

**Condensed interim financial statements
for the quarter ended 31 March 2024**

A. Condensed consolidated statement of profit or loss and other comprehensive income

	Note	Group	
		Quarter ended 31 March	
		2024	2023
		S\$'000	S\$'000
Revenue	4	3,009	5,061
Cost of sales		(1,634)	(2,731)
Gross profit		1,375	2,330
Other items of income:			
Interest Income		26	33
Other gains		311	114
Other items of expense:			
Technical support expenses		(1,208)	(1,133)
Distribution costs		(373)	(387)
Administrative expenses		(501)	(537)
Other losses		(3)	(289)
Finance costs		(9)	(7)
Loss before income tax	6	(382)	124
Income tax expenses	7	(60)	(31)
Loss, net of tax		(442)	93
Loss, net of tax attributable to:			
Owners of the company		(284)	11
Non-controlling interests		(158)	82
Loss, net of tax		(442)	93

Other comprehensive loss

	Note	Group	
		Quarter ended 31 March	
		2024	2023
		S\$'000	S\$'000
Loss, net of tax		(442)	93
Other comprehensive loss:			
Items that may be reclassified to profit or loss in subsequent periods (net of tax)			
Currency translation differences on consolidation of foreign entities (net)		(93)	(263)
Total other comprehensive loss for the financial period		(535)	(170)
Total comprehensive loss attributable to:			
Owners of the company		(394)	(212)
Non-Controlling interest		(142)	42
Total other comprehensive loss for the financial period		(535)	(170)
Earnings per share for loss for the year attributable to the owners of the company during the financial period:		cents	cents
Basic and diluted earnings per share		(0.89)	0.03

B. Condensed statements of financial position

	Note	Group	Group	Company	Company
		As at	As at	As at	As at
		31/3/2024	31/12/2023	31/3/2024	31/12/2023
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Plant and equipment	11	1,094	1,199	-	-
Investment property	12	1,885	1,895	-	-
Intangible assets	10	2,859	2,896	-	-
Investments in subsidiaries		-	-	25,166	25,166
Other financial assets	9	17,510	17,171	-	-
Deferred tax assets		652	654	-	-
Total non-current assets		24,000	23,815	25,166	25,166
Current assets					
Inventories		6	5	-	-
Trade and other receivables		10,002	8,662	8,236	8,644
Other non-financial assets		2,795	4,628	55	44
Cash and cash equivalents		10,125	10,965	632	399
Total current assets		22,928	24,260	8,923	9,087
Total assets		46,928	48,075	34,089	34,253
EQUITY AND LIABILITIES					
Equity					
Share capital	14	31,948	31,948	31,948	31,948
Retained earnings		15,666	15,950	400	448
Foreign currency translation reserve		(11,864)	(11,755)	-	-
Equity, attributable to owners of the parent		35,750	36,143	32,348	32,396
Non-controlling interest		6,383	6,525	-	-
Total equity		42,133	42,668	32,348	32,396
Non-current liabilities					
Lease liabilities		285	343	-	-
Deferred tax liabilities		33	33	-	-
Total non-current liabilities		318	376	-	-
Current liabilities					
Income tax payables		11	45	2	4
Trade and other payables		2,701	3,364	1,739	1,853
Other non-financial liabilities		635	458	-	-
Lease liabilities		289	318	-	-
Borrowings	13	841	846	-	-
Total current liabilities		4,477	5,031	1,741	1,857
Total liabilities		4,795	5,407	1,741	1,857
Total equity and liabilities		46,928	48,075	34,089	34,253

C. Condensed statements of changes in equity

Statements of changes in equity for the quarter ended 31 March 2024

	Note	Total equity	Attributable to parent sub-total	Share capital	Retained earnings	Foreign currency translation reserve	Non-controlling interests
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current quarter:							
Group							
Opening balance at 1 January 2024		42,668	36,143	31,948	15,950	(11,755)	6,525
Total comprehensive loss for the financial period		(535)	(393)	-	(284)	(109)	(142)
Closing balance at 31 March 2024		42,133	35,750	31,948	15,666	(11,864)	6,383
Company							
Opening balance at 1 January 2024		32,396	32,396	31,948	448	-	-
Total comprehensive loss for the financial period		(48)	(48)	-	(48)	-	-
Closing balance at 31 March 2024		32,348	32,348	31,948	400	-	-

Statements of changes in equity for the quarter ended 31 March 2023

	Note	Total equity	Attributable to parent Sub-total	Share capital	Retained earnings	Foreign currency translation reserve	Non-controlling interests
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Previous quarter:							
Group							
Opening balance at 1 January 2023		56,707	46,323	31,948	24,765	(10,390)	10,384
Total comprehensive loss for the financial period		(170)	(212)	-	11	(223)	42
Closing balance at 31 March 2023		56,537	46,111	31,948	24,776	(10,613)	10,426
Company							
Opening balance at 1 January 2023		33,910	33,910	31,948	1,962	-	-
Total comprehensive loss for the financial period		(38)	(38)	-	(38)	-	-
Closing balance at 31 March 2023		33,872	33,872	31,948	1,924	-	-

D. Condensed consolidated statement of cash flows

	Note	Group	
		3 months ended 31 March	
		2024	2023
		S\$'000	S\$'000
Operating activities:			
(Loss)/Profit before income tax		(382)	124
Adjustments for:			
Amortisation of intangible assets	6	53	61
Depreciation of plant and equipment	6	77	104
Depreciation of right-of-use assets	6	80	84
Fair value gain on unquoted investments	6	(171)	-
Interest expense		9	7
Interest income		(26)	(33)
Operating cash flow before changes in working capital		(360)	347
Inventories		(1)	-
Trade and other receivables		(1,383)	802
Other non-financial assets		1,805	47
Trade and other payables		(637)	(1,303)
Other non-financial liabilities		179	(144)
Net cash flows used in operations		(397)	(251)
Income tax paid		(102)	(213)
Net cash flows used in operating activities		(499)	(464)
Cash flows from investing activities:			
Purchase of plant and equipment		(58)	(36)
Payment for development costs		(32)	(94)
Interest received		26	33
Net cash flow used in from investing activities		(64)	(97)
Cash flows from financing activities:			
Cash restricted in use		(3)	(153)
Lease liabilities principal portion paid		(84)	(99)
Interest expenses paid		(9)	(7)
Net cash flows used in financing activities		(96)	(259)
Net change in cash and cash equivalents		(659)	(820)
Cash and cash equivalents at beginning of the financial year (Note 1)		8,662	10,831
Effect of exchange rate changes on cash and cash equivalents		(172)	-
Cash and cash equivalents at end of the financial period/year (Note 1)		7,831	10,011

Explanatory Notes:

Note 1

	Group	
	3 months ended 31 March	
	2024	2023
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	10,125	12,533
Less: Restricted deposits	(2,294)	(2,522)
Cash and cash equivalents per consolidated statement of cash flows	7,831	10,011

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Captii Limited (the company) is incorporated in Singapore with limited liability. It is listed on Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the financial period ended 31 March 2024 comprise the company and its subsidiaries (collectively, the group). The primary activities of the company are those of investment holding and the provision of management services.

The principal activities of the group are:

- a) Distribution of information technology and telecommunications products, research and development, software engineering, system integration, project management, and maintenance and support services for the telecommunications industry.
- b) Providing money lending services, credit profiling, pay-later solutions, and/or other incidental/relevant businesses to any telecommunications operators, service providers, enterprises, or entities of any descriptions.
- c) Provision of global roaming quality of services management solutions.
- d) Undertake investment in technology companies.
- e) Investment holding and the provision of management services.

2. Basis of Preparation

The condensed interim financial statements for the financial period ended 31 March 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the group's financial position and performance of the group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the company's functional currency.

2.1. New and amended standards adopted by the group

A number of amendments to Standards have become applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- * Note 4 – revenue recognised over time
- * Note 9 – fair value of unquoted investments
- * Note 10 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts
- * Note 12 – determination of fair value of investment property using significant unobservable inputs
- * Note 15 – expected credit loss allowance on receivables

3. Seasonal operations

The group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The group is organised into the following main business segments:

- * Unifiedcomms – Segment for content-driven mobile VAS, messaging and signaling systems, solutions and managed services.
- * GlobeOSS – Segment for mobile network operation support systems, solutions and managed services.
- * Captii Ventures – Segment for strategic investment in early and late-stage technology ventures.
- * Others – Segment for investment holding and operational headquarters of the group.

These operating segments are reported in a manner consistent with internal reporting provided to those who are responsible for allocating resources and assessing performance of the operating segments.

4.1. Reportable segments

Financial period ended 31 March 2024

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	2,201	808	-	-	-	3,009
-inter-segment	-	115	-	13	(128)	-
Revenue from external parties	2,201	923	-	13	(128)	3,009
Cost of sales	(1,284)	(453)	-	(13)	116	(1,634)
Gross profit	917	470	-	0	(12)	1,375
Other items of income:						
Interest income	17	9	-	-	-	26
Other gains	28	0	257	23	3	311
Other item of expenses:						
Technical support expenses	(671)	(537)	-	(18)	18	(1,208)
Distribution costs	(226)	(149)	-	-	2	(373)
Administrative expenses	(248)	(98)	(16)	(159)	20	(501)
Other losses	49	(21)	(1)	(0)	(30)	(3)
Finance costs	(9)	0	-	-	-	(9)
Profit/(Loss) before income tax	(143)	(326)	240	(154)	1	(382)
Income tax expenses	(66)	6	-	(0)	-	(60)
Profit/(Loss), net of tax	(209)	(320)	240	(154)	1	(442)
Profit/(Loss) for the year attributable to:						
Owners of the company	(209)	(163)	241	(154)	1	(284)
Non-controlling interest	-	(157)	(1)	-	-	(158)
Profit/(Loss) for the year	(209)	(320)	240	(154)	1	(442)
Other information						
Depreciation of plant and equipment	(64)	(13)	-	(0)	-	(77)
Depreciation of right-of-use assets	(59)	(21)	-	-	-	(80)
Amortisation of intangible assets	(53)	-	-	-	-	(53)
Fair value gain on unquoted investments	-	-	171	-	-	171
Other segment items						
Capital expenditure						
- Plant and equipment	54	4	-	-	-	58
- Development costs	32	-	-	-	-	32
Financial period ended 31 March 2024						
Segment assets	18,892	13,074	17,556	40,000	(43,246)	46,276
Unallocated assets						652
Consolidated total assets						46,928
Segment liabilities	5,016	2,485	10,600	3,839	(17,178)	4,762
Unallocated liabilities						33
Consolidated total liabilities						4,795

4.1 Reportable segments (continued)

Financial period ended 31 March 2023

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	3,136	1,925	-	-	-	5,061
-inter-segment	-	122	-	14	(136)	-
	3,136	2,047	-	14	(136)	5,061
Cost of sales	(1,743)	(1,097)	-	(14)	123	(2,731)
Gross profit	1,393	950	-	-	(13)	2,330
Other items of income:						
Interest income	16	17	-	-	-	33
Other gains	123	1	-	33	(43)	114
Other item of expenses:						
Technical support expenses	(631)	(484)	-	(21)	3	(1,133)
Distribution costs	(230)	(160)	-	-	3	(387)
Administrative expenses	(243)	(137)	(35)	(138)	16	(537)
Other losses	(282)	(1)	(39)	-	33	(289)
Finance costs	(5)	(2)	-	-	-	(7)
Profit/(Loss) before income tax	141	184	(74)	(126)	(1)	124
Income tax expenses	(12)	(19)	-	-	-	(31)
Profit/(Loss), net of tax	129	165	(74)	(126)	(1)	93
Profit/(Loss) for the period attributable to:						
Owners of the company	129	85	(76)	(126)	(1)	11
Non-controlling interest	-	80	2	-	-	82
Profit/(Loss) for the period	129	165	(74)	(126)	(1)	93
Other information						
Depreciation of plant and equipment	(83)	(21)	-	-	-	(104)
Depreciation of right-of-use assets	(62)	(22)	-	-	-	(84)
Amortisation of intangible assets	(146)	-	-	-	85	(61)
Other segment items						
Capital expenditure						
- Plant and equipment	33	3	-	-	-	36
- Development costs	94	-	-	-	-	94

Financial year ended 31 December 2023

Segment assets	20,252	13,581	17,208	41,391	(45,011)	47,421
Unallocated assets						654
Consolidated total assets						48,075
Segment liabilities	6,068	2,625	10,576	3,853	(17,748)	5,374
Unallocated liabilities						33
Consolidated total liabilities						5,407

4.2. Disaggregation of revenue

The group's revenue can be divided into revenue generated from two types of contracts, as described below:

(a) System sales – 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 services – 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 managed service contracts are system maintenance and technical support contracts with existing customers of the group.

Financial period ended 31 March 2024

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Types of goods or service:						
-System sales	56	211	-	-	-	267
-Managed service	2,145	597	-	-	-	2,742
Total revenue	2,201	808	-	-	-	3,009

All the contracts are less than 12 months, and majority of the contracts are recognised over time. Customers are mainly companies in the telecommunication industry.

Geographical information:

-South East Asia #	2,174	808	-	-	-	2,982
-South Asia	20	-	-	-	-	20
-Middle East & Africa	7	-	-	-	-	7
-Others	-	-	-	-	-	-
	2,201	808	-	-	-	3,009

(#) South East Asia included

-Singapore	138	-	-	-	-	138
-Malaysia	1,955	770	-	-	-	2,725
-Others	81	38	-	-	-	119
	2,174	808	-	-	-	2,982

Financial period ended 31 March 2023

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Types of goods or service:						
-System sales	159	1,418	-	-	-	1,577
-Managed service	2,977	507	-	-	-	3,484
Total revenue	3,136	1,925	-	-	-	5,061

All the contracts are less than 12 months, and majority of the contracts are recognised over time. Customers are mainly companies in the telecommunication industry.

Geographical information:

-South East Asia #	3,110	1,925	-	-	-	5,035
-South Asia	26	-	-	-	-	26
-Middle East & Africa	0	-	-	-	-	0
-Others	-	-	-	-	-	-
	3,136	1,925	-	-	-	5,061

(#) South East Asia included

-Singapore	122	-	-	-	-	122
-Malaysia	2,902	1,543	-	-	-	4,445
-Others	86	382	-	-	-	468
	3,110	1,925	-	-	-	5,035

Revenue contribution from a single region is disclosed separately when it exceeds 20% of the group's revenue.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the group as at 31 March 2024 and 31 December 2023:

	Note	Group		Company	
		As at	As at	As at	As at
		31/3/2024	31/12/2023	31/3/2024	31/12/2023
		S\$'000	S\$'000	S\$'000	S\$'000
Financial assets					
Financial assets at fair value through profit or loss	9	17,510	17,171	-	-
Cash and bank balances and trade and other receivables (Amortised cost)		20,127	19,627	8,868	9,043
		37,637	36,798	8,868	9,043
Financial liabilities					
Trade and other payables and borrowings (Amortised cost)		4,116	4,871	1,739	1,853

6. Profit before taxation

6.1. Significant items	Group	
	Quarter ended 31 March	
	2024	2023
	S\$'000	S\$'000
Profit before income tax is stated after (charging)/crediting the following items:		
Fair value gain on unquoted investments	171	-
Foreign exchange gain/ (loss), net	138	(287)
Amortisation of intangible assets	(53)	(61)
Depreciation of plant and equipment	(77)	(104)
Depreciation of right-of-use assets	(80)	(84)

6.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

The group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	Quarter ended 31 March	
	2024	2023
	S\$'000	S\$'000
Components of tax expense recognised in profit and loss include:		
Current tax expenses	(52)	(19)
Overseas withholding tax expenses	(8)	(12)
Total income tax expenses	(60)	(31)

8. Net asset value

	As at 31/3/2024	As at 31/12/2023	As at 31/3/2024	As at 31/12/2023
	Group cents	Group cents	Company cents	Company cents
Net asset value per ordinary share ⁽¹⁾	111.87	113.10	101.22	101.37

⁽¹⁾ For comparative purposes, 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 attributable to owners of the company at the relevant financial year and the existing issued share capital of 31,957,264 shares.

9. Other financial assets

Financial assets at fair value through profit or loss comprise the following:

	Group	
	As at	As at
	31/3/2024	31/12/2023
	S\$'000	S\$'000
Balance is made up of:		
Unquoted investments at fair value through profit or loss	17,510	17,171

9.1. Fair value measurement

The group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (Level 3)

For fair value measurements (Level 3) recognised in the statement of financial position, the group adopted the following valuation methodologies in estimating the fair values of the investments:

- Cost approach;
- Option Pricing Model; and
- Implied Enterprise Value

The group has the policy to regularly assess and evaluate the appropriate valuation methodologies in ascertaining the fair value of the investments.

The following table presented the assets measured at fair value:

	Level	Group	
		As at	As at
		31/3/2024	31/12/2023
		S\$'000	S\$'000
Enterprise application technology			
Unquoted convertible preference shares in Singapore	3	882	701
Unquoted convertible loan notes in Singapore	3	8,778	8,769
Unquoted convertible preference shares in Malaysia	3	129	129
Unquoted convertible preference shares in Indonesia	3	3,443	3,377
Marketplace technology			
Unquoted convertible loan notes in Vietnam	3	4,278	4,195
Total other financial assets		17,510	17,171

10. Intangible assets

	Group			
	Deferred development costs	Intellectual property	Goodwill	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2023				
Cost	8,875	17	9,209	18,101
Accumulated amortisation and impairment	(8,074)	(17)	(7,114)	(15,205)
Net book amount	801	-	2,095	2,896
3 months ended 31 March 2024				
Opening net book amount	801	-	2,095	2,896
Additions	32	-	-	32
Amortisation charge	(53)	-	-	(53)
Foreign exchange adjustments	(4)	-	(12)	(16)
Closing net book amount	776	-	2,083	2,859
At 31 March 2024				
Cost	8,857	17	9,156	18,030
Accumulated amortisation and impairment	(8,081)	(17)	(7,073)	(15,171)
Net book amount	776	-	2,083	2,859

10.1 Deferred development costs

Deferred development costs mainly comprise staff costs, operating expenses and depreciation expenses for the development of the group's proprietary software and these have an average remaining amortisation period of 2 years (2023: 2 years).

10.2 Intellectual property

Intellectual property comprises rights and titles relating to mobile software.

10.3 Goodwill

Goodwill acquired through business combination has been allocated to its subsidiaries, Unified Communications Pte Ltd, Postpay Asia Sdn Bhd, Postpay Sdn Bhd, Postpay Technology Sdn Bhd, Adzentrum Sdn Bhd, Unified Communications (Private) Limited and Ahead Mobile Sdn Bhd for the purpose of impairment testing. The carrying amount is disclosed above.

An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit ("CGU") exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal or its value-in-use. The recoverable amount of the CGU has been measured based on the value-in-use method.

The value-in-use was determined by management using discounted cash flows to be generated from the continuing use of the CGU. Value in use as at 31 March 2024 was determined similarly to the 31 December 2023 goodwill impairment test, and was based on the following key assumptions:

Unobservable inputs	As at	As at
	31/3/2024	31/12/2023
Estimated discount rates that reflect current market assessments at the risks specific to the CGU	14.68%	14.68%
Growth rates based on management estimate forecasts and not exceeding the average long-term growth rate for the relevant markets	2%	2%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management	5 Years	5 Years

The value-in-use is a recurring fair value measurement (Level 3).

11. Plant and equipment

	Group			
	Computers, telecommunications, research and development equipment	Office equipment, furniture, motor vehicle and renovation	Right-of-use assets	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2023				
Cost	8,569	181	1,161	9,911
Accumulated amortisation and impairment	(8,062)	(136)	(514)	(8,712)
Net book amount	507	45	647	1,199
3 months ended 31 March 2024				
Opening net book amount	507	45	647	1,199
Additions	48	10	-	58
Depreciation charge	(65)	(12)	(80)	(157)
Foreign exchange adjustments	(2)	-	(4)	(6)
Closing net book amount	488	43	563	1,094
At 31 March 2024				
Cost	8,596	188	1,087	9,871
Accumulated depreciation and impairment	(8,108)	(145)	(524)	(8,777)
Net book amount	488	43	563	1,094

During the financial period ended 31 March 2024, the group acquired assets amounting to S\$58,000 (31 December 2023: S\$192,000). There are no material capital commitments at 31 March 2024.

12. Investment property

The group's investment property represents a commercial property, held for long-term rental yield and/or capital appreciation and is not substantially occupied by the group.

	Group	
	As at 31/3/2024	As at 31/12/2023
	S\$'000	S\$'000
Cost		
Beginning of financial year	2,277	2,415
Currency translation differences	(12)	(138)
End of financial period/year	2,265	2,277
Fair value loss movement		
Beginning of financial year	382	405
Currency translation differences	(2)	(23)
End of financial period/year	380	382
Net book value	1,885	1,895

12.1 Valuation

The fair value of the investment property was measured at the end of every year based on the highest and best use method to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a valuation made by an external, independent and qualified professional valuer. There has been no change to the valuation technique during the period/year.

For fair value measurements categorised within Level 3 of the fair value hierarchy, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs	Price per square foot. S\$234
Sensitivity on management's estimates – 10% variation from estimate	Impact – lower by S\$189,000; higher by S\$189,000

13. Borrowings

	Group	
	As at	As at
	31/3/2024	31/12/2023
	S\$'000	S\$'000
Amount repayable within one year or on demand		
Secured	841	846
Unsecured	-	-

Details of any collateral

The company has issued financial guarantees to the financial institutions for the following facilities granted to the group's subsidiary:-

- 1) A facility with outstanding amount of S\$841,000 (2023: S\$846,000), that is secured by fixed deposits of the subsidiary amounting to approximately S\$1,977,000 (2023: S\$1,987,000) and covered by a personal guarantee of a director of the subsidiary, and corporate guarantee of the company of S\$1,770,000 (2023: S\$1,781,000).

As at the end of the financial period/year, the outstanding facilities covered by the guarantee were S\$841,000 (2023: S\$846,000).

The fair value of these guarantees at 31 March 2024 was insignificant.

14. Share Capital

	31/3/2024		31/12/2023	
	Number of shares	Amount	Number of shares	Amount
	000	S\$'000	000	S\$'000
Group and Company				
Ordinary shares of no par value:				
Balance at beginning and end of the period/year	31,957	31,948	31,957	31,948

The company did not hold any treasury shares as at 31 March 2024.

The company's subsidiaries do not hold any shares in the company as at 31 March 2024 and 31 December 2023.

15. Expected credit loss allowance on receivables

There has been no change to the expected credit losses approach and assumptions as compared to previous financial year. As at 31 March 2024, no significant loss allowance was provided for the reporting period.

16. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Captii Limited and its subsidiaries as at 31 March 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the financial period ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the group

2.1 Review of performance of the group for the financial period ended 31 March 2024 as compared to corresponding financial period ended 31 March 2023

Group revenue

The group recorded consolidated revenue of S\$3.009 million for the quarter ended 31 March 2024 ("Q1 2024"), a 40.5% decrease against the revenue recorded in the corresponding quarter ended 31 March 2023 ("Q1 2023"). The decline in group revenue for Q1 2024 is attributable to lower revenue recorded by both Unifiedcomms and GlobeOSS.

GlobeOSS recorded revenue of S\$0.808 million in Q1 2024, a decrease of 58.1% from the S\$1.925 million recorded in Q1 2023. This decrease in revenue was due to lower system sale contract revenues and managed service contract revenues.

Unifiedcomms recorded revenue of S\$2.201 million in Q1 2024, a decrease of 29.8% from the S\$3.136 million recorded in Q1 2023. This decrease in revenue was due to lower system sale contract revenues and managed service contract revenues.

The group's sales mix in Q1 2024 showed an increase in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 91.1% of the group's total revenue in Q1 2024 as compared to 68.8% in Q1 2023. The higher contribution of managed service contracts to the group's sales mix in Q1 2024 was mainly attributable to a 83.1% drop in system sale contract revenues of both GlobeOSS and Unifiedcomms from S\$1.577 million in Q1 2023 to S\$0.267 million in Q1 2024.

Gross profit and gross profit margins

With the lower revenue recorded in Q1 2024, the group recorded lower gross profit of S\$1.375 million, a decrease of 40.9% from the S\$2.330 million realised in Q1 2023. In addition, gross profit margin had marginally decreased from 46.0% in Q1 2023 to 45.7% in Q1 2024.

The decrease in group gross profit margin is mainly attributable to the lower gross profit margin recorded on the managed service contract revenues, which decreased from 43.8% in Q1 2023 to 42.6% in Q1 2024. This decrease in gross profit margin was mainly due to the lower contribution of certain managed service contracts with a higher gross profit margin given the lower third-party costs required.

The gross margin impact from the above managed service contract was partly mitigated by the higher gross profit margin on system sale contract revenues of 77.9% in Q1 2024, versus the 51.0% recorded in Q1 2023. This improvement in system sale contract gross profit margin is attributable to lower proportionate contribution of system sale contract revenues by GlobeOSS, which generally yield lower gross profit margin as a result of its typically higher third-party costs.

Interest income

The group recorded interest income of S\$0.026 million in Q1 2024, flat against what was recorded in Q1 2023.

Other gains and other item of expense

The group recorded net total expenses of S\$1.783 million in Q1 2024, 20.4% lower than the S\$2.239 million incurred in Q1 2023. This is mainly attributable to:-

- * A fair value gain of S\$0.171 million assessed on the group's venture investment portfolio in Q1 2024; and
- * Higher net foreign exchange gain as a result of favourable exchange rate movement of USD against SGD, the group's reporting currency.

The above impact was partly offset by higher technical support expenses, due to an increase in headcount at both GlobeOSS and Unifiedcomms.

Net (loss)/profit and (LBITDA)/EBITDA

The group recorded a net loss of S\$0.442 million and LBITDA of S\$0.189 million in Q1 2024 as compared to S\$0.093 million in net profit and S\$0.346 million in EBITDA in Q1 2023. The net loss and negative EBITDA results recorded in Q1 2024 are mainly attributable to the flow-down effects of lower revenue and lower gross profit margin, though partly mitigated by lower net total expenses.

2. Review of performance of the group (continued)

2.1 Review of performance of the group for the financial period ended 31 March 2024 as compared to corresponding financial period ended 31 March 2023 (continued)

Detailed segmental breakdown of group revenue and gross profit

The detailed segmental breakdown of the group's revenue and gross profit for Q1 2024, together with comparative results for Q1 2023 is provided below:

Table 2.1: Group revenue as analysed by business unit for the quarter ended 31 March

	2024 S\$'000	Sales mix %	2023 S\$'000	Sales mix %
Unifiedcomms	2,201	73.1	3,136	62.0
GlobeOSS	808	26.9	1,925	38.0
Captii Ventures	-	-	-	-
Others	-	-	-	-
Total	3,009	100.0	5,061	100.0

Table 2.2: Group revenue as analysed by contract type for the quarter ended 31 March

External sales	2024			2023		
	System sale (1)	Managed service (2)	Group	System sale (1)	Managed service (2)	Group
Revenue	267	2,742	3,009	1,577	3,484	5,061
Gross profit	208	1,167	1,375	804	1,526	2,330
Gross profit (%)	77.9%	42.6%	45.7%	51.0%	43.8%	46.0%

Table 2.3: Group net total expenses for the quarter ended 31 March

	Group	
	2024 S\$'000	2023 S\$'000
Other gains	311	114
Technical support expenses	(1,208)	(1,133)
Distribution costs	(373)	(387)
Administrative expenses	(501)	(537)
Other losses	(3)	(289)
Finance cost	(9)	(7)
Net total expenses	(1,783)	(2,239)

2. Review of performance of the group (continued)

2.2 Review of the group's financial position as at 31 March 2024 as compared to the group's financial position as at 31 December 2023

Non-cash current assets of the group decreased from S\$13.295 million as at 31 December 2023 to S\$12.803 million as at 31 March 2024. This 3.7% decrease in non-cash current assets was mainly due to a decrease in other non-financial assets, which comprised the contract assets and costs related to those uncompleted revenue projects. The reduction of such assets is attributable to the decrease in revenue.

Total non-current assets of the group increased from S\$23.815 million as at 31 December 2023 to S\$24 million as at 31 March 2024 representing a marginal increase of 0.8%.

Total liabilities of the group decreased from S\$5.407 million as at 31 December 2023 to S\$4.795 million as at 31 March 2024. This 11.3% decrease in total liabilities is attributable to the decrease in trade and other payables following repayments made in the reporting period.

2.3 Review of the group's cash flow for the quarter ended 31 March 2024 as compared to the corresponding quarter ended 31 March 2023

The group's net cash flow used in operations for Q1 2024 was S\$0.397 million, as compared to S\$0.251 million for Q1 2023. The higher net cash used in operations was primarily due to a net loss of S\$0.442 million for Q1 2024, in contrast with a net profit of S\$0.093 million for Q1 2023.

The group's net cash flow used in investing activities for Q1 2024 was S\$0.064 million, flat against what was recorded in Q1 2023.

The group's net cash flow used in financing activities for Q1 2024 amounted to S\$0.659 million as compared to S\$0.82 million for Q1 2023. The lower net cash used in financing activities was mainly due to lower restricted deposits placed as performance bond in connection with new system sale contracts requirement.

3. 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.

4. 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 economic uncertainty due to geo-political tensions, supply chain disruption, and rising inflation and interest rates, especially in the group's regions of focus, continue to weigh on the minds of management and the directors of the group when considering the outlook for the remainder of the financial year.

The operations of Unifiedcomms and GlobeOSS in the financial year under review had been minimally impacted by geo-political tensions and supply chain disruption. On the business front, both Unifiedcomms and GlobeOSS contracts in-hand continue to be progressed and management of the group are hopeful that new projects and initiatives requiring our products and services, will continue to be pursued by customers. The possibility remains however, that larger system sale contracts and certain managed service contracts that have yet to be committed in the financial year under review, may be further deferred, or even abandoned entirely if macroeconomic and industry conditions worsen or do not improve significantly enough.

At Captii Ventures, the group's venture investment business, the climate for business development and funding continues to be challenging for start-ups in certain industries.

Against this negative macroeconomic backdrop for the future, the group remains optimistic and will continue to work closely with customers and investees, to minimise the negative impact of economic uncertainty on group financial performance.

5. Dividend information**5a. Current financial period reported on**

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

5b. Corresponding period of the immediate preceding financial year

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

5c. Date payable

Not applicable.

5d. Books closure date

Not applicable.

6. Interested person transactions

Name of the interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		3 months ended 31 March		3 months ended 31 March	
		2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Nil	Nil	Nil	Nil	Nil	Nil

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

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

Confirmation by the board

On behalf of the board of directors of the company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the board of directors of the company which may render the financial statements for the financial period ended 31 March 2024 to be false or misleading in any material aspect.

On behalf of the board of directors

Wong Tze Leng
Executive Chairman

Anton Syazi Ahmad Sebi
Executive Director

Singapore
8 May 2024