**(414)**	**(405)**
Cash and cash equivalents at end of the financial year (Note 1)	**7,756**	**14,303**

Explanatory Notes:

Note 1

	Group	
	12 months ended 31 December	
	2012	2011
	S$'000	S$'000
Cash and cash equivalents	11,942	15,083
Restricted deposits	(4,186)	(780)
Cash and cash equivalents per consolidated cash flow statement	**7,756**	**14,303**

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 2012

	Issued and fully paid						
	Number of shares	Share capital	Foreign currency translation reserve	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 31/12/2012 **Group**							
Balance at 1/1/2012	319,572,675	31,948	(1,830)	(623)	29,495	1,273	30,768
Total comprehensive income/ (expenses) for the financial year	-	-	(765)	5,954	5,189	281	5,470
Dividend paid to equity holders of the Company	-	-	-	(479)	(479)	-	(479)
Dividend paid to Non-controlling interest	-	-	-	-	-	(60)	(60)
Balance at 31/12/2012	**319,572,675**	**31,948**	**(2,595)**	**4,852**	**34,205**	**1,494**	**35,699**
Company							
Balance at 1/1/2012	319,572,675	31,948	-	6,704	38,652	-	38,652
(expenses) for the financial year	-	-	-	(870)	(870)	-	(870)
Dividend paid to equity holders of the Company	-	-	-	(479)	(479)	-	(479)
Balance at 31/12/2012	**319,572,675**	**31,948**	**-**	**5,355**	**37,303**	**-**	**37,303**

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 2011

	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 31/12/2011							
Group							
Balance at 1/1/2011	319,572,675	31,948	(1,381)	(2,221)	28,346	1,029	29,375
Total comprehensive income/ (expenses) for the financial year	-	-	(449)	1,918	1,469	246	1,715
Disposal of subsidiary	-	-	-	-	-	78	78
Dividend paid to equity holders of the Company				(320)	(320)	-	(320)
Dividend paid to Non-controlling interest	-	-	-	-	-	(80)	(80)
Balance at 31/12/2011	**319,572,675**	**31,948**	**(1,830)**	**(623)**	**29,495**	**1,273**	**30,768**
Company							
Balance at 1/1/2011	319,572,675	31,948	-	6,708	38,656	-	38,656
Total comprehensive income/ (expenses) for the financial year	-	-	-	316	316	-	316
Dividend paid to equity holders of the Company				(320)	(320)		(320)
Balance at 31/12/2011	**319,572,675**	**31,948**	**-**	**6,704**	**38,652**	**-**	**38,652**

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 31/12/2012	As at 31/12/2011
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 period as those applied in their audited financial statements for the year ended 31 December 2011.

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 December	
	2012	2011
	cents	cents
Based on the weighted average number of ordinary shares on issue [1]	1.86	0.60
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 period and the weighted average number of ordinary shares issued of 319,572,675 shares for financial year ended 31 December 2012 and 2011.

[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 31/12/2012		As at 31/12/2011	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share [1]	10.70	11.67	9.23	12.09

[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 year ended 31 December 2012 as compared to corresponding financial year ended 31 December 2011

Group Revenue

The Group achieved consolidated revenue of S$16.6 million for the year ended 31 December 2012 ("2012"), an increase of 19% against revenue recorded in the year ended 31 December 2011 ("2011"). The increase in revenue for 2012 is mainly attributable to the consolidation of revenues of Ahead Mobile Sdn Bhd ("AMSB") which became a wholly owned subsidiary under VAS BU following the Group's acquisition of the remaining 60% equity interest in AMSB ("Acquisition of AMSB") on 16 January 2012. However, this improvement was partly offset by the decrease in system sale revenues of both VAS and OSS BU.

With full consolidation of AMSB results, VAS BU revenue rose to S$5.9 million in 2012, an increase of 74% as compared to S$3.4 million recorded in 2011. This is in turn, the main reason for the S$3.6 million increase in VAS BU revenue in the SEA region in 2012 as compared to the S$0.7 million achieved in 2011. VAS BU also continued to realise higher revenue in the SA region in 2012, closing the year under review higher by S$0.1 million against what was achieved in 2011. This improvement is attributable to the positive performance of the managed service contracts in the SA region. However due to lower system sales revenues, VAS BU revenue from the MEA region declined by 36% in 2012 to S$0.9 million as compared to S$1.4 million in 2011.

TECH BU achieved improved revenues of S$6.4 million in 2012 as compared to S$5.8 million for 2011. The increase was driven by higher system sale and managed service revenues from the SEA region in the current year as compared to 2011.

OSS BU recorded revenue of S$4.0 million in 2012, a decline of 10% from the S$4.5 million achieved in 2011. The decline in OSS BU revenue was due to lower system sale revenues being secured in the current year as compared to 2011.

OHQ BU continued to contribute to Group revenue with S$0.2 million of rental income from the investment property acquired in early 2011.

The Group's sales mix shows an increase in the significance of revenue of a recurring nature, with revenue from managed service contracts representing 77% of the Group's total revenue for 2012 as compared to 64% for 2011. This shift in revenue mix is mainly attributable to the consolidation of revenues of AMSB. At S$3.9 million, revenue generated by the Group from system sale contracts was significantly lower for the current year primarily due to lower system sale revenues of both VAS and OSS BU (2011: S$5.0 million).

Group Gross Profit and Gross Profit Margins

The Group achieved gross profit of S$9.6 million and a gross profit margin of 58% in 2012, as compared to the S$7.6 million and 54% realised respectively in 2011.

The improvement in both gross profit and gross profit margin of the Group is attributable to the more favourable sales mix on system sale contracts in 2012, yielding higher gross profit margin of 53% (2011: 42%). This improvement in gross profit margin recorded in 2012 is attributable to the lower proportionate contribution to Group revenue by OSS BU, which system sale contracts generally deliver lower gross profit margins as a result of their typically higher third-party component costs.

The improvement in gross profit margin has however been partly offset by higher amortisation and depreciation costs relating to intellectual properties and equipment that have been commissioned for use in managed service contracts, amounting to S$1.9 million as at end-2012 (2011: S$1.2 million).

Group Operating Expenses

The Group recorded higher operating expenses of S$9.7 million in 2012, as compared to S$7.7 million for 2011 mainly due to the consolidation of operating expenses of AMSB; impairment losses on plant and equipment, development costs, and other assets in respect of certain managed services contracts that are now believed to produce lower than expected profitability and returns; and higher foreign exchange losses as a result of unfavourable exchange rate movements of the USD and Pakistan Rupee (PKR) against SGD.

Group Net Profit and EBITDA

The Group recorded net profit of S$6.2 million and EBITDA of S$8.7 million in 2012. These results are higher compared to the net profit and EBITDA of S$2.2 million and S$3.3 million achieved in 2011 respectively, due to a fair value gain of S$5.2 million on the Group's pre-existing, pre-acquisition 40% equity interest in AMSB. In addition, there is a further fair value gain of S$0.9 million on contingent consideration relating to the Acquisition of AMSB arising from the foreseeable lower balance consideration that is expected to be paid in 2013 and 2014. The remeasurement that resulted in these fair value gains to the Group has no cash impact.

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 2012 as compared to corresponding financial year ended 31 December 2011 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

The detailed segmental breakdown of the Group's revenue and gross profit for 2012, together with comparative results for 2011 is provided below:

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

	2012 S$'000	Sales mix %	2011 S$'000	Sales mix %
Mobile Technology (TECH BU)	6,460	39	5,805	42
Mobile Value-Added-Services (VAS BU)	5,870	35	3,382	24
Operation Support Systems (OSS BU)	4,027	24	4,505	32
Operational Headquarters (OHQ BU)	254	2	255	2
Total	**16,611**	**100**	**13,947**	**100**

Table 8.2: Group consolidated revenue analysed by geographical segment for financial year ended 31 December

External Sales	2012				
	TECH S$'000	VAS S$'000	OSS S$'000	OHQ S$'000	Group S$'000
South East Asia (SEA)	6,351	3,590	3,972	254	14,167
South Asia (SA)	-	1,377	37	-	1,414
Middle East & Africa (MEA)	100	901	-	-	1,001
Others	9	2	18	-	29
Total	**6,460**	**5,870**	**4,027**	**254**	**16,611**

External Sales	2011				
	TECH S$'000	VAS S$'000	OSS S$'000	OHQ S$'000	Group S$'000
SEA	5,779	664	4,447	255	11,145
SA	23	1,262	36	-	1,321
MEA	-	1,413	-	-	1,413
Others	3	43	22	-	68
Total	**5,805**	**3,382**	**4,505**	**255**	**13,947**

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

External Sales	2012			2011		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	3,866	12,745	16,611	5,048	8,899	13,947
Gross Profit	2,059	7,508	9,567	2,135	5,450	7,585
Gross Profit (%)	53%	59%	58%	42%	61%	54%

(1) System Sale – this refers to contracts that involve the outright purchase by customers of systems comprising the Group's products and technologies, and where these systems are in turn delivered as turnkey solutions. The scope of work for a system sale contract includes system design, implementation, testing and commissioning services.

(2) Managed Service – this refers to contracts that involve the provision of both systems comprising the Group's products and technologies as well as the Group's professional services, on a recurring, revenue sharing, software-as-a-service, pay-per-use or monthly or quarterly fixed and variable fee basis. Also treated as a managed service contract are system maintenance and technical support contracts with existing customers of the Group.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (continued)

Review of the Group's financial position as at 31 December 2012 as compared to the Group's financial position as at 31 December 2011

A significant number of changes in the financial position of the Group in 2012 were attributable to the consolidation of AMSB as a wholly-owned subsisidiary in accordance with FRS 103 Business Combinations, upon the completion of the Acquisition of AMSB. Previously, the results and assets and liabilities of the Group's 40% equity interest in AMSB, an investment in an associate, were accounted for using the equity method of accounting.

As at the reporting date, the Group has completed the purchase price allocation for determining the fair value of assets acquired and liabilities assumed as well as goodwill. Details of net assets acquired and goodwill are as follows:

Purchase Consideration

		S$'000
(a)	Purchase consideration paid to date	4,989
(b)	Fair value of purchase consideration to be settled by tranches in accordance with the terms and conditions of the Acquisition of AMSB ("Contingent Consideration") comprising the following:	
	(i) RM9.0 million deposited with an escrow agent which shall be released to the vendor in accordance with the terms and conditions of the Acquisition of AMSB; and	3,592
	(ii) RM1.0 million to be paid upon AMSB having procured the launch of a new service under a revenue sharing contract with a mobile network operator in South East Asia on or before 31 December 2013; and	326
	Purchase Consideration pursuant to the Acquisition of AMSB	**8,907**
	Add:	
	Fair value of 40% equity interest in AMSB previously held as investment in an associate (1)	5,925
		14,832
	Less:	
	Net assets acquired (2)	(2,035)
	Goodwill	**12,797**

(1) Fair value of 40% equity interest in AMSB previously held as investment in an associate:

	S$'000
Carrying amount of existing 40% equity interest in AMSB	825
Fair value gain on remeasurement of the Group's 40% equity interest in AMSB	5,176
Foreign currency translation differences	(76)
	5,925

(2) The net assets acquired as at 16 January 2012 (the Completion Date) arising from the Acquisition of AMSB are as follows:

	Fair value S$'000
Non-current assets	149
Non-cash current assets	1,075
Cash and cash equivalent	1,050
Current liabilities	(239)
Net assets acquired	**2,035**

Non-cash current assets of the Group increased to S$7.9 million as at 31 December 2012 from S$6.4 million as at 31 December 2011. This increase of S$1.5 million (or 23%) is mainly due to the increase in receivables following the consolidation of AMSB as a wholly-owned subsidiary, and a reclassification of the non-current portion of a trade receivable to current.

Total non-current assets of the Group increased by S$10.7 million (or 82%) from S$13.1 million as at 31 December 2011 to S$23.8 million as at 31 December 2012. This increase is attributable mainly to goodwill of S$12.8 million arising from the Acquisition of AMSB, and the inclusion of other receivables (against Contingent Consideration item (b) (i) in the table above) pertaining to the foreseeable lower balance consideration to be settled as stated in earlier review of Group Net Profit and EBITDA. This increase is partly offset by the decrease in non-current assets arising from the above-mentioned reclassification of the non-current portion of a trade receivable to current.

Total liabilities of the Group increased by S$4.0 million (or 103%) from S$3.9 million as at 31 December 2011 to S$7.9 million as at 31 December 2012. This increase is mainly due to the increase in both current and non-current other payables relating to Contingent Consideration.

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 cash flow for the year ended 31 December 2012 as compared to the corresponding year ended 31 December 2011

The Group's cash generated from operations for 2012 was S$3.3 million, an increase of 65% as compared to S$2.0 million for 2011. These improvements are mainly due to the higher revenue and gross profit achieved in 2012, partly offset by the consolidation of operating expenses of AMSB.

The Group's net cash used in investing activities for 2012 amounted to S$8.5 million as compared to S$3.8 million for 2011. This increase is mainly due to the payment of the first tranche of purchase consideration amounting to S$3.9 million*, and the placement of S$3.6 million in deposits relating to Contingent Consideration with an escrow agent, all in connection with the Acquisition of AMSB.

* Effects on cash flow:

	S$'000
Purchase consideration paid to date	4,989
Cash and cash equivalents of subsidiary acquired	(1,050)
Cash outflow on acquisition, net of cash acquired	**3,939**

The Group's net cash used in financing activities for 2012 amounted to S$0.5 million as compared to S$0.4 million for 2011. This increase is mainly due to higher dividend payout to equity holders of the Company.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No profit forecast has been issued for the financial period under review.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The directors and management of the Group expect the 2013 financial year to remain challenging, largely due to the intensification of competition and persistent downward pressure on the pricing of the Group's more mature products and technologies that are delivered on a system sale model.

The relatively soft system sale market conditions are however expected to be countervailed in the coming year by progress in growing the managed services contract portfolio of the Group. With a significant number of new application services on a managed service model due for launch in 2013, the contribution that was made by AMSB in growing 2012 revenue-sharing contract revenues of the Group is expected to be substantially bolstered in 2013 by income from VAS BU's own new contracts. The number of revenue sharing contracts under VAS BU is expected to increase substantially over the next two financial years, driven by new or rehashed, utility-focused application services that have undergone research and development in recent years and that have been well-received by the market in 2012. Given the typical two-to-three year gestation period for application and value-added-services to achieve steady-state revenues, the full impact of these new contracts on Group financial performance is expected to be realised by 2014 and 2015.

The Group will continue to search for opportunities for strategic investment and acquisition in 2013. With the ramping up of internet usage - especially the mobile broadband variety - in the SEA and SA regions over the past two years expected to persist as mobile internet devices become more affordable, the directors and management of the Group anticipate that internet-delivered application services will experience a resurgence in growth, as should the market for mobile and digital advertising solutions. The Group's growth by acquisition and strategic investment plan in the year ahead will focus primarily on these growth businesses in the SEA and SA regions.

11. Dividend

(a) Current Financial Year Reported On

An interim dividend has been declared on 14 August 2012 and paid out on 18 September 2012.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	0.15 Singapore Cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

13. Interested Person Transactions

Name of the Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)	
	12 months ended 31 December		12 months ended 31 December	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
AESBI Power System Sdn Bhd *	277	278	Nil	Nil

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

The Group does not require any shareholders' mandate pursuant to Rule 920 of the Listing Manual of SGX-ST.

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

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Financial year ended 31 December 2012

	TECH S$'000	VAS S$'000	OSS S$'000	OHQ S$'000	Elimination S$'000	Group S$'000
Revenue:						
-external	6,460	5,870	4,027	254	-	16,611
-inter-segment	61	215	727	3,135	(4,138)	-
	6,521	**6,085**	**4,754**	**3,389**	**(4,138)**	**16,611**
Cost of sales	(4,620)	(2,825)	(2,684)	(258)	3,343	(7,044)
Gross profit	**1,901**	**3,260**	**2,070**	**3,131**	**(795)**	**9,567**
Other operating income	380	6,523	189	823	(894)	7,021
Expenses:						
Technical support expenses	(656)	(697)	(713)	(1,470)	152	(3,384)
Distribution costs	(159)	(1,020)	(283)	(241)	143	(1,560)
Administrative expenses	(1,174)	(1,011)	(533)	(1,192)	665	(3,245)
Other operating expenses	(66)	(1,162)	(173)	(1,111)	1,037	(1,475)
Finance costs	-	(38)	-	-	-	(38)
Share of profit from an equity-accounted associate	-	48	-	-	-	48
Profit/(Loss) before income tax	**226**	**5,903**	**557**	**(60)**	**308**	**6,934**
Income tax expenses	(176)	(186)	(31)	(329)	-	(722)
Profit/(Loss) for the year	**50**	**5,717**	**526**	**(389)**	**308**	**6,212**
Profit/(Loss) attributable to:						
Owners of the Company	50	5,717	268	(389)	308	5,954
Non-controlling interest	-	-	258	-	-	258
Profit/(Loss) for the year	**50**	**5,717**	**526**	**(389)**	**308**	**6,212**
						-
Other information						
Depreciation, net of amount capitalised into intangible assets	(91)	(774)	(63)	(47)	4	(971)
Amortisation	(624)	(346)	(93)	-	80	(983)
Interest income	212	74	41	-	-	327
Fair value gain on remeasurement of the Group's 40% equity interest in an associate	-	5,176	-	-	-	5,176
Fair value gain on contingent consideration of acquisition of a subsidiary	-	977	-	-	-	977
Segment assets	12,695	36,695	4,430	49,614	(59,837)	43,597
Unallocated assets	(1)	(0)	-	-	14	13
Consolidated total assets						**43,610**
Segment liabilities	7,065	14,752	1,485	11,405	(26,825)	7,882
Unallocated liabilities	-	-	-	29	-	29
Consolidated total liabilities						**7,911**
Other segment items						
Capital expenditure						
- Plant and equipment	106	400	52	20	(49)	529
- Development costs of intellectual property	683	231	1	-	(10)	905
- Acquisition of a subsidiary	-	3,939	-	-	-	3,939

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (continued)

Financial year ended 31 December 2011

	TECH S$'000	VAS S$'000	OSS S$'000	OHQ S$'000	Elimination S$'000	Group S$'000
Revenue:						
-external	5,805	3,382	4,505	255	-	13,947
-inter-segment	227	4	738	2,970	(3,939)	-
	6,032	**3,386**	**5,243**	**3,225**	**(3,939)**	**13,947**
Cost of sales	(4,060)	(1,859)	(3,171)	(49)	2,777	(6,362)
Gross profit	**1,972**	**1,527**	**2,072**	**3,176**	**(1,162)**	**7,585**
Other operating income	733	566	84	1,578	(1,459)	1,502
Expenses:						-
Technical support expenses	(563)	(405)	(785)	(1,554)	273	(3,034)
Distribution costs	(256)	(449)	(375)	(289)	147	(1,222)
Administrative expenses	(1,040)	(1,125)	(513)	(1,175)	580	(3,273)
Other operating expenses	(12)	(88)	(33)	(291)	270	(154)
Finance costs	-	-	-	-	-	-
Share of profit from an equity-accounted associate	-	1,026	-	-	5	1,031
Profit before income tax	**834**	**1,052**	**450**	**1,445**	**(1,346)**	**2,435**
Income tax expenses	(137)	(21)	(4)	(98)	-	(260)
Profit for the year	**697**	**1,031**	**446**	**1,347**	**(1,346)**	**2,175**
Profit attributable to:						
Owners of the Company	697	994	226	1,347	(1,346)	1,918
Non-controlling interest	-	37	220	-	-	257
Profit for the year	**697**	**1,031**	**446**	**1,347**	**(1,346)**	**2,175**
Other information						
Depreciation, net of amount capitalised into intangible assets	(135)	(265)	(55)	(41)	3	(493)
Amortisation	(566)	(64)	(93)	(8)	29	(702)
Interest income	413	27	51	-	-	491
Fair value gain on investment property	-	-	-	388	-	388
Segment assets	26,277	10,304	4,508	48,888	(56,155)	33,822
Associate	-	798	-	-	-	798
Unallocated assets	28	-	-	-	14	42
Consolidated total assets						**34,662**
Segment liabilities	4,363	10,226	1,975	9,181	(21,876)	3,869
Unallocated liabilities	-	-	-	25	-	25
Consolidated total liabilities						**3,894**
Other segment items						
Capital expenditure						
- Plant and equipment	70	461	58	56	(5)	640
- Investment property	-	-	-	3,243	-	3,243
- Development costs of intellectual property	720	555	38	54	(224)	1,143

	Group					
	Revenue		Total assets		Capital expenditure	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
South East Asia (SEA)	14,167	11,145	39,669	28,222	5,212	4,629
South Asia (SA)	1,414	1,321	3,461	4,569	161	397
Middle East & Africa (MEA)	1,001	1,413	450	967	-	-
Others	29	68	17	64	-	-
	16,611	**13,947**	**43,597**	**33,822**	**5,373**	**5,026**
Investment in an associate			-	798		
Unallocated assets			13	42		
			43,610	**34,662**		

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

A significant amount of change and variance in VAS BU and SEA geographical segment results in 2012 versus that achieved in 2011 are attributable to the consolidation of AMSB as a wholly-owned subsidiary. As a result of this consolidation of AMSB in 2012, substantially higher segmental revenue, profit, assets, liabilities and other items were recorded for the year for both the VAS BU and SEA segments.

16. A breakdown of sales.

	Group 12 months ended 31 December		
	2012 S$'000	2011 S$'000	Inc/(dec) %
(a) Sales reported for first half year	8,334	7,188	16
(b) Profit after tax before deducting non-controlling interest reported for first half year	6,192	961	544
(c) Sales reported for second half year	8,277	6,759	22
(d) Profit after tax before deducting non-controlling interest reported for second half year	20	1,214	(98)

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

	Total annual dividend	
	2012 S$'000	2011 S$'000
Interim dividend to ordinary share	479	320

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company hereby confirms that as at the date of this announcement, to the best of its knowledge, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a Director or Chief Executive Office or Substantial Shareholder of the Company.

On behalf of the Board of Directors

Wong Tze Leng
Executive Chairman

Anton Syazi Ahmad Sebi
Chief Executive Officer

BY ORDER OF THE BOARD

Anton Syazi Ahmad Sebi
Chief Executive Officer
27 February 2013