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<b>First Quarter Results * Financial Statement And Related Announcement</b>	
* Asterisks denote mandatory information	
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Announcement is submitted with respect to *	UNIFIED COMMUNICATIONS HLDGLTD
Announcement is submitted by *	ANTON SYAZI AHMAD SEBI
Designation *	CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR
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<b>Attachments</b>	 UCHL_Q1Results2013.pdf Total size = <b>60K</b> (2048K size limit recommended)

First Quarter Financial Statements and Dividend Announcement  
for the Period Ended 31 March 2013

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 first quarter ended 31 March 2013

Consolidated Statement of Comprehensive Income

	Group		
	Quarter ended 31 March		
	2013	2012	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	4,020	3,347	20
Direct costs	(1,716)	(1,059)	62
<b>Gross profit</b>	<b>2,304</b>	<b>2,288</b>	<b>1</b>
Other operating income	248	5,603	(96)
Expenses:			
Technical support expenses	(781)	(885)	(12)
Distribution costs	(596)	(472)	26
Administrative expenses	(584)	(600)	(3)
Other operating expenses	(58)	(276)	(79)
Finance costs	(1)	-	100
Share of profit from an equity-accounted associate	-	49	(100)
<b>Profit before income tax</b>	<b>532</b>	<b>5,707</b>	<b>(91)</b>
Income tax expenses	(76)	(81)	(6)
<b>Profit for the period</b>	<b>456</b>	<b>5,626</b>	<b>(92)</b>
<b>Profit attributable to:</b>			
Equity holders of the Company	366	5,600	(93)
Non-controlling interest	90	26	247
<b>Profit for the period</b>	<b>456</b>	<b>5,626</b>	<b>(92)</b>

Consolidated Statement of Comprehensive Income

	Group		
	Quarter ended 31 March		
	2013	2012	Inc/(dec)
	S\$'000	S\$'000	%
<b>Profit for the period</b>	456	5,626	(92)
Other comprehensive income:			
Exchange differences on translating foreign operations	101	27	(273)
<b>Total comprehensive income for the period</b>	<b>557</b>	<b>5,653</b>	<b>(90)</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	466	5,625	(92)
Non-controlling interest	91	28	226
<b>Total comprehensive income for the period</b>	<b>557</b>	<b>5,653</b>	<b>(90)</b>

1(a)(ii) Notes to Income statement

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

	Group		
	Quarter ended 31 March		
	2013	2012	Inc/(dec)
S\$'000	S\$'000	%	
<b>Other operating income, comprising:</b>			
Foreign exchange gain	69	187	(63)
Interest income	174	36	384
Fair value gain on re-measurement of the Group's 40% equity interest in an associate	-	5,339	100
Gain on disposal of plant and equipment	(0)	37	100
<b>Other operating expenses, comprising:</b>			
Impairment loss on receivables	(2)	-	(100)
Amortisation of development costs and intellectual property	(281)	(160)	76
Depreciation of plant and equipment	(226)	(137)	65
Foreign exchange losses	(53)	(270)	(80)
Plant and equipment written off	-	(2)	100
<b>Income tax expenses:</b>			
Current income tax	71	79	(10)
Under provision in preceding financial years	(3)	2	(261)
Overseas withholding tax	8	-	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
	31/03/2013	31/12/2012	31/03/2013	31/12/2012
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Plant and equipment	2,727	2,888	-	-
Investment property	3,554	3,540	-	-
Intangible assets	16,374	16,357	-	-
Investments in subsidiaries	-	-	32,734	32,734
Deferred income tax assets	14	13	-	-
Trade and other receivables	969	965	-	-
Other assets	-	-	-	-
<b>Total non-current assets</b>	<b>23,638</b>	<b>23,763</b>	<b>32,734</b>	<b>32,734</b>
<b>Current assets</b>				
Inventories	69	38	-	-
Trade and other receivables	7,969	7,867	5,000	5,114
Cash and cash equivalents	12,201	11,942	13	13
<b>Total current assets</b>	<b>20,239</b>	<b>19,847</b>	<b>5,013</b>	<b>5,127</b>
<b>Total assets</b>	<b>43,877</b>	<b>43,610</b>	<b>37,747</b>	<b>37,861</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	31,948	31,948	31,948	31,948
Retained earnings	5,218	4,852	5,229	5,355
Foreign currency translation reserve	(2,495)	(2,595)	-	-
<b>Equity attributable to equity holders of the Company</b>	<b>34,671</b>	<b>34,205</b>	<b>37,177</b>	<b>37,303</b>
Non-controlling interest	1,585	1,494	-	-
<b>Total equity</b>	<b>36,256</b>	<b>35,699</b>	<b>37,177</b>	<b>37,303</b>
<b>Non-current liabilities</b>				
Other payables	2,302	2,293	-	-
Deferred income tax liabilities	30	29	-	-
<b>Total non-current liabilities</b>	<b>2,332</b>	<b>2,322</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	5,058	5,309	570	558
Current income tax liabilities	231	280	-	-
<b>Total current liabilities</b>	<b>5,289</b>	<b>5,589</b>	<b>570</b>	<b>558</b>
<b>Total liabilities</b>	<b>7,621</b>	<b>7,911</b>	<b>570</b>	<b>558</b>
<b>Total equity and liabilities</b>	<b>43,877</b>	<b>43,610</b>	<b>37,747</b>	<b>37,861</b>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

**Details of any collateral**

The Company has issued a financial guarantee to a bank for banking facilities granted to its subsidiary. The banking facilities are secured by fixed deposits of the subsidiary amounting to approximately \$318,000, a personal guarantee of a director of the subsidiary and corporate guarantee of the Company of RM1,530,000 (equivalent to \$613,000 (2012: \$611,000)). The Company has not recognised any liability in respect of the guarantee given to the bank for banking facilities granted to its subsidiary as the management has assessed that the likelihood of the subsidiary defaulting on repayment of its facility is remote.

As at the end of the financial period, the outstanding facilities covered by the guarantee are \$Nil (2012: \$Nil). The financial guarantee requires the guarantor to reimburse the bank if the subsidiary fails to make principal or interest repayments when due in accordance with the terms of the facility. There has been no default or non-repayment since the utilisation of the banking facilities.

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**

	<b>Group</b>	
	<b>Quarter ended 31 March</b>	
	<b>2013</b>	<b>2012</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities:</b>		
Profit before income tax	532	5,707
Adjustments for:		
Amortisation of development costs and intellectual property	281	160
Depreciation of plant and equipment	226	137
Plant and equipment written off	-	2
Impairment loss on receivables	2	-
Gain on disposals of plant and equipment	-	(37)
Interest expense	1	-
Interest income	(174)	(36)
Fair value gain on re-measurement of the Group's 40% equity interest in an associate	-	(5,339)
Share of profit from an equity-accounted associate	-	(49)
<b>Operating cash flow before movements in working capital</b>	<b>868</b>	<b>545</b>
Changes in operating assets and liabilities		
Inventories	(35)	(116)
Trade and other receivables	(86)	(139)
Trade and other payables	(242)	(1,527)
<b>Cash generated from / (used in) operations</b>	<b>505</b>	<b>(1,237)</b>
Income tax paid	(127)	(102)
Interest paid	(1)	-
<b>Net cash generated from / (used in) operating activities</b>	<b>377</b>	<b>(1,339)</b>
<b>Investing activities:</b>		
Purchase of plant and equipment	(78)	(18)
Proceeds from disposal of plant and equipment	-	37
Acquisition of a subsidiary, net of cash acquired	-	(4,047)
Development costs paid	(217)	(292)
Deposits placement with licensed banks	(119)	(3,691)
Interest received	174	36
<b>Net cash used in investing activities</b>	<b>(240)</b>	<b>(7,975)</b>

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	
	Quarter ended 31 March	
	2013	2012
	S\$'000	S\$'000
Net change in cash and cash equivalents	137	(9,314)
Cash and cash equivalents at beginning of the financial year (Note 1)	7,755	14,303
Effect of exchange rate changes on cash and cash equivalents	(19)	26
Cash and cash equivalents at end of the financial period (Note 1)	7,873	5,015

Explanatory Notes:

**Note 1**

	Group	
	Quarter ended 31 March	
	2013	2012
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	12,201	9,492
Less: Restricted deposits	(4,328)	(4,477)
Cash and cash equivalents per consolidated statement of cash flows	7,873	5,015

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of Changes in Equity for the First Quarter ended 31 March 2013**

	Issued and fully paid		Foreign currency translation reserve	Retained earnings	Equity attributable to equity holders of the Company	Non-Controlling Interest	Total
	Number of shares	Share capital					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial period ended 31/3/2013</b>							
<b>Group</b>							
Balance at 1/1/2013	319,572,675	31,948	(2,595)	4,852	34,205	1,494	35,699
Total comprehensive income for the financial period	-	-	100	366	466	91	557
<b>Balance at 31/3/2013</b>	<b>319,572,675</b>	<b>31,948</b>	<b>(2,495)</b>	<b>5,218</b>	<b>34,671</b>	<b>1,585</b>	<b>36,256</b>
<b>Company</b>							
Balance at 1/1/2013	319,572,675	31,948	-	5,355	37,303	-	37,303
Total comprehensive expenses for the financial period	-	-	-	(126)	(126)	-	(126)
<b>Balance at 31/3/2013</b>	<b>319,572,675</b>	<b>31,948</b>	<b>-</b>	<b>5,229</b>	<b>37,177</b>	<b>-</b>	<b>37,177</b>

1(d)(i) A statement (for the issuer and group) showing either (I) all changes in equity or (II) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

**Statement of Changes in Equity for the First Quarter ended 31 March 2012**

	Issued and fully paid		Foreign currency translation reserve	(Accumulated losses) / retained earnings	Equity attributable to equity holders of the Company	Non-controlling Interest	Total
	Number of shares	Share capital					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial period ended 31/3/2012</b>							
<b>Group</b>							
Balance at 1/1/2012	319,572,675	31,948	(1,830)	(623)	29,495	1,273	30,768
Total comprehensive income for the financial period	-	-	25	5,600	5,625	28	5,653
<b>Balance at 31/3/2012</b>	<b>319,572,675</b>	<b>31,948</b>	<b>(1,805)</b>	<b>4,977</b>	<b>35,120</b>	<b>1,301</b>	<b>36,421</b>
<b>Company</b>							
Balance at 1/1/2012	319,572,675	31,948	-	6,704	38,652	-	38,652
Total comprehensive expenses for the financial period	-	-	-	(61)	(61)	-	(61)
<b>Balance at 31/3/2012</b>	<b>319,572,675</b>	<b>31,948</b>	<b>-</b>	<b>6,643</b>	<b>38,591</b>	<b>-</b>	<b>38,591</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous financial year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

None

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year.

	Company	
	As at 31/3/2013	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 2012.

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

Not applicable.

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

	Group	
	3 months ended 31 March	
	2013	2012
	cents	cents
Based on the weighted average number of ordinary shares on issue <sup>(1)</sup>	0.11	1.75
On fully diluted basis (detailing any adjustments made to the earnings) <sup>(2)</sup>	n.a	n.a

n.a.: not applicable

<sup>(1)</sup> For comparative purposes, the earnings per ordinary share of the Group has been computed based on the net profit after tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 319,572,675 shares for quarter ended 31 March 2013 and 2012.

<sup>(2)</sup> Diluted earnings per share have not been calculated as no diluting events existed during these periods. No share options were granted to any employees during these periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the Issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.

	As at 31/3/2013		As at 31/12/2012	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share <sup>(1)</sup>	10.85	11.63	10.70	11.67

<sup>(1)</sup> The net asset value per ordinary share of the Group and the Company has been computed based on the net asset value of the Group and the Company at the relevant financial period/year end and the existing issued share capital of 319,572,675 shares.



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

#### Review of results for the quarter ended 31 March 2013 as compared to corresponding quarter ended 31 March 2012

##### *Group Revenue*

The Group achieved consolidated revenue of S\$4.0 million for the quarter ended 31 March 2013 ("Q1 2013"), an increase of 20% against revenue recorded in the quarter ended 31 March 2012 ("Q1 2012"). The increase in Group revenue for Q1 2013 reflects the improved revenue performance of OSS, VAS and TECH BUs.

OSS BU closed the current quarter with an increase in revenue of S\$0.9 million in Q1 2013, an improvement of 65% from the S\$0.5 million recorded in Q1 2012. The increase in OSS BU revenue was due to higher system sale and managed service revenues from the SEA region in the current quarter.

VAS BU achieved improved revenue of S\$1.6 million in Q1 2013 as compared to S\$1.4 million for Q1 2012. The increase was primarily driven by higher system sale and managed service revenues from the SEA and MEA regions in the current quarter.

TECH BU recorded an increase in revenue to S\$1.5 million in Q1 2013 as compared to S\$1.4 million for Q1 2012. The improvement was mainly contributed by higher system sale revenues from the SEA region in the current quarter.

Meanwhile, OHQ BU continued to contribute to Group revenue with S\$0.1 million of rental income from the investment property acquired in early 2011.

The Group's sales mix for the current quarter shows a decrease in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 82% of the Group's total revenue for Q1 2013 as compared to 89% for Q1 2012. This relatively lower contribution of managed service contracts to the Group's revenue mix is mainly attributable to the improvement in system sale revenue from S\$0.3 million in Q1 2012 to S\$0.7 million in Q1 2013 as a result of the higher system sale revenues achieved by OSS and TECH BUs.

##### *Group Gross Profit and Gross Profit Margins*

The Group recorded gross profit of S\$2.3 million and a gross profit margin of 57% in Q1 2013, as compared to the S\$2.3 million and 68% realised respectively in Q1 2012.

In spite of higher revenue achieved in Q1 2013, gross profit was flat at S\$2.3 million as compared to Q1 2012, primarily due to lower gross profit margin being recorded in Q1 2013. This lower gross profit margin had arisen due to higher amortisation and depreciation costs relating to intellectual properties and equipment that have been commissioned for use in managed service contracts, amounting to S\$0.5 million in Q1 2013 (Q1 2012: S\$0.3 million).

##### *Group Other Operating Income*

The Group recorded lower other operating income of S\$0.2 million in Q1 2013, as compared to S\$5.6 million in Q1 2012, mainly due to the absence of the fair value gain of S\$5.3 million that was recorded in Q1 2012 in relation to the Group's pre-existing, pre-acquisition 40% equity interest in Ahead Mobile Sdn Bhd ("AMSB").

Excluding the above-mentioned fair value gain in Q1 2012, the Group posted flat other operating income of S\$0.2 million in both Q1 2013 and Q1 2012. In Q1 2013, the Group's interest income was however significantly higher at S\$0.17 million (Q1 2012: S\$0.04 million). This increase is attributable to the interest earned on deposits held in escrow in connection with contingent consideration payable for the AMSB acquisition. The effect of this increase in interest income in Q1 2013 on the Group's other operating income was partly offset by the lower foreign exchange gain recorded in this quarter as compared to Q1 2012. The higher foreign exchange gain the Group enjoyed in Q1 2012 had arisen from the significant favourable movement of the EURO against MYR.

##### *Group Operating Expenses*

The Group recorded lower operating expenses of S\$2.0 million in Q1 2013, as compared to S\$2.2 million for Q1 2012, mainly due to lower foreign exchange losses. In Q1 2013 the Group benefited from favourable exchange rate movements of the USD and Pakistan Rupee (PKR) against SGD.

##### *Group Net Profit and EBITDA*

The Group recorded net profit of S\$0.5 million and EBITDA of S\$0.9 million in Q1 2013. These results are lower compared to the net profit and EBITDA of S\$5.6 million and S\$6.0 million achieved in Q1 2012 respectively, primarily attributable to the absence of above-mentioned fair value gain of S\$5.3 million.

Excluding the said fair value gain in Q1 2012, lower net profit and EBITDA of S\$0.3 million and S\$0.7 million was recorded in Q1 2012, as compared to the net profit of S\$0.5 million and EBITDA of S\$0.9 million achieved in Q1 2013. The improvement in both net profit and EBITDA of the Group in the current quarter is mainly due to lower foreign exchange losses recorded in Q1 2013.

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 quarter ended 31 March 2013 as compared to corresponding quarter ended 31 March 2012 (continued)**

*Detailed Segmental Breakdown of Group Revenue and Gross Profit*

The detailed segmental breakdown of the Group's revenue and gross profit for Q1 2013, together with comparative results for Q1 2012 is provided below:

**Table 8.1: Group consolidated revenue as analysed by business unit for quarter ended 31 March**

	2013 S\$'000	Sales mix %	2012 S\$'000	Sales mix %
Mobile Technology (TECH BU)	1,469	37	1,384	41
Mobile Value-Added-Services (VAS BU)	1,596	40	1,358	41
Operation Support Systems (OSS BU)	892	22	540	16
Operational Headquarters (OHQ BU)	63	2	65	2
<b>Total</b>	<b>4,020</b>	<b>100</b>	<b>3,347</b>	<b>100</b>

**Table 8.2: Group consolidated revenue analysed by geographical segment for quarter ended 31 March**

External Sales	2013				
	TECH S\$'000	VAS S\$'000	OSS S\$'000	OHQ S\$'000	Group S\$'000
South East Asia (SEA)	1,467	919	878	63	3,327
South Asia (SA)	-	350	9	-	359
Middle East & Africa (MEA)	-	327	-	-	327
Others	2	-	5	-	7
<b>Total</b>	<b>1,469</b>	<b>1,596</b>	<b>892</b>	<b>63</b>	<b>4,020</b>

External Sales	2012				
	TECH S\$'000	VAS S\$'000	OSS S\$'000	OHQ S\$'000	Group S\$'000
SEA	1,382	832	530	65	2,809
SA	-	319	9	-	328
MEA	-	205	-	-	205
Others	2	2	1	-	5
<b>Total</b>	<b>1,384</b>	<b>1,358</b>	<b>540</b>	<b>65</b>	<b>3,347</b>

**Table 8.3: Group consolidated revenue as analysed by contract type for quarter ended 31 March**

External Sales	2013			2012		
	System Sale <sup>(1)</sup>	Managed Service <sup>(2)</sup>	Group	System Sale <sup>(1)</sup>	Managed Service <sup>(2)</sup>	Group
Revenue	717	3,303	4,020	349	2,998	3,347
Gross Profit	479	1,825	2,304	200	2,088	2,288
Gross Profit (%)	67%	55%	57%	57%	70%	68%

(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 March 2013 as compared to the Group's financial position as at 31 December 2012**

Non-cash current assets of the Group increased to S\$8.0 million as at 31 March 2013 from S\$7.9 million as at 31 December 2012. This increase of S\$0.1 million (or 1%) is mainly due to the increase in trade and other receivables.

Total non-current assets of the Group decreased by S\$0.2 million (or 1%) from S\$23.8 million as at 31 December 2012 to S\$23.6 million as at 31 March 2013. This decrease is mainly due to depreciation and amortisation charged on plant and equipment and intangible assets.

Total liabilities of the Group decreased by S\$0.3 million (or 4%) from S\$7.9 million as at 31 December 2012 to S\$7.6 million as at 31 March 2013. This decrease is mainly due to the reduction in trade and other payables.

**Review of the Group's cash flow for the quarter ended 31 March 2013 as compared to the corresponding quarter ended 31 March 2012**

The Group's cash generated from operations for Q1 2013 was S\$0.5 million, an increase of 140% as compared to cash used in operations of S\$1.2 million that was recorded for Q1 2012. This improvement is primarily attributable to the lower repayment to trade and other payables in Q1 2013.

The Group's net cash used in investing activities for Q1 2013 amounted to S\$0.2 million as compared to S\$8.0 million for Q1 2012. This higher net cash used in investing activities in Q1 2012 was due to the payment of the first tranche of purchase consideration amounting to S\$4.0 million, and the placement of S\$3.7 million in deposits relating to contingent consideration with an escrow agent, all in connection with the acquisition of AMSB.

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 persistent downward pressure on the pricing of solutions that are delivered on a system sale model. All of the Group's BUs experienced an intensification of competitive pressure in all regions of focus in 2012. This is expected to continue in the next 12 months.

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 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**

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.

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)	
	3 months ended 31 March		3 months ended 31 March	
	2013	2012	2013	2012
	S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil		Nil	

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.

Not applicable.

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.

Not applicable.

16. A breakdown of sales.

Not applicable.

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

Not applicable.

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).

Not applicable.

19. Negative Confirmation pursuant to rule 705(5).

We, Wong Tze Leng and Anton Syazi Ahmad Sebi, being two directors of the Company, do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 31 March 2013 to be false or misleading.

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  
14 May 2013