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Second Quarter Results * Financial Statement And Related 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 *	EXECUTIVE CHARIMAN
Date & Time of Broadcast	11-Aug-2010 18:55:17
Announcement No.	00183

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For the Financial Period Ended *	30-06-2010
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UNIFIED COMMUNICATIONS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company registration no.: 200211129W)

**Second Quarter Financial Statements and Dividend Announcement
for the Period Ended 30 June 2010**
PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

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

Set out below are the financial statements for the second quarter ended 30 June 2010

Consolidated Income Statement

	Group			Group		
	Quarter ended 30 Jun			6 months ended 30 Jun		
	Q2 2010	Q2 2009	Inc/(dec)	2010	2009	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	2,790	3,857	(28)	7,832	8,509	(8)
Cost of sales	(1,221)	(1,506)	(19)	(4,018)	(4,427)	(9)
Gross profit	1,569	2,351	(33)	3,814	4,082	(7)
Other operating income	435	82	430	835	494	69
Expenses:						
Technical support expenses	(669)	(847)	(21)	(1,291)	(1,714)	(25)
Distribution costs	(563)	(380)	48	(988)	(663)	49
Administrative expenses	(526)	(467)	13	(998)	(864)	16
Other operating expenses	(136)	(182)	(25)	(752)	(314)	140
Finance costs	-	-	(100)	(1)	(1)	(21)
Share of profit from an equity-accounted associate	322	298	8	601	613	(2)
Profit before income tax	432	855	(49)	1,220	1,633	(25)
Income tax expenses	(12)	(2)	477	(29)	(11)	167
Profit for the period	420	853	(51)	1,191	1,622	(27)
Profit attributable to:						
Owners of the Company	526	771	(32)	837	1,491	(44)
Non-controlling interest	(106)	82	(230)	354	131	170
Profit for the period	420	853	(51)	1,191	1,622	(27)

Consolidated Statement of Comprehensive Income

	Group			Group		
	Quarter ended 30 Jun			6 months ended 30 Jun		
	Q2 2010	Q2 2009	Inc/(dec)	2010	2009	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the year	420	853	(51)	1,191	1,622	(27)
Other comprehensive income:						
Exchange difference on translating foreign operations	101	(338)	(130)	1,408	(423)	(433)
Total comprehensive income for the year	521	515	1	2,599	1,199	117
Total comprehensive income attributable to:						
Owners of the Company	628	439	43	2,207	1,059	108
Non-controlling interest	(107)	76	(240)	392	140	180
Total comprehensive income for the year	521	515	1	2,599	1,199	117

1(a)(ii) Notes to income statement

The following items have been included in arriving at profit from operations:

	Group			Group		
	Quarter ended 30 Jun			6 months ended 30 Jun		
	Q2 2010	Q2 2009	Inc/(dec)	2010	2009	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other operating income, comprising:						
Foreign exchange gain	194	10	1,843	523	304	72
Interest Income	229	43	432	274	94	191
Other operating expenses, comprising:						
Amortisation of development costs and intellectual property	(137)	(140)	(2)	(296)	(223)	33
Depreciation of plant and equipment	(148)	(259)	(43)	(291)	(530)	(45)
Allowance for inventory obsolescence	3	1	189	3	1	189
Foreign exchange loss	(135)	(170)	(21)	(630)	(296)	113
Property and equipment written off	-	-	-	(1)	-	100
Impairment loss on plant and equipment	1	-	100	(116)	-	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
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Plant and equipment	4,448	3,905	-	-
Intangible assets	3,115	2,390	-	-
Investments in subsidiaries	-	-	32,734	32,734
Investment in an associate	935	808	-	-
Deferred income tax assets	310	311	-	-
Trade and other receivables	2,792	2,851	-	-
Total non-current assets	11,600	10,265	32,734	32,734
Current assets				
Inventories	275	212	-	-
Trade and other receivables	4,269	9,314	3,685	3,850
Cash and cash equivalents	18,853	15,019	3,254	19
Total current assets	23,397	24,545	6,939	3,869
Total assets	34,997	34,810	39,673	36,603
EQUITY AND LIABILITIES				
Equity				
Share capital	31,948	31,948	31,948	31,948
(Accumulated losses)/Retained earnings	(3,131)	(3,968)	7,457	(402)
Foreign currency translation reserve	(572)	(1,942)	-	-
Equity attributable to owners of the Company	28,245	26,038	39,405	31,546
Non-controlling interest	1,011	660	-	-
Total equity	29,256	26,698	39,405	31,546
Non-current liabilities				
Deferred income tax liabilities	57	54	-	-
Borrowings	0	3	-	-
Total non-current liabilities	57	57	-	-
Current liabilities				
Current income tax liabilities	29	29	-	-
Trade and other payables	5,648	8,019	268	5,057
Borrowings	7	7	-	-
Total current liabilities	5,684	8,055	268	5,057
Total liabilities	5,741	8,112	268	5,057
Total equity and liabilities	34,997	34,810	39,673	36,603

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

Amount repayable in one year or less, or on demand

Group		Group	
As at 30/6/2010		As at 31/12/2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
7	-	7	-

Amount repayable after one year

Group		Group	
As at 30/6/2010		As at 31/12/2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	8	-

Details of any collateral

The Group's secured facility represents a hire purchase facility.

The hire purchase facility is secured by a right over the leased motor vehicle of a subsidiary with a net book value of nil (31/12/2009: nil).

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

Consolidated Statement of Cash Flow

			6 months ended 30 Jun	
	Q2 2010	Q2 2009	2010	2009
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities:				
Profit before income tax	432	855	1,220	1,633
Adjustments for:				
Amortisation of development costs and intellectual property	137	140	296	223
Depreciation of plant and equipment	148	259	291	530
Impairment loss on plant and equipment	(1)	-	116	-
Plant and equipment written off	-	-	1	-
Allowance for impairment of inventory	(3)	(1)	(3)	(1)
Interest expense	-	-	-	1
Interest income	(229)	(43)	(274)	(94)
Share of profit from an equity-accounted associate	(322)	(298)	(601)	(613)
Operating cash flow before movement in working capital	162	912	1,047	1,679
Changes in operating assets and liabilities				
Inventories	6	1,243	(81)	1,096
Trade and other receivables	506	3,182	4,972	6,260
Trade and other payables	(2,007)	(2,644)	(2,354)	(4,255)
Cash (used in)/generated from operations	(1,332)	2,693	3,584	4,780
Income tax paid	(10)	1	(26)	(1)
Interest paid	-	-	-	(1)
Net cash (used in)/from operating activities	(1,342)	2,694	3,558	4,778
Investing activities:				
Purchase of plant and equipment	(626)	(1,890)	(987)	(2,548)
Proceeds from disposals of plant and equipment	-	8	5	16
Development costs paid	(425)	(308)	(841)	(431)
Deposits withdrawal from a licensed bank	-	89	-	89
Interest received	229	43	274	94
Dividend received from an equity-accounted associate	508	(4)	508	913
Net cash used in investing activities	(315)	(2,062)	(1,042)	(1,867)
Financing activities:				
Dividend paid by a subsidiary to non-controlling interest	(1)	-	(41)	-
Repayments of finance leases	(2)	(2)	(3)	(3)
Net cash used in financing activities	(3)	(2)	(44)	(3)

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)

			6 months ended	
			30 Jun	
	Q2 2010	Q2 2009	2010	2009
	S\$'000	S\$'000	S\$'000	S\$'000
Net change in cash and cash equivalents	(1,659)	630	2,472	2,908
Cash and cash equivalents at beginning of the financial period (Note 1)	20,387	12,121	14,991	9,911
Effect of exchange rate changes on cash and cash equivalents	97	(368)	1,362	(436)
Cash and cash equivalents at end of the financial period (Note 1)	18,825	12,383	18,825	12,383

Explanatory Notes:

Note 1

	30 Jun	
	2010	2009
	S\$'000	S\$'000
Cash and cash equivalents	18,853	12,383
Bank overdrafts	-	-
Restricted deposits	(28)	-
Cash and cash equivalents per consolidated cash flow statement	18,825	12,383

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 quarter ended 30 June 2010

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Sub-Total	Non-Controlling Interest	Total
	Number of shares	Share capital					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/6/2010							
Group							
Balance at 1/4/2010	319,572,675	31,948	(674)	(3,657)	27,617	1,118	28,735
Total comprehensive income/ (expenses) for the financial period	-	-	102	526	628	(107)	521
Balance at 30/6/2010	319,572,675	31,948	(572)	(3,131)	28,245	1,011	29,256
Company							
Balance at 1/4/2010	319,572,675	31,948	-	(472)	31,476	-	31,476
Total comprehensive income/ (expenses) for the financial period	-	-	-	7,929	7,929	-	7,929
Balance at 30/6/2010	319,572,675	31,948	-	7,457	39,405	-	39,405

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 quarter ended 30 June 2009

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Sub-Total	Non-Controlling Interest	Total
	Number of shares	Share capital					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/6/2009							
Group							
Balance at 1/4/2009	319,572,675	31,948	(1,535)	(6,148)	24,265	385	24,650
Total comprehensive income/ (expenses) for the financial period	-	-	(332)	771	439	76	515
Balance at 30/6/2009	319,572,675	31,948	(1,867)	(5,377)	24,704	461	25,165
Company							
Balance at 1/4/2009	319,572,675	31,948	-	(120)	31,828	-	31,828
Total comprehensive income/ (expenses) for the financial period	-	-	-	(112)	(112)	-	(112)
Balance at 30/6/2009	319,572,675	31,948	-	(232)	31,716	-	31,716

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 quarter ended 30 June 2010

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Equity attributable to owners of the Company	Non-Controlling Interest	Total
	Number of shares	Share capital					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/6/2010							
Group							
Balance at 1/1/2010	319,572,675	31,948	(1,942)	(3,968)	26,038	660	26,698
Total comprehensive income/ (expenses) for the financial period	-	-	1,370	837	2,207	392	2,599
Dividend paid to Non-Controlling interest	-	-	-	-	-	(41)	(41)
Balance at 30/6/2010	319,572,675	31,948	(572)	(3,131)	28,245	1,011	29,256
Company							
Balance at 1/1/2010	319,572,675	31,948	-	(402)	31,546	-	31,546
Total comprehensive income/ (expenses) for the financial period	-	-	-	7,859	7,859	-	7,859
Balance at 30/6/2010	319,572,675	31,948	-	7,457	39,405	-	39,405

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 6 months ended 30 June 2009

	Issued and fully paid		Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Equity attributable to owners of the Company	Non-Controlling Interest	Total
	Number of shares	Share capital					
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial Period ended 30/6/2009							
Group							
Balance at 1/1/2009	319,572,675	31,948	(1,435)	(6,868)	23,645	321	23,966
Total comprehensive income/ (expenses) for the financial period	-	-	(432)	1,491	1,059	140	1,199
Balance at 30/6/2009	319,572,675	31,948	(1,867)	(5,377)	24,704	461	25,165
Company							
Balance at 1/1/2009	319,572,675	31,948	-	(89)	31,859	-	31,859
Total comprehensive income/ (expenses) for the financial period	-	-	-	(143)	(143)	-	(143)
Balance at 30/6/2009	319,572,675	31,948	-	(232)	31,716	-	31,716

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 30/6/2010	As at 31/12/2009
Ordinary shares	319,572,675	319,572,675

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

Not applicable.

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

These figures have neither been audited nor reviewed.

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

Not applicable.

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

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in their audited financial statements for the year ended 31 December 2009.

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

Not applicable.

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

	Group		Group	
	Q2 2010	Q2 2009	6 months ended 30 Jun	
			2010	2009
	cents	cents	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	0.16	0.24	0.26	0.47
On fully diluted basis (detailing any adjustments made to the earnings) ⁽²⁾	n.a	n.a	n.a	n.a

n.a.: not applicable

⁽¹⁾ For comparative purposes, the earnings per ordinary share of the Group has been computed based on the net profit after tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 319,572,675 shares for quarter ended 30 June 2010 and 2009.

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

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

	As at 30/6/2010		As at 31/12/2009	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	8.84	12.33	8.15	9.87

⁽¹⁾ The net asset value per ordinary share of the Group and the Company has been computed based on the net asset value of the Group and the Company at the relevant financial 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 30 June 2010 as compared to corresponding quarter ended 30 June 2009

Group revenue analysed by business units for the quarter under review is as follows: -

	Q2 2010 S\$'000	Sales mix %	Q2 2009 S\$'000	Sales mix %
Mobile Technology (TECH BU)	1,561		4,176	
Mobile Value-Added-Service (VAS BU)	828		1,237	
Less: Inter-segment sales	(245)		(2,227)	
Proprietary Solutions	2,144	77	3,186	83
Operation Support Systems (OSS BU)	678	24	919	24
Less: Inter-segment sales	(32)	(1)	(248)	(6)
Total	2,790	100	3,857	100

The Group recorded consolidated revenue of S\$2.8 million for the quarter ended 30 June 2010, representing an decrease of 28% compared to revenue recorded for the corresponding quarter ended 30 June 2009.

The reduction in revenue recorded in the quarter under review was attributable to the lower revenue contributed by all BUs. This was mainly due to decrease in new system sale projects and lower revenue contribution from revenue share projects.

As a result of the decrease in revenue, the Group recorded lower net profit of S\$0.4 million, representing a 51% decrease, and lower EBITDA of S\$0.6 million, as compared to a net profit of S\$0.8 million and EBITDA of S\$1.2 million respectively for the corresponding quarter ended 30 June 2009. The decrease in net profit of 51% despite revenue being lower only by 28% was mainly due to the following factors:

- * A decrease in gross profit margin to 56% for the quarter under review, as compared to 61% for the corresponding quarter ended 30 June 2009. This lower gross profit margin was mainly attributable to a less favourable revenue mix for the current quarter comprising higher external hardware and software costs; and
- * An increase in distribution costs of S\$0.6 million for the quarter under review, as compared to S\$0.4 million for the corresponding quarter ended 30 June 2009. This increase was due to the expansion of the sales and business development headcount of the group.

The impact of the above was however partially offset by the following factors:

- * A net foreign exchange gain of S\$0.1 million in the quarter under review, primarily due to foreign exchange gains associated with SGD and EUR denominated assets and liabilities respectively for the MYR reporting subsidiaries of the Group for the current quarter. In comparison, a net foreign exchange loss of S\$0.2 million was recorded in the corresponding quarter in 2009;
- * A decrease in depreciation charges to S\$0.1 million for the quarter under review, as compared to S\$0.3 million for the corresponding quarter ended 30 June 2009. This was due to certain plant and equipment of the Group reaching the end of their estimated useful lives in late 2009; and
- * An increase in interest income to S\$0.2 million for the quarter under review, as compared to less than S\$0.1 million recorded for the corresponding quarter ended 30 June 2009. This was primarily due to interest received from one of the Group's major receivables under an installment payment scheme.

Review of results for the six month period ended 30 June 2010 as compared to corresponding period ended 30 June 2009

	2010 S\$'000	Sales mix %	2009 S\$'000	Sales mix %
Mobile Technology (TECH BU)	3,002		4,051	
Mobile Value-Added-Service (VAS BU)	1,722		2,265	
Less: Inter-segment sales	(418)		-	
Proprietary Solutions	4,306	55	6,316	74
Operation Support Systems (OSS BU)	3,809	49	2,193	26
Less: Inter-segment sales	(283)	(4)	-	-
Total	7,832	100	8,509	100

The Group recorded consolidated revenue of S\$7.8 million for the six month period ended 30 June 2010, representing a decrease of 8% compared to revenue recorded for the corresponding period ended 30 June 2009. The lower revenue recorded in the period under review was mainly attributable to the lower revenue contributed by TECH and VAS BUs, which was partly offset by the improvement in revenue recorded by OSS BU.

The reduction in revenue recorded by both TECH and VAS BUs for the six month period ended 30 June 2010 was mainly due to the slower than expected realization of sales opportunities from the various regions of focus of the Group resulting in comparatively lower new system sale revenue. This is due to the following factors:

- * certain mobile network operators undergoing major core network upgrades, including various stages of 3G core network roll out or expansion;
- * some mobile network operators taking a more conservative stance during the first half of the year in the wake of macroeconomic uncertainty; and
- * sales and business development activities in Middle East & Africa region in the earlier part of 2010 being primarily in the early stage of the sales cycle.

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)

All the above factors had resulted in a build-up of sales opportunities which are anticipated to be progressed and converted in the second half of 2010. In addition to the lower new system sale revenue, lower revenue contribution from revenue share projects of the Group was recorded following the cessation of certain revenue share contracts in late 2009 and early 2010. Revenue share income from new revenue projects is expected to compensate for the lost revenue share income from discontinued projects in due course.

As a result of the decrease in revenue, the Group recorded lower net profit of S\$1.2 million, representing a 27% decrease, and lower EBITDA of S\$1.7 million, as compared to a net profit of S\$1.6 million and EBITDA of S\$2.3 million respectively for the corresponding period ended 30 June 2009. The decrease in net profit of 27% despite revenue being lower only by 8% was mainly due to:

- * The flow down effect on gross profit recorded following the reduction in revenue;
- * A net foreign exchange loss of S\$0.1 million recorded in the six month period under review, primarily due to a revaluation loss associated with SGD and USD denominated assets of the Group's MYR reporting subsidiaries for the current six month period. In comparison, a net foreign exchange gain of less than S\$0.1 million was recorded in the corresponding period in 2009; and
- * Expansion of headcount within BUs to cater for anticipated growth within South East Asia and in preparation for expansion in other regions.

Review of the Group's financial position as at 30 June 2010 as compared to the Group's financial position as at 31 December 2009

Current assets decreased by S\$1.1 million or 5% from S\$24.5 million as at 31 December 2009 to S\$23.4 million as at 30 June 2010. This decrease was mainly attributable to the decrease in trade and other receivables by S\$5 million as a result of lower revenue recorded during the quarter under review and the improvement in receipts from trade and other receivables. The improvement in receipts had contributed to the increase in cash and cash equivalents held by the Group to S\$18.8 million as at 30 June 2010, from S\$15 million as at 31 December 2009.

Total non-current assets of the Group increased by S\$1.3 million or 13%, from S\$10.3 million as at 31 December 2009 to S\$11.6 million as at 30 June 2010. This increase was mainly attributable to intangible assets increasing by S\$0.7 million, and plant and equipment increasing by S\$0.5 million as a result of investment in intellectual properties and new revenue share assets.

Total liabilities of the Group decreased by S\$2.4 million (or 29%) from S\$8.1 million as at 31 December 2009 to \$5.7 million as at 30 June 2010. The decrease is mainly due to the reduction in trade and other payables.

Review of the Group's cash flow for the quarter and six month period ended 30 June 2010 as compared to the corresponding periods ended 30 June 2009

The Group's cash used in operations for the quarter under review was S\$1.1 million, a decrease of 143% as compared to cash from operations of S\$2.7 million for the corresponding quarter ended 30 June 2009. This decrease was mainly attributable to lower revenue recorded and hence the decrease in collections from trade and other receivables.

Cash from operations for the six month period ended 30 June 2010 was S\$3.7 million, a decrease of 21% as compared to S\$4.8 million for the corresponding period ended 30 June 2009. This decrease was mainly due to lower revenue recorded and hence the decrease in collections from trade and other receivables.

Operating cash flow before working capital changes for the current quarter and six month period of 2010 decreased to S\$0.3 million and S\$1.2 million respectively as compared to S\$0.9 million and S\$1.7 million respectively for the corresponding periods in 2009. This decrease in operating cash flow is mainly due to lower profitability of the Group in the current quarter and six month period of 2010 of S\$0.4 million and S\$1.2 million respectively as compared to the profit before income tax of S\$0.9 million and S\$1.6 million respectively in the corresponding period in 2009.

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

No profit forecast has been issued for the financial 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 Group will continue to execute the strategies for growth and development as described in its annual report for the financial year ended 31 December 2009. The key strategies being pursued by the Group are:

* **Defend Existing Businesses**

The focus for TECH BU and VAS BU in South East Asia will be on defending existing market share by ensuring that the service delivery and solution portfolio of the Group is superior to competition while remaining commercially competitive.

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

* Re-Establish Growth Path

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

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

The Group has established a new business unit to address mobile media growth opportunities within its regions of focus and is progressing towards achieving commercialisation of its first service in the second half of 2010.

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

As announced on 28 July 2010, the Group has announced the proposed acquisition of a shop-office located at Lot 3A-5-1, 5th Floor, Block 3A, Plaza Sentral, Kuala Lumpur to realise higher returns on its capital until such time that suitable acquisition(s) and/or investment(s) in complementary businesses are identified and completed.

* Brand Building

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

* Prospects for 2010

With the above initiatives in train and level of business activities seen during the first half of the year, the Group is expected to record another positive year in 2010, including making further progress to meet the requirements of the Singapore Exchange for the Group's removal from the Watch List.

11. Dividend

(a) Current Financial Year Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	S\$0.1 cents per ordinary share
Tax Rate	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

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

Not applicable.

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.

Not applicable.

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.

Not applicable.

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 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)	
	6 months ended 30 Jun		6 months ended 30 Jun	
	2010 S\$'000	2009 S\$'000	2010 S\$'000	2009 S\$'000
AESBI Power System Sdn Bhd *	164	129	Nil	Nil

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

BY ORDER OF THE BOARD

Wong Tze Leng
 Executive Chairman
 11 Aug 2010

CONFIRMATION OF NEGATIVE ASSURANCE ON INTERIM RESULTS
BY THE BOARD OF DIRECTORS (THE "BOARD") OF
UNIFIED COMMUNICATIONS HOLDINGS LIMITED (THE "COMPANY")
PURSUANT TO RULE 705(4) OF THE LISTING MANUAL
OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Confirmation by the Board Pursuant to Rule 705(4)

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 period ended 30 June 2010 to be false or misleading.

On behalf of the board of directors



Wong Tze Leng
Executive Chairman



Anton Syazi Ahmad Sebi
Chief Executive Officer

Date: 11 AUG 2010