

Print this page

Full Year * Financial Statement And Dividend Announcement

* Asterisks denote mandatory information

Name of Announcer *	UNIFIED COMMUNICATIONS HLDGLTD
Company Registration No.	200211129W
Announcement submitted on behalf of	UNIFIED COMMUNICATIONS HLDGLTD
Announcement is submitted with respect to *	UNIFIED COMMUNICATIONS HLDGLTD
Announcement is submitted by *	WONG TZE LENG
Designation *	CHIEF EXECUTIVE OFFICER
Date & Time of Broadcast	29-Feb-2008 17:25:47
Announcement No.	00114

>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2007
----------------------------------	------------

Attachments:
 [UCLH_full.year.FS.31.12.2007.pdf](#)

Total size = **63K**
(2048K size limit recommended)

Close Window

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 2007**

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 financial year ended 31 December 2007

Consolidated Income Statement

	Group		
	12 months ended 31 Dec		
	2007	2006	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	24,841	16,022	55
Cost of sales	(15,860)	(9,801)	62
Gross profit	8,981	6,221	44
Other operating income	191	262	(27)
Technical support expenses	(3,967)	(4,301)	(8)
Distribution costs	(2,236)	(2,796)	(20)
Administrative expenses	(1,712)	(2,105)	(19)
Other expenses	(5,764)	(2,209)	161
Total Operating Expenses	(13,679)	(11,411)	20
Loss from operations	(4,507)	(4,928)	(9)
Finance costs	(38)	(85)	(55)
Share of result of an associated company	1,318	515	156
Loss before tax	(3,227)	(4,498)	(28)
Income tax	(281)	(103)	173
Net loss for the financial year	(3,508)	(4,601)	(24)
Attributable to:			
Shareholders of the Company	(3,535)	(4,646)	(24)
Minority interest	27	45	(40)
Net loss for the financial year	(3,508)	(4,601)	(24)

1(a)(ii) Notes to income statements

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

	Group		
	12 months ended 31 Dec		
	2007	2006	Inc/(dec)
	S\$'000	S\$'000	%
Amortisation of development costs and intellectual property	780	605	29
Depreciation of plant and equipment	1,811	1,988	(9)
Finance lease income	(55)	(85)	(35)
Interest income	(27)	(9)	>100
Gain on disposal of fixed assets	(7)	(62)	(89)
Other operating expenses mainly comprise:			
Foreign exchange loss	912	778	17
Loss on disposal of plant and equipment	124	-	>100
Allowance for impairment of trade receivable	1,685	945	78
Allowance for impairment of other receivable	1,251	-	100
Impairment loss on plant and equipment	-	19	(100)
Allowance for inventory obsolescence	775	222	249
Inventories written off	452	36	>100
Discounts allowed on trade receivable	504	-	100
Plant & Equipment written off	15	0	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
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	2,179	1,085	8	21
Trade and other receivables	24,981	14,423	9,654	9,712
Finance lease receivables	145	472	-	-
Inventories	1,217	3,275	-	-
	28,522	19,255	9,662	9,733
Non-current assets				
Investment in an associated company	1,561	702	-	-
Investments in subsidiaries	-	-	22,526	22,526
Plant and equipment	3,533	8,040	15	24
Intangible assets	1,298	2,069	-	-
Deferred income tax assets	302	590	-	-
Finance lease receivable	-	205	-	-
Trade and other receivables	1,299	1,723	-	-
	7,993	13,329	22,541	22,550
Total assets	36,515	32,584	32,203	32,283
LIABILITIES				
Current liabilities				
Trade and other payables	14,066	6,357	200	277
Current income tax liabilities	36	107	-	-
Borrowings	158	380	-	-
	14,260	6,844	200	277
Non-current liabilities				
Borrowings	18	34	-	-
Deferred income tax liabilities	75	58	-	-
	93	92	-	-
Total liabilities	14,353	6,936	200	277
Net assets	22,162	25,648	32,003	32,006
EQUITY				
Share capital	31,948	31,948	31,948	31,948
Foreign currency translation reserve	(520)	(618)	-	-
Retained earnings/(accumulated losses)	(9,356)	(5,821)	55	58
Shareholders' equity	22,072	25,509	32,003	32,006
Minority interest	90	139	-	-
	22,162	25,648	32,003	32,006

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 31/12/2007		As at 31/12/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
158	-	380	-

Amount repayable after one year

Group		Group	
As at 31/12/2007		As at 31/12/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
18	-	34	-

Details of any collateral

The Group's secured facilities comprise trade lines, bank overdraft and hire purchase facilities.

The trade lines and bank overdrafts are secured by way of:

- (i) corporate guarantee from a subsidiary in Singapore;
- (ii) corporate guarantee from the Company to banks for facilities extended to its wholly-owned subsidiaries; and
- (iii) a charge on fixed deposit of S\$1,086,639.

The hire purchase is secured by plant and equipment of a subsidiary with a net book value of RM59,000 (S\$26,000) (31.12.2006:S\$91,000).

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

Consolidated Cash Flow Statement

	12 months ended	
	31-Dec	
	2007	2006
	S\$'000	S\$'000
Cash flows from operating activities:		
Loss before tax and after share of results of an associated company	(3,227)	(4,498)
Adjustments for:		
Amortisation of development costs and intellectual property	780	605
Depreciation of plant and equipment	1,811	1,988
Allowance for impairment of plant and equipment	-	192
Plant and equipment written off	15	-
Allowance for impairment of trade and other receivables (net)	2,920	931
Allowance for impairment of inventory	775	203
inventories written off	452	36
Net (gain)/loss on disposals of plant and equipment	117	(62)
Interest expense	38	85
Interest income	(82)	(94)
Share of results of an associated company	(1,318)	(515)
Operating cash flow before working capital changes	2,281	(1,129)
Changes in operating assets and liabilities		
Inventories	831	1,157
Finance lease receivable	532	118
Trade and other receivables	(10,519)	2,596
Trade and other payables	7,869	621
Cash from operations	994	3,363
Income tax refund/(paid)	112	(23)
Interest paid	(38)	(85)
Net cash flow from operating activities	1,068	3,255
Cash flows from investing activities:		
Purchase of plant and equipment	(819)	(547)
Proceeds from disposals of plant and equipment	686	265
Development costs paid	-	(533)
Deposits placement with a licensed bank	(853)	(8)
Interest received	27	9
Dividend received from associated company	456	67
Subscription of shares by minority interest	-	21
Net cash flow used in investing activities	(503)	(726)
Cash flows from financing activities:		
Finance lease income	55	85
Proceeds from borrowings	518	1,149
Repayments of borrowings	(524)	(3,598)
Repayments of finance leases	(45)	(47)
Payment of dividend to pre-listing shareholder	(164)	-
Payment of dividend to minority shareholders	(66)	-
Net cash flow used in financing activities	(226)	(2,411)

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

	12 months ended	
	31 Dec	
	2007	2006
	S\$'000	S\$'000
Net change in cash and cash equivalents	339	118
Cash and cash equivalents at beginning of the financial period	565	567
Effect of Foreign Exchange rate changes	89	(120)
Cash and cash equivalents at end of the financial period (Note 1)	993	565

Explanatory Notes:

Note 1

	As at 31 Dec	
	2007	2006
	S\$'000	S\$'000
Cash and cash equivalents	2,179	1,085
Bank overdrafts	(99)	(286)
Restricted deposits	(1,087)	(234)
Cash and cash equivalents per consolidated cash flow statement	993	565

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 2007

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Minority Interest	Total
	Number of shares	Share capital				
		S\$'000				
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 1/1/2007						
Group						
Balance at 1/1/2007	319,572,675	31,948	(618)	(5,821)	139	25,648
Foreign currency translation differences recognised directly in equity		-	98	-	(10)	88
Net profit/(loss) for the financial year		-	-	(3,535)	27	(3,508)
Total recognised Income/ (expenses) for the financial year			98	(3,535)	17	(3,420)
Dividend paid to Minority Interest					(66)	(66)
Balance at 31/12/2007	319,572,675	31,948	(520)	(9,356)	90	22,162
Company						
Balance at 1/1/2007	319,572,675	31,948	-	58	-	32,006
Net loss for the financial year		-	-	(3)	-	(3)
Total recognised Income/ (expenses) for the financial year				(3)	-	(3)
Balance at 31/12/2007	319,572,675	31,948	-	55	-	32,003

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 2006

	Issued and fully paid		Share premium	Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Minority interest	Total
	Number of shares	Share capital					
		S\$'000		S\$'000	S\$'000	S\$'000	S\$'000
Financial year ended 31/12/2006							
Group							
Balance at 1/1/2006	-	25,566	6,382	(469)	(1,175)	73	30,377
Transfer of share premium reserve to share capital	-	6,382	(6,382)	-	-	-	-
Balance at 1/1/2006 restated	-	31,948	-	(469)	(1,175)	73	30,377
Foreign currency translation differences recognised directly in equity	-	-	-	(149)	-	21	(128)
Net (loss)/profit for financial year	-	-	-	-	(4,646)	45	(4,601)
Total recognised income/(expenses) for the financial year	-	-	-	(149)	(4,646)	66	(4,729)
Balance at 31/12/2006	-	31,948	-	(618)	(5,821)	139	25,648
Company							
Balance at 1/1/2006		25,566	6,382	-	111	-	32,059
Transfer of share premium reserve to share capital		6,382	(6,382)	-	-	-	-
Balance at 1/1/2006 restated	-	31,948	-	-	111	-	32,059
Net profit/(loss) for the financial year	-	-	-	-	(53)	-	(53)
Total recognised income/ expenses for the financial year	-	-	-	-	(53)	-	(53)
Balance at 31/12/2006	-	31,948	-	-	58	-	32,006

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 period 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 immediately preceding year.

None

1(d)(iv) A statement showing all sales, transfers, disposal, cancelation and/or use of treasury shares as at the end of the current financial period reported on.

None

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

These figures have neither been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

During the financial year, the Group and the Company adopted the amendments to FRS 107 Financial Instruments Disclosures, which took effect from 1st January 2007. The adoption of the above FRS does not have any material impact on the financial statement of the Group.

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

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to paragraph 4.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	12 months ended 31 Dec	
	2007	2006
	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	(1.11)	(1.45)
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/(loss) after tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued.

⁽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.

	(a) As at 31/12/2007		(b) As at 31/12/2006	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	6.91	10.01	8.03	10.02

⁽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 period/year end and the existing issued share capital of 319,572,675 shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) 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; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(a) Review of results for the year ended 31 Dec 2007 as compared to corresponding financial year ended 31 Dec 2006

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

	2007 S\$'000	Sales mix %	2006 S\$'000	Sales mix %
Proprietary Solutions	19,158	77	11,026	69
Distribution	3,714	15	4,248	27
Operation Support Systems (OSS)	1,969	8	748	5
Total	24,841	100	16,022	100

Revenue achieved by the Group for YTD Dec 2007 increased by S\$8.8 million, as compared to the revenue recorded in YTD Dec 2006. This improvement in Group revenue is attributable to higher project revenues achieved by the Proprietary Solutions and OSS business segments - in particular, project revenue relating to the Mobile Number Portability Clearinghouse project in Malaysia, in which both these segments of the Group have been engaged. However, the Distribution segment of the Group recorded lower revenue in YTD Dec 2007 as compared to YTD Dec 2006, mainly due to downsizing and streamlining of the operation to focus only on key telecommunications and IT products. The OSS segment, on the other hand, continued to build its market share during the year and has delivered encouraging growth in the recurrent revenue streams generated from its Roamer Assure solutions.

Backed by the improved revenue in current year, the Group recorded a higher gross profit for both the Proprietary Solutions and OSS segments. The gross profit margin was however, lower compared to the prior year, primarily due to Proprietary Solutions revenue in YTD Dec 2007 containing higher 3rd party component costs.

In tandem with the Group-wide cost rationalisation exercise initiated in 2006, operating expenses for the year ended 31 December 2007, excluding the "other expenses" incurred by the Group, was reduced by S\$1.3 million or 14% against the corresponding expenses incurred in 2006 of S\$9.2 million. This significant improvement in cost-efficiency achieved in the year was however offset by the other expenses recorded of S\$5.8 million, which comprises (i) impairment provisions for trade and non-trade receivables of S\$2.9 million, set aside for certain long-standing accounts receivables of the Group that have been subjected to a restructuring of payment terms or that have not complied with restructured terms entered in 2006; (ii) S\$1.2million provisions for impairment set aside and write-offs for inventory; (iii) discounts of S\$0.5 million set aside for early payment from certain key customers; and (iv) forex loss of S\$0.9 million as a result of the continuous weakening of the US Dollar against Ringgit Malaysia and the Singapore Dollar.

Despite the Group achieving a higher gross profit (an increase of S\$2.8 million compared to the prior year's gross profit achievement), savings of S\$1.3 million in operating expenses of its functional departments, and a higher share of profit from associated company of S\$0.8 million during the year, the Group closed the year with a net loss of S\$3.5million for the year as positive progress and improvements achieved by the Group in growing both revenue as well as containing operating costs in YTD Dec 2007, were more than offset by higher other expenses incurred in the year, amounting to S\$5.8million.

(b) Review of the Group's financial position as at 31 December 2007 as compared to the Group's financial position as at 31 December 2006

Current assets increased by S\$9.3 million or 48% from S\$19.3 million as at 31 December 2006 to S\$28.5 million as at 31 December 2007. This increase is attributable to the rise in cash and cash equivalents of S\$1.1 million, and the increase in trade and other receivables by S\$10.6 million. These increases were however offset by the decrease in inventory of S\$2 million. The increase in trade and other receivables is attributable to higher progress billings raised in Q4 2007. The lower inventory balance as at 31 December 2007 is in line with Group wide stock clearance exercise and the impairment provisions that have been set aside for slow moving stocks.

Total non-current assets of the Group decreased by S\$5.3 million or 40%, compared to the balance as at 31 December 2006 of S\$13.3 million. This decrease is attributable to the reduction in plant and equipment as a result of : disposal of fixed assets, the current year depreciation charges, as well as reduction in non-current trade receivables, both as a result of provisions made as well as payments received during the year.

Total liabilities of the Group increased by S\$7.4 million (or 107%) as at 31 December 2007, from S\$6.9 million as at 31 December 2006. The increase is mainly due to the increase in trade and other payables as a result of significant purchases incurred for project implementation at year end.

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 quarter under review.

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

Barring any unforeseen circumstances, the Directors remain cautiously optimistic about the Group's long-term prospects.

The Directors believe that the Group, now approaching the conclusion of the operations rationalisation and streamlining exercise commenced in 2006, remains well-positioned to capture growing opportunities in the telecommunications market. These opportunities will continue to be pursued by the Group under the prevailing development strategies:

- * To focus and grow mobile data and value-added services ("VAS") business areas;
- * To expand and improve the recurring revenue streams via managed services; and
- * To grow by participating in the growth of developing and emerging telecommunications markets such as South East Asia, Indochina, South Asia and the Middle East.

The Directors believe that the Group's efforts to execute these three key strategies for growth and development have shown results in the current financial year. The Group's success in 2007 in securing its participation in the Mobile Number Portability (MNP) project in Malaysia - which involves a 'build' as well as a 5-year 'operate and manage' phase - bears testimony to the considerable efforts of the Group's management team in securing profitable growth opportunities that both yield recurring revenue streams under a managed services model, as well as realise value for the capabilities of the Group in delivering complex projects.

The Group's VAS business segment has also continued to grow at an encouraging pace in 2007, with revenues from South Asia (in particular, India) and the Middle East showing significant increases. This trend is expected to continue in the coming years. The OSS segment meanwhile has made significant inroads into the market in both South East Asia, as well as South Asia in its first full year of operations, and is expected to continue to deliver a positive contribution to the Group's bottom line.

With the formal completion of the operations and streamlining exercise imminent, and the progress made in 2007 in executing the development strategies of the Group, the Directors believe that the Group is poised to show further improvement in financial performance in the coming year.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the period ended 31 December 2007.

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 2007

	Proprietary Solution \$'000	Distribution \$'000	GlobeOSS \$'000	Others \$'000	Elimi- nation \$'000	Group \$'000
Sales:						
-external sales	19,158	3,714	1,969	-	-	24,841
-inter-segment sales	-	494	-	-	(494)	-
	<u>19,158</u>	<u>4,208</u>	<u>1,969</u>	<u>-</u>	<u>(494)</u>	<u>24,841</u>
Segment result	(3,227)	(1,559)	279	-	-	(4,507)
Loss from operations						(4,507)
Finance costs						(38)
Share of result of associated company						1,318
Loss before tax						<u>(3,227)</u>
Tax						<u>(281)</u>
Loss after tax						<u>(3,508)</u>
Minority interest						<u>(3,508)</u>
Net loss attributable to shareholders						<u>(3,508)</u>
Segment assets	30,182	1,569	1,181	22	(480)	32,474
Associated company						1,561
Unallocated assets						2,480
Consolidated total assets						<u>36,515</u>
Segment liabilities	12,357	4,719	1,413	200	(4,586)	14,103
Unallocated liabilities						250
Consolidated total liabilities						<u>14,353</u>
Other segment items						
Capital expenditure						
- Plant and equipment	812	7	-	-	-	819
-Development costs of intellectual property	-	-	-	-	-	-
-Amortisation of development cost and intellectual property	780	-	-	-	-	780
Depreciation of plant and equipment	1,722	76	4	9	-	1,811
Write back of allowance for doubtful debts	(16)	-	-	-	-	(16)
Allowance for impairment of trade receivables	1,661	24	-	-	-	1,685
Allowance for impairment of other receivables	1,251	-	-	-	-	1,251
Allowance for impairment of plant and equipment	-	-	-	-	-	-
Allowance for impairment of inventories	286	489	-	-	-	775
Write-off of inventories	330	122	-	-	-	452
Plant and equipment written off	11	4	-	-	-	15

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 2006 - Group

	Proprietary Solution \$'000	Distribution \$'000	GlobeOSS \$'000	Others \$'000	Elimi- nation \$'000	Group \$'000
Sales:						
-external sales	11,026	4,248	748	-	-	16,022
-inter-segment sales	-	618	-	46	(664)	-
	<u>11,026</u>	<u>4,866</u>	<u>748</u>	<u>46</u>	<u>(664)</u>	<u>16,022</u>
Segment result	(3,098)	(1,641)	(189)	-	-	(4,928)
Loss from operations						(4,928)
Finance costs						(85)
Share of result of associated company						515
Loss before tax						(4,498)
Tax						(103)
Loss after tax						(4,601)
Minority interest						-
Net loss attributable to shareholders						<u>(4,601)</u>
Segment assets	27,696	2,530	126	98	(243)	30,207
Associated company						702
Unallocated assets						1,675
Consolidated total assets						<u>32,584</u>
Segment liabilities	4,793	4,055	513	278	(3,331)	6,308
Unallocated liabilities						628
Consolidated total liabilities						<u>6,936</u>
Other segment items						
Capital expenditure						
- Plant and equipment	2,222	50	7	-	-	2,279
-Development costs of intellectual property	533	-	-	-	-	533
-Amortisation of development cost and intellectual property	605	-	-	-	-	605
Depreciation of plant and equipment	1,901	86	1	-	-	1,988
Write back of allowance for doubtful debts	(14)	-	-	-	-	(14)
Allowance for impairment of trade	871	74	-	-	-	945
Allowance for impairment of plant and inventories	192	-	-	-	-	192
	139	83	-	-	-	222
Write-off of inventories	36	-	-	-	-	36

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)

	Group					
	Sales		Total assets		Capital expenditure	
	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000
ASEAN	20,249	11,875	29,352	26,701	819	2,812
Greater China	2,689	2,388	1,034	2,335	-	-
North America	31	43	454	849	-	-
Other countries	1,872	1,716	1,634	322	-	-
	<u>24,841</u>	<u>16,022</u>	<u>32,474</u>	<u>30,207</u>	<u>819</u>	<u>2,812</u>
Associated company			1,561	702		
Unallocated assets			2,480	1,675		
			<u>36,515</u>	<u>32,584</u>		

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 Year ended 31 Dec		
	2007 S\$'000	2006 S\$'000	Inc/(dec) %
(a) Sales reported for first half year	7,546	6,368	18%
(b) Operating loss after tax before deducting minority interests reported for first half year	(1,484)	(1,998)	-26%
(c) Sales reported for second half year	17,295	9,654	79%
(d) Operating loss after tax before deducting minority interests reported for second half year	(2,024)	(2,603)	-22%

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

Not applicable.

17. Interested Person Transaction

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
None	Nil	Nil

BY ORDER OF THE BOARD

Wong Tze Leng
Chief Executive Officer
29th February 2008