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* Asterisks denote mandatory information	
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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
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Announcement Title \* QUARTERLY UPDATE PURSUANT TO LISTING RULE 1313(2) FOR THE QUARTER ENDED 30 SEPTEMBER 2009

Description PLEASE REFER TO THE ATTACHMENT

**Attachments**  
 UCHLWatchlisUpdate2009Q3Final2.pdf  
 Total size = **28K**  
 (2048K size limit recommended)

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## **UNIFIED COMMUNICATIONS HOLDINGS LIMITED**

Company Registration No. 200211129W

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### **QUARTERLY UPDATE PURSUANT TO LISTING RULE 1313(2) FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

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On 5 March 2008, Unified Communications Holdings Limited (“UCLH” or “the Group”) was included on the Watch List pursuant to Listing Rule 1311. Further to Listing Rule 1313(2), the Board of Directors of UCLH wishes to provide the following updates for the quarter ended 30 September 2009:

#### **(a) Update on Financial Situation**

As announced on 11 November 2009, the Group recorded a net profit after tax of S\$0.61 million for the quarter ended 30 September 2009, compared to the net profit after tax of S\$0.74 million for the same quarter of 2008. In spite of a 31% decline in revenue and lower share of results of an associated company in the current quarter against that in the same quarter of 2008, net profit after tax of the Group showed a disproportionately smaller decline amounting to 18%, which is attributable to the following factors:

- (i) an improvement in gross profit margin of the Group, driven by a more favourable revenue mix comprising higher software licensing revenue for both TECH and VAS BUs. This resulted in an improved Group gross profit margin of 59% being achieved in the current quarter as compared to 42% as recorded in the same quarter of 2008; and
- (ii) a decrease in net operating expenses through the absence in the current quarter, of Distribution business segment operating expenses, the business segment from which the Group had exited in late 2008.

#### **(b) Update on Future Direction**

Consistent with past quarterly updates, the Group will continue with its focus and efforts in executing the strategies and tactics to strengthen the Group's position in the business segments and regional markets within which its existing business units operate.

#### **(c) Update on Initiatives to Facilitate Removal from the Watch-List**

To date, the Group has already met one of the requirements under Rule 1314(1) – to achieve an audited pre-tax profit for its most recently completed financial year. This corresponds to the result achieved by the Group for financial year ended 31 December 2008, a year in which the Group achieved an audited pre-tax profit of S\$2.7 million.

However, the daily average market capitalisation of the Group over a 120-day period in the current financial year has been below the minimum level of S\$40 million as required under Rule 1314(1). The Board and Management of the Group does not believe it likely that the market capitalisation of the Group will increase substantially from now until 4 March 2010, by such an amount that will sufficiently contribute towards the achievement of this 120-day daily average market capitalisation minimum of S\$40 million.

Apart from achieving an audited pre-tax profit of S\$2.7 million for financial year ended 31 December 2008, the Group has for the 9-month period ended 30 September 2009, reported

an unaudited pre-tax profit amounting to S\$2.3 million. This brings the cumulative pre-tax profit of the Group to S\$5.0 million for the past 7 reporting quarters - a result attributable to the relative success of the Group in implementing its adopted business strategies.

Against this backdrop of 7 consecutive reporting quarters of pre-tax profit, the Group is optimistic in fulfilling the alternative criteria for removal from the Watch List as specified under Rule 1314(2) - of achieving total audited pre-tax profit for the three years ending 31 December 2010 of at least S\$7.5 million per Rule 210(2)(a) of the Listing Rules.

To this end, the Group intends to submit an application to the Singapore Exchange pursuant to paragraph 3.2(1) of Practice Note 13.2, for an extension of time of a further 12 months for the Group to attain the said alternative removal criteria per Rule 1314(2).