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First 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 *	Anton Syazi Ahmad Sebi
Designation *	Deputy Chief Executive Officer
Date & Time of Broadcast	13-May-2010 17:08:44
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>> Announcement Details

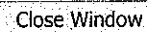
The details of the announcement start here ...

For the Financial Period Ended *	31-03-2010
Description	PLEASE SEE ATTACHED

Attachments

-  UCHLAnnouncementQ12010.pdf
-  UCHLNegativeAssuranceQ12010.pdf

Total size = **96K**
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UNIFIED COMMUNICATIONS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company registration no.: 200211129W)

**First Quarter Financial Statements and Dividend Announcement
for the Period Ended 31 March 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 first quarter ended 31 March 2010

Consolidated Income Statement

	Group		
	Quarter ended 31 Mar		
	2010	2009	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	5,042	4,652	8
Cost of sales	(2,797)	(2,921)	(4)
Gross profit	2,245	1,731	30
Other operating income	401	412	(3)
Expenses:			
Technical support expenses	(622)	(867)	(28)
Distribution costs	(424)	(283)	50
Administrative expenses	(472)	(397)	19
Other operating expenses	(617)	(133)	364
Finance costs	-	(1)	(100)
Share of profit from an equity-accounted associate	278	316	(12)
Profit before income tax	789	778	1
Income tax expenses	(18)	(9)	98
Profit for the year	771	769	0
Profit attributable to:			
Owners of the Company	311	720	(57)
Non-controlling interest	460	49	838
Profit for the year	771	769	0

Consolidated Statement of Comprehensive Income

	Group		
	Quarter ended 31 Mar		
	2009	2008	Inc/(dec)
	S\$'000	S\$'000	%
Profit for the year	771	769	0
Other comprehensive income:			
Exchange difference on translating foreign operations	1,307	(85)	(1638)
Total comprehensive income for the year	2,078	684	204
Total comprehensive income attributable to:			
Owners of the Company	1,580	620	155
Non-controlling interest	499	64	679
Total comprehensive income for the year	2,078	684	204

1(a)(ii) Notes to income statement

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

	Group		
	Quarter ended 31 Mar		
	2010	2009	Inc/(dec)
	S\$'000	S\$'000	%
Other operating income, comprising:			
Foreign exchange gain	330	295	12
Interest Income	45	51	(12)
Other operating expenses, comprising:			
Amortisation of development costs and intellectual property	(159)	(83)	92
Depreciation of plant and equipment	(143)	(271)	(47)
Foreign exchange loss	(495)	(126)	293
Impairment loss on plant and equipment	(117)	-	100
Plant and equipment written off	(1)	-	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
	31/3/2010	31/12/2009	31/3/2010	31/12/2009
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Plant and equipment	4,002	3,905	-	-
Intangible assets	2,777	2,390	-	-
Investments in subsidiaries	-	-	32,734	32,734
Investment in an associate	1,121	808	-	-
Deferred income tax assets	311	311	-	-
Trade and other receivables	2,887	2,851	-	-
Total non-current assets	11,098	10,265	32,734	32,734
Current assets				
Inventories	280	212	-	-
Trade and other receivables	4,692	9,314	3,810	3,850
Cash and cash equivalents	20,414	15,019	3	19
Total current assets	25,386	24,545	3,813	3,869
Total assets	36,484	34,810	36,547	36,603
EQUITY AND LIABILITIES				
Equity				
Share capital	31,948	31,948	31,948	31,948
Accumulated losses	(3,657)	(3,968)	(472)	(402)
Foreign currency translation reserve	(674)	(1,942)	-	-
Equity attributable to owners of the Company	27,617	26,038	31,476	31,546
Non-controlling interest	1,118	660	-	-
Total equity	28,735	26,698	31,476	31,546
Non-current liabilities				
Deferred income tax liabilities	57	54	-	-
Borrowings	2	3	-	-
Total non-current liabilities	59	57	-	-
Current liabilities				
Current income tax liabilities	29	29	-	-
Trade and other payables	7,654	8,019	5,071	5,057
Borrowings	7	7	-	-
Total current liabilities	7,690	8,055	5,071	5,057
Total liabilities	7,749	8,112	5,071	5,057
Total equity and liabilities	36,484	34,810	36,547	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 31/3/2010		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 31/3/2010		As at 31/12/2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2	-	8	-

Details of any collateral

The Group's secured facility represents of 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

	Quarter ended	
	31 Mar	
	2010	2009
	S\$'000	S\$'000
Operating activities:		
Profit before income tax	789	779
Adjustments for:		
Amortisation of development costs and intellectual property	159	83
Depreciation of plant and equipment	143	271
Impairment loss on plant and equipment	117	-
Plant and equipment written off	1	-
Interest expense	-	1
Interest income	(45)	(51)
Share of profit from an equity-accounted associate	(278)	(316)
Operating cash flow before movement in working capital	886	767
Changes in operating assets and liabilities		
Inventories	(87)	(147)
Trade and other receivables	4,466	3,079
Trade and other payables	(348)	(1,611)
Cash generated from operations	4,917	2,088
Income tax paid	(16)	(1)
Interest paid	-	(1)
Net cash from operating activities	4,901	2,086
Investing activities:		
Purchase of plant and equipment	(362)	(658)
Proceeds from disposals of plant and equipment	5	7
Development costs paid	(416)	(122)
Interest received	45	51
Dividend received from an equity-accounted associate	-	916
Net cash (used in)/from investing activities	(727)	194
Financing activities:		
Dividend paid by a subsidiary to non-controlling interest	(41)	-
Repayments of finance leases	(2)	(2)
Net cash used in financing activities	(43)	(2)

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)

	Quarter ended	
	31 Mar	
	2010	2009
	S\$'000	S\$'000
Net change in cash and cash equivalents	4,131	2,278
Cash and cash equivalents at beginning of the financial year (Note 1)	14,991	9,911
Effect of exchange rate changes on cash and cash equivalents	1,264	(69)
Cash and cash equivalents at end of the financial period (Note 1)	20,387	12,120

Explanatory Notes:

Note 1

	31 Mar	
	2009	2008
	S\$'000	S\$'000
Cash and cash equivalents	20,414	12,209
Bank overdrafts	-	-
Restricted deposits	(28)	(89)
Cash and cash equivalents per consolidated cash flow statement	20,387	12,120

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 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 31/3/2010							
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	-	-	1,268	311	1,579	499	2,078
Dividend paid to Non-Controlling interest	-	-	-	-	-	(41)	(41)
Balance at 31/3/2010	319,572,675	31,948	(674)	(3,657)	27,617	1,118	28,735
Company							
Balance at 1/1/2010	319,572,675	31,948	-	(402)	31,546	-	31,546
Total comprehensive income/ (expenses) for the financial period	-	-	-	(70)	(70)	-	(70)
Balance at 31/3/2010	319,572,675	31,948	-	(472)	31,476	-	31,476

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 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 31/3/2009							
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	-	-	(100)	720	620	64	684
Balance at 31/3/2009	319,572,675	31,948	(1,535)	(6,148)	24,265	385	24,650
Company							
Balance at 1/1/2009	319,572,675	31,948	-	(89)	31,859	-	31,859
Total comprehensive income/ (expenses) for the financial period	-	-	-	(31)	(31)	-	(31)
Balance at 31/3/2009	319,572,675	31,948	-	(120)	31,828	-	31,828

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 31/3/2010	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 quarter as those applied in their audited financial statements for the year ended 31 December 2009 except that the Group has adopted new Financial Reporting Standards (FRS) which became effective on 1 January 2010.

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	
	2010	2009
	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	0.10	0.23
On fully diluted basis (detailing any adjustments made to the earnings) ⁽²⁾	n.a	n.a

n.a.: not applicable

⁽¹⁾ For comparative purposes, the earnings per ordinary share of the Group has been computed based on the net profit after tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 319,572,675 shares for quarter ended 31 March 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 31/3/2010		As at 31/12/2009	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	8.64	9.85	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 first quarter ended 31 March 2010 as compared to corresponding quarter ended 31 March 2009

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

	2010 S\$'000	Sales mix %	2009 S\$'000	Sales mix %
Mobile Technology (TECH BU)	1,441	29	2,134	46
Mobile Value-Added-Service (VAS BU)	894	18	1,023	22
Less: Inter-segment sales	(174)	(3)	(30)	(1)
Proprietary Solutions	2,162	43	3,127	67
Operation Support Systems (OSS BU)	3,131	62	1,775	38
Less: Inter-segment sales	(251)	(5)	(250)	(5)
Total	5,042	100	4,652	100

The Group achieved consolidated revenue of S\$5.0 million for the quarter ended 31 March 2010, representing an increase of 8% compared to revenue recorded for the corresponding quarter ended 31 March 2009. The higher revenue achieved in the period under review is mainly attributable to the higher revenue contributed by OSS BU. However, the increased revenue of OSS BU for 2010 has been partially offset by lower revenue recorded by both TECH BU and VAS BU.

Despite the 8.4% increase in revenue, the Group recorded a marginal increase in net profit after taxation of S\$0.7 million, representing a 0.3% increase, and flat EBITDA of S\$1.1 million, as compared to a net profit of S\$0.7 million and EBITDA of S\$1.1 million respectively, for the corresponding quarter ended 31 March 2009. This is mainly attributable to:-

- * A net foreign exchange loss of S\$0.2 million recorded in the current quarter, primarily due to revaluation loss associated with SGD and USD denominated assets in MYR reporting subsidiaries. In comparison, a net foreign exchange gain of S\$0.2 million was recorded in the corresponding quarter in 2009.
- * An increase in amortisation charges to S\$0.1 million as a result of certain intellectual property having been successfully developed and being available for use or sale in 2010 and also the impairment loss of plant and equipment recorded in the quarter. However, the increased amortisation charges and impairment loss are partially mitigated by the decrease in depreciation charges in 2010 given that certain plant and equipment had reached the end of their estimated useful lives in late 2009.

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 2010 as compared to the Group's financial position as at 31 December 2009

Current assets increased by S\$0.8 million or 3% from S\$24.5 million as at 31 December 2009 to S\$25.4 million as at 31 March 2010. This increase is mainly attributable to the improvement in cash and cash equivalents held by the Group to S\$20.4 million as at 31 March 2010, from S\$15.0 million as at 31 December 2009. This is mainly contributed by the improvement in receipts from trade and other receivables evident by a decrease of S\$4.6 million in receivables balance as at 31 March 2010.

Total non-current assets of the Group increased by S\$0.8 million or 8%, from S\$10.3 million as at 31 December 2009 to S\$11.1 million as at 31 March 2010. This increase is mainly attributable to intangible assets increasing by S\$0.4 million as a result of investment in intellectual property and increased investment in an associated company arising from S\$0.3 million of profit shared during current quarter.

Total liabilities of the Group decreased by S\$0.4 million (or 4%) from S\$8.1 million as at 31 December 2009 to \$7.7 million as at 31 March 2010. The decrease is mainly due to a reduction in trade and other payables.

Review of the Group's cash flow as at 31 March 2010 as compared to the Group's cash flow as at 31 March 2009

The Group's Cash from operations for the quarter under review was S\$4.9 million, compared to S\$2.1 million for the corresponding quarter 2009. This increase in cash from operations is mainly attributable to the increase in collections from trade and other receivables, and a decrease in payment of trade and other payables.

Operating cash flow before working capital changes for the quarter under review increased to S\$0.8 million as compared to S\$0.7 million for the corresponding quarter 2009. This increase in operating cash flow is mainly due to higher profit from operations in 2010.

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.

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

The Directors believe that the Group's efforts to execute its three key strategies for growth and development are showing positive results. On the back of the positive results achieved in 2008 and 2009, the Directors believe that the Group will continue to make progress in improving its future performance and financial results.

The Group will continue to strive towards maintaining profitability guided by strategies that have been mapped out. Focus will continue to be given on:-

- * mobile data and value-added services ("VAS") solution/applications and businesses;
- * recurring revenue streams via managed services business; and
- * participating in the growth of developing and emerging telecommunications markets such as South East Asia, South Asia and the Middle East.

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/recommendeded, a statement to that effect.

No dividend has been declared or recommended for the period ended 31 March 2010.

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)
Nil	Nil	Nil

BY ORDER OF THE BOARD

Anton Syazi Ahmad Sebi
Deputy Chief Executive Officer
13 May 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 31 March 2010 to be false or misleading.

On behalf of the board of directors



Wong Tze Leng
Director and Chief Executive Officer



Anton Syazi Ahmad Sebi
Director and Deputy Chief Executive
Officer

Date: 13 May 2010