

## Financial Statements and Related Announcement::First Quarter Results

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	CAPTII LIMITED
<b>Securities</b>	CAPTII LIMITED - SG1P16916402 - U18
<b>Stapled Security</b>	No

## Announcement Details

<b>Announcement Title</b>	Financial Statements and Related Announcement
<b>Date &amp; Time of Broadcast</b>	13-May-2015 17:13:44
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<b>Announcement Sub Title</b>	First Quarter Results
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<b>Submitted By (Co./ Ind. Name)</b>	Anton Syazi Ahmad Sebi
<b>Designation</b>	Chief Executive Officer & Executive Director
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	Please refer to the attached.

## Additional Details

<b>For Financial Period Ended</b>	31/03/2015
<b>Attachments</b>	<a href="#">FinancialResults_Q12015.pdf</a> Total size =60K

First Quarter Financial Statements and Dividend Announcement  
for the Period Ended 31 March 2015

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 2015

Consolidated Statement of Comprehensive Income

	Group		
	Quarter ended 31 March		
	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%
<b>Revenue</b>	<b>4,984</b>	<b>5,075</b>	<b>(1.8)</b>
Cost of Sales	(2,287)	(2,768)	(17.4)
<b>Gross profit</b>	<b>2,697</b>	<b>2,307</b>	<b>16.9</b>
Other Items of Income:			
Interest Income	66	72	(8.3)
Other Gains	89	136	(34.7)
Other Items of Expense:			
Technical Support Expenses	(865)	(944)	(8.4)
Distribution Costs	(500)	(625)	(20.0)
Administrative Expenses	(617)	(539)	14.5
Other Losses	(6)	(4)	38.7
Shared of Result from Jointly-Controlled Entity	(1)	-	100.0
<b>Profit Before Income Tax</b>	<b>863</b>	<b>403</b>	<b>114.0</b>
Income Tax Expenses	(120)	(76)	58.4
<b>Profit, Net of Tax</b>	<b>743</b>	<b>327</b>	<b>127.3</b>
<b>Profit, Net of Tax Attributable to:</b>			
Owners of the Company	652	339	92.2
Non-Controlling Interests	91	(12)	(862.0)
<b>Profit, Net of Tax</b>	<b>743</b>	<b>327</b>	<b>127.3</b>

Consolidated Statement of Comprehensive Income

	Group		
	Quarter ended 31 March		
	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%
<b>Profit, Net of Tax</b>	<b>743</b>	<b>327</b>	<b>127.3</b>
Other Comprehensive Income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	(631)	14	(4607.2)
<b>Total Comprehensive Income for the period</b>	<b>112</b>	<b>341</b>	<b>(67.1)</b>
<b>Total Comprehensive Income for the period Attributable to:</b>			
Owners of the Company	44	352	(87.6)
Non-Controlling interest	68	(11)	(722.2)
<b>Total Comprehensive Income for the period</b>	<b>112</b>	<b>341</b>	<b>(67.1)</b>

## 1(a)(ii) Notes to Statement of Comprehensive Income

	Group		
	Quarter ended 31 March		
	2015	2014	Inc/(dec)
S\$'000	S\$'000	%	
<b>Profit before income tax is stated after (charging)/crediting the following items:</b>			
Loss on Disposal of Plant and Equipment	(1)	-	100.0
Foreign Exchange Gain, net	80	72	11.4
Amortisation of Intangible Assets	(258)	(287)	(10.1)
Depreciation of Plant and Equipment	(144)	(123)	17.4
<b>Components of tax expense recognised in profit and loss include:</b>			
Current Tax Expenses	(63)	(59)	7.3
Over adjustments in respect of prior years	18	-	100.0
Overseas Withholding Tax Expenses	(75)	(17)	342.7

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
	31/3/2015	31/12/2014	31/3/2015	31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Plant and Equipment	1,819	1,804	-	-
Investment Property	3,305	3,370	-	-
Intangible Assets	14,101	14,541	-	-
Investments in Subsidiaries	-	-	32,734	32,734
Investment in Jointly-Controlled Entity	6	7	-	-
<b>Total Non-Current Assets</b>	<b>19,231</b>	<b>19,722</b>	<b>32,734</b>	<b>32,734</b>
<b>Current assets</b>				
Inventories	18	19	-	-
Income Tax Recoverable	179	130	-	-
Trade and Other Receivables	9,422	9,680	3,638	4,080
Other Assets	320	342	49	4
Cash and Cash Equivalents	12,204	11,880	369	14
<b>Total Current Assets</b>	<b>22,143</b>	<b>22,051</b>	<b>4,056</b>	<b>4,098</b>
<b>Total Assets</b>	<b>41,374</b>	<b>41,773</b>	<b>36,790</b>	<b>36,832</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	7,406	6,754	4,243	4,334
Foreign Currency Translation Reserve	(4,754)	(4,146)	-	-
<b>Equity, Attributable to Owners of the Parent</b>	<b>34,600</b>	<b>34,556</b>	<b>36,191</b>	<b>36,282</b>
Non-Controlling Interest	1,438	1,370	-	-
<b>Total Equity</b>	<b>36,038</b>	<b>35,926</b>	<b>36,191</b>	<b>36,282</b>
<b>Non-Current Liabilities</b>				
Deferred Tax Liabilities	10	5	-	-
<b>Total Non-Current Liabilities</b>	<b>10</b>	<b>5</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>				
Income Tax Payables	67	75	-	-
Trade and Other Payables	4,976	5,240	599	550
Other Liabilities	283	527	-	-
Borrowings	-	-	-	-
<b>Total Current Liabilities</b>	<b>5,326</b>	<b>5,842</b>	<b>599</b>	<b>550</b>
<b>Total Liabilities</b>	<b>5,336</b>	<b>5,847</b>	<b>599</b>	<b>550</b>
<b>Total Equity and Liabilities</b>	<b>41,374</b>	<b>41,773</b>	<b>36,790</b>	<b>36,832</b>

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

As at 31 March 2015, the Group did not have borrowings and debt securities.

**Details of any collateral**

The company has issued a financial guarantee to a bank for banking facilities granted to a subsidiary. The banking facilities are secured by fixed deposits of the subsidiary amounting to approximately \$314,000 and covered by a personal guarantee of a director of the subsidiary and corporate guarantee of the company of \$570,000 (2014: \$581,000). As at the end of the financial period, the outstanding facilities covered by the guarantee were Nil (2014: Nil).

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**

	Group	
	Quarter ended 31 March	
	2015	2014
	S\$'000	S\$'000
<b>Operating activities:</b>		
Profit Before Income Tax	863	403
Adjustments for:		
Amortisation of Intangible Assets	258	287
Depreciation of Plant and Equipment	144	123
Loss on Disposal of Plant and Equipment	1	-
Interest Income	(66)	(72)
Shared of Result from Jointly-Controlled Entity	1	-
	<b>1,201</b>	<b>741</b>
<b>Operating Cash Flow before Changes in Working Capital</b>		
Inventories	7	(2)
Trade and Other receivables	208	(2,058)
Other Assets	22	1
Trade and Other payables	(276)	1,242
Other Liabilities	(243)	(39)
<b>Net Cash Flows From / (Used in) Operations</b>	<b>919</b>	<b>(115)</b>
Income Tax Paid	(114)	(128)
<b>Net Cash Flows From / (Used in) Operating Activities</b>	<b>805</b>	<b>(243)</b>
<b>Cash Flows From Investing Activities:</b>		
Purchase of Plant and Equipment	(178)	(80)
Payment for Development Costs	(92)	(67)
Cash Restricted in Use	-	(18)
Interest Income Received	66	72
<b>Net Cash Flows Used in Investing Activities</b>	<b>(204)</b>	<b>(93)</b>
<b>Cash Flows From Financing Activities:</b>		
Cash Restricted in Use	(2)	47
<b>Net Cash Flows (Used in) / From Financing Activities</b>	<b>(2)</b>	<b>47</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	
	2015	2014
	S\$'000	S\$'000
Net Change in Cash and Cash Equivalents	599	(289)
Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)	11,480	8,453
Effect of Exchange Rate Changes On Cash and Cash Equivalents	(271)	(29)
Cash and Cash Equivalents At End of the Financial Period (Note 1)	11,808	8,135

Explanatory Notes:

Note 1

	Group	
	Quarter ended 31 March	
	2015	2014
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	12,204	10,908
Less: Restricted Deposits	(397)	(2,773)
Cash and cash equivalents per consolidated statement of cash flows	11,808	8,135

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.

Statements of Changes in Equity for the First Quarter ended 31 March 2015

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non-Controlling Interests
<b>Current Period:</b>						
<b>Group</b>						
Opening Balance at 1 January 2015	35,926	34,556	31,948	6,754	(4,146)	1,370
Total Comprehensive Income/(Loss) for the financial period	112	44	-	652	(608)	68
<b>Closing Balance at 31 March 2015</b>	<b>36,038</b>	<b>34,600</b>	<b>31,948</b>	<b>7,406</b>	<b>(4,754)</b>	<b>1,438</b>
<b>Company</b>						
Opening Balance at 1 January 2015	36,282	36,282	31,948	4,334	-	-
Total Comprehensive Loss for the financial period	(91)	(91)	-	(91)	-	-
<b>Closing Balance at 31 March 2015</b>	<b>36,191</b>	<b>36,191</b>	<b>31,948</b>	<b>4,243</b>	<b>-</b>	<b>-</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)

**Statements of Changes in Equity for the First Quarter ended 31 March 2014**

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non- Controlling Interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Previous Quarter:</b>						
<b>Group</b>						
Opening Balance at 1 January 2014	34,965	33,573	31,948	5,234	(3,609)	1,392
Total Comprehensive Income/(Loss) for the financial period	341	352	-	339	13	(11)
<b>Closing Balance at 31 March 2014</b>	<b>35,306</b>	<b>33,925</b>	<b>31,948</b>	<b>5,573</b>	<b>(3,596)</b>	<b>1,381</b>
<b>Company</b>						
Opening Balance at 1 January 2014	36,578	36,578	31,948	4,630	-	-
Total Comprehensive Loss for the financial period	(90)	(90)	-	(90)	-	-
<b>Closing Balance at 31 March 2014</b>	<b>36,488</b>	<b>36,488</b>	<b>31,948</b>	<b>4,540</b>	<b>-</b>	<b>-</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 31/3/2015	As at 31/12/2014
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 2014.

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	
	2015	2014
	cents	cents
Based on the weighted average number of ordinary shares on issue <sup>(1)</sup>	0.20	0.11
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 profit, net of 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 financial period ended 31 March 2015 and 2014.

<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 31/3/2015		As at 31/12/2014	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share <sup>(1)</sup>	10.83	11.32	10.81	11.35

<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 attributable to owners of 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 financial period ended 31 March 2015 as compared to corresponding financial period ended 31 March 2014

##### *Revenue*

The Group recorded consolidated revenue of S\$4.984 million for the quarter ended 31 March 2015 ("Q1 2015"), a slight decrease of 1.8% against the revenue recorded in the quarter ended 31 March 2014 ("Q1 2014"). The decline in Group revenue for Q1 2015 is attributable to lower revenue recorded by GlobeOSS.

GlobeOSS recorded revenue of S\$1.557 million in Q1 2015, a decrease of 12.5% from the S\$1.780 million recorded in Q1 2014. This decline in revenue was mainly due to the lower system sale contract revenues.

In contrast, Unifiedcomms posted revenue of S\$3.368 million, an increase of 4.1% on the S\$3.234 million recorded in Q1 2014. This increase was driven primarily by the higher managed service contract revenues.

The Group's Others segment meanwhile contributed S\$0.059 million in income from investments.

The Group's sales mix in Q1 2015 showed an increase in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 67.0% of the Group's total revenue in Q1 2015 as compared to 62.1% in Q1 2014. The higher contribution of managed service contracts to the Group's sales mix in Q1 2015 is mainly attributable to the decrease in system sale contract revenues of the Group, which had declined 14.6% from S\$1.925 million in Q1 2014 to S\$1.644 million in Q1 2015.

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

Although Group revenue was lower in Q1 2015, gross profit was higher at S\$2.697 million as compared to S\$2.307 million achieved in Q1 2014. This is attributable to the higher gross profit margin of 54.1% in Q1 2015 against 45.5% in Q1 2014, which was driven by the improvement in gross profit margin on system sale contract revenues from 35.4% in Q1 2014 to 44.8% in Q1 2015. This improvement was mainly due to the lower proportionate contribution of GlobeOSS system sale contracts, which generally deliver lower gross profit margin as a result of its typically higher third-party component costs.

The gross profit margin recorded by the Group on its managed service contract revenues also increased to 58.7% in Q1 2015 from 51.6% in Q1 2014. This increase in gross profit margin was a result of higher managed service contract revenues achieved coupled with lower cost of sales in Q1 2015.

##### *Interest Income*

The Group recorded interest income of S\$0.066 million in Q1 2015, marginally lower than the S\$0.072 million achieved in Q1 2014.

##### *Other gains*

The Group recorded other gains of S\$0.089 million in Q1 2015, 34.7% lower than the S\$0.136 million achieved in Q1 2014, mainly due to absence of cash incentives from the Singapore tax authority on certain plant and equipment investments of a subsidiary in Singapore.

##### *Other Items of Expense*

The Group recorded total expenses of S\$1.989 million in Q1 2015, 5.8% lower than the S\$2.112 million incurred in Q1 2014. This decrease in total expenses is mainly attributable to lower distribution costs recorded in Q1 2015 as a result of reduction in sales and business development headcount of the Group.

##### *Net Profit and EBITDA*

The Group recorded higher net profit of S\$0.743 million and EBITDA of S\$1.199 million in Q1 2015 as compared to the S\$0.327 million in net profit and S\$0.741 million in EBITDA achieved by the Group in Q1 2014. The higher net profit and EBITDA results recorded in Q1 2015 are mainly attributable to the flow-down effect of higher gross profit margin and lower operating expenses recorded in Q1 2015.

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 2015 as compared to corresponding quarter ended 31 March 2014 (continued)**

*Detailed Segmental Breakdown of Group Revenue and Gross Profit*

The detailed segmental breakdown of the Group's revenue and gross profit for Q1 2015, together with comparative results for Q1 2014 is provided below:

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

	2015 S\$'000	Sales mix %	2014 S\$'000	Sales mix %
Unifiedcomms	3,368	67.6	3,234	63.7
GlobeOSS	1,557	31.2	1,780	35.1
Others	59	1.2	61	1.2
<b>Total</b>	<b>4,984</b>	<b>100.0</b>	<b>5,075</b>	<b>100.0</b>

*Unifiedcomms - Segment for content-driven mobile VAS, messaging and signaling systems, solutions and managed services.*

*GlobeOSS - Segment for mobile network operation support systems, solutions and managed services.*

*Others - Segment for operational headquarters of the Group and investment holding.*

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

External Sales	2015			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	2,850	1,551	59	4,460
South Asia (SA)	218	-	-	218
Middle East & Africa (MEA)	294	-	-	294
Others	6	6	-	12
<b>Total</b>	<b>3,368</b>	<b>1,557</b>	<b>59</b>	<b>4,984</b>

External Sales	2014			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	2,529	1,774	61	4,364
SA	277	-	-	277
MEA	426	-	-	426
Others	2	6	-	8
<b>Total</b>	<b>3,234</b>	<b>1,780</b>	<b>61</b>	<b>5,075</b>

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

External Sales	2015			2014		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	1,644	3,340	4,984	1,925	3,150	5,075
Gross Profit	736	1,961	2,697	682	1,625	2,307
Gross Profit (%)	44.8%	58.7%	54.1%	35.4%	51.6%	45.5%

(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 2015 as compared to the Group's financial position as at 31 December 2014**

Non-cash current assets of the Group decreased from \$10.171 million as at 31 December 2014 to S\$9.939 million as at 31 March 2015. This 2.3% decrease in non-cash current assets was mainly due to the decrease in trade and other receivables of the Group.

Total non-current assets of the Group decreased from S\$19.722 million as at 31 December 2014 to S\$19.231 million as at 31 March 2015. This 2.5% decrease in non-current assets is attributable to the effect of ongoing amortisation charges on certain intangible assets of the Group.

Total liabilities of the Group decreased from S\$5.847 million as at 31 December 2014 to S\$5.336 million as at 31 March 2015. This 8.7% decrease in total liabilities is attributable to reduction in trade and other payables and other liabilities.

#### **Review of the Group's cash flow for the quarter ended 31 March 2015 as compared to the corresponding quarter ended 31 March 2014**

The Group's net cash flow from operations for Q1 2015 was S\$0.919 million, in contrast with the net cash flow used in operations of S\$0.115 million for Q1 2014. This increase was mainly contributed by the higher profit before tax of S\$0.863 million for Q1 2015 versus S\$0.403 million for Q1 2014, and favorable working capital changes.

The Group's net cash flow used in investing activities for Q1 2015 was S\$0.204 million as compared to S\$0.093 million for Q1 2014. The higher net cash used in investing activities is mainly attributable to higher purchases of plant and equipment relating to managed service contracts.

The Group's net cash flow used in financing activities for Q1 2015 amounted to S\$0.002 million as compared to net cash flow from financing activities of S\$0.047 million for Q1 2014. This is mainly attributable to the absence of withdrawal of a deposit previously pledged by a subsidiary with a bank to increase its existing banking facilities' limit.

#### **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 remainder of 2015 financial year to remain challenging, especially for the parts of our business that generate revenues primarily from system sale contracts.

Although 2014 proved to be a year of stronger growth in system sale contract revenues, management does not anticipate this to be a trend that will readily extend into 2015. While every effort will be made by management and the teams across all our Business Units to sustain, if not improve, on the system sale revenues achieved in 2014, this source of revenue for the Group remains the least certain. Mobile network operators in all our regions of focus continue to shrink their capital expenditure budgets on bolt-on platforms and systems in favour of procuring these technologies on a managed service, opex based model. The only somewhat associated trend that can be readily expected to persist, is the downward pressure on margins where there are system sale contract opportunities to be had.

While the growth in system sale contract revenues is expected to be less certain and gross margin pressure expected to persist, management of the Group anticipates the steady progress in growing the managed service contract portfolio of the Group to be effective as a countervailing force.

Management is optimistic that growth of managed service contract revenues can be sustained over the coming years to drive the improvement in the overall financial performance of the Group. The strategy at Unifiedcomms business of the Group, will continue to be focused on developing and delivering high value, utility-focused application and platform services in partnership with the leading mobile network operators and service providers of the SEA, SA and MEA regions.

With the renaming of the Company to Captii Limited in 2014, the Group had in the second half of 2014 separated the identity of our operating units and subsidiaries – namely Unifiedcomms and GlobeOSS – from that of their investment holding parent company. This allowed the Company, re-branded as Captii, to clearly position itself as an investment company that not only invests in growing our own established businesses but also in promising technology and innovation originating outside the confines of our Group.

Captii through its technology investment and venture activities will be capitalising on the growth in internet usage - especially the mobile broadband variety - in the SEA and SA regions by strategically investing in early to late stage technology and innovation in internet-delivered applications and mobile and digital media. The Group's strategic investment plan in the year ahead will focus primarily on these growth businesses in the SEA and SA regions, and will be complemented by the growth-by-acquisition strategy already in place for the existing business units.

#### **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	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 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 2015 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  
13 May 2015

