

Financial Statements and Related Announcement: Full Yearly Results

Security Details

Issuer/ Manager	CAPTII LIMITED
Securities	CAPTII LIMITED - SG1BA0000004 - AWW
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Announcement Details

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For Financial Period Ended	31/12/2015
Attachments	<p>@CL_SGX Financial Results 2015 Full Year.pdf</p> <p>Total size =84K</p>

Full Year Financial Statements and Dividend Announcement
for the Year Ended 31 December 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 financial year ended 31 December 2015

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	19,300	21,579	(10.6)
Cost of Sales	(7,529)	(10,595)	(28.9)
Gross profit	11,771	10,984	7.2
Other Items of Income:			
Interest Income	285	270	5.4
Other Gains	252	648	(61.0)
Other Items of Expense:			
Technical Support Expenses	(3,357)	(3,591)	(6.5)
Distribution Costs	(1,437)	(1,772)	(18.9)
Administrative Expenses	(3,383)	(3,214)	5.2
Other Losses	(213)	(426)	(50.1)
Finance Costs	-	(1)	(100.0)
Shared of Result from Jointly-Controlled Entity	(4)	(10)	(58.4)
Profit Before Income Tax	3,914	2,888	35.5
Income Tax Expenses	(912)	(633)	44.1
Profit, Net of Tax	3,002	2,255	33.1
Profit, Net of Tax Attributable to:			
Owners of the Company	2,572	2,159	19.1
Non-Controlling Interests	430	96	347.5
Profit, Net of Tax	3,002	2,255	33.1

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%
Profit, Net of Tax	3,002	2,255	33.1
Other Comprehensive Income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	(4,229)	(655)	545.7
Total Comprehensive (Loss)/Income for the year	(1,227)	1,600	(176.7)
Total Comprehensive (Loss)/Income for the period Attributable to:			
Owners of the Company	(1,484)	1,622	(191.5)
Non-Controlling interest	257	(22)	(1266.2)
Total Comprehensive (Loss)/Income for the year	(1,227)	1,600	(176.7)

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

	Group		
	12 months ended 31 December		
	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%
Profit before income tax is stated after (charging)/crediting the following items:			
Write-back of Impairment Loss on Receivables	26	-	100.0
Reversal of Payables	29	479	(93.9)
Gain on Disposal of Plant and Equipment	4	2	79.4
Foreign Exchange Gain, net	111	64	72.9
Amortisation of Intangible Assets	(877)	(1,047)	(16.2)
Depreciation of Plant and Equipment	(515)	(466)	10.6
Write-down of Inventories	(9)	(11)	(20.6)
Impairment Loss on Receivables	-	(31)	(100.0)
Impairment Loss on Plant and Equipment	(176)	-	100.0
Impairment Loss on Intangible Assets	-	(361)	(100.0)
Plant and Equipment Written-Off	-	(8)	(100.0)
Components of tax expense recognised in profit and loss include:			
Current Tax Expenses	(590)	(451)	30.8
Deferred Tax Expenses	(24)	(15)	60.0
Over adjustments in respect of prior years	8	19	(58.6)
Overseas Withholding Tax Expenses	(306)	(186)	64.4

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
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-Current Assets				
Plant and Equipment	1,403	1,804	-	-
Investment Property	2,940	3,370	-	-
Intangible Assets	12,140	14,541	-	-
Investments in Subsidiaries	-	-	32,734	32,734
Investment in Jointly-Controlled Entity	3	7	-	-
Other Financial Assets	1,517	-	-	-
Total Non-Current Assets	18,003	19,722	32,734	32,734
Current assets				
Inventories	48	19	-	-
Income Tax Recoverable	74	130	-	-
Trade and Other Receivables	6,310	9,680	4,321	4,080
Other Assets	318	342	4	4
Cash and Cash Equivalents	13,450	11,880	786	14
Total Current Assets	20,200	22,051	5,111	4,098
Total Assets	38,203	41,773	37,845	36,832
EQUITY AND LIABILITIES				
Equity				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	8,527	6,754	5,397	4,334
Foreign Currency Translation Reserve	(8,202)	(4,146)	-	-
Equity, Attributable to Owners of the Parent	32,273	34,556	37,345	36,282
Non-Controlling Interest	1,368	1,370	-	-
Total Equity	33,641	35,926	37,345	36,282
Non-Current Liabilities				
Deferred Tax Liabilities	30	5	-	-
Total Non-Current Liabilities	30	5	-	-
Current Liabilities				
Income Tax Payables	106	75	-	-
Trade and Other Payables	3,905	5,240	500	550
Other Liabilities	521	527	-	-
Total Current Liabilities	4,532	5,842	500	550
Total Liabilities	4,562	5,847	500	550
Total Equity and Liabilities	38,203	41,773	37,845	36,832

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

As at 31 December 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 \$285,000 and covered by a personal guarantee of a director of the subsidiary and corporate guarantee of the company of \$507,000 (2014: \$581,000). As at the end of the financial year, 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	
	12 months ended 31 December	
	2015	2014
	S\$'000	S\$'000
Operating activities:		
Profit Before Income Tax	3,914	2,888
Adjustments for:		
Amortisation of Intangible Assets	877	1,047
Depreciation of Plant and Equipment	515	466
Loss on Disposal of Plant and Equipment	(4)	(2)
Plant and Equipment Written-Off	0	8
Write-back of Impairment Loss on Receivables	(26)	-
Reversal of Payables	(29)	(479)
Write-down of Inventories	9	11
Impairment Loss on Plant and Equipment	176	-
Impairment Loss on Intangible Assets	-	361
Impairment Loss on Receivables	-	31
Interest Expense	-	1
Interest Income	(285)	(270)
Shared of Result from Jointly-Controlled Entity	4	10
Operating Cash Flow before Changes in Working Capital	5,151	4,072
Inventories	3	(28)
Trade and Other receivables	3,395	(1,940)
Other Assets	24	194
Trade and Other payables	(1,375)	2,281
Other Liabilities	(5)	(172)
Net Cash Flows From Operations	7,193	4,407
Income Tax Paid	(702)	(590)
Net Cash Flows From Operating Activities	6,491	3,817
Cash Flows From Investing Activities:		
Purchase of Plant and Equipment	(402)	(970)
Other Financial Assets	(1,517)	-
Proceeds From Disposal of Plant and Equipment	5	5
Payment of Contingent Consideration	-	(899)
Payment for Development Costs	(285)	(438)
Cash Restricted in Use	-	2,354
Interest Income Received	285	270
Net Cash Flows (Used in) / From Investing Activities	(1,914)	322
Cash Flows From Financing Activities:		
Dividend Paid by a Subsidiary to Non-Controlling Interest	(259)	-
Dividend Paid to Equity Owners	(799)	(639)
Cash Restricted in Use	19	(8)
Proceeds from Interest Bearing Borrowings	-	159
Repayment of Interest Bearing Borrowings	-	(159)
Interest Expenses Paid	-	(1)
Net Cash Flows Used in Financing Activities	(1,039)	(648)

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	
	12 months ended 31 December	
	2015	2014
	S\$'000	S\$'000
Net Change in Cash and Cash Equivalents	3,538	3,491
Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)	11,480	8,447
Effect of Exchange Rate Changes On Cash and Cash Equivalents	(1,908)	(458)
Cash and Cash Equivalents At End of the Financial Year (Note 1)	13,110	11,480

Explanatory Notes:

Note 1

	Group	
	12 months ended 31 December	
	2015	2014
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	13,450	11,880
Less: Restricted Deposits	(340)	(400)
Cash and cash equivalents per consolidated statement of cash flows	13,110	11,480

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 year ended 31 December 2015

	Total Equity	Attributable to Parent Sub-total	Share Capital	Retained earnings	Foreign Currency Translation Reserve	Non-Controlling Interests
Current Year:						
Group						
Opening Balance at 1 January 2015	35,926	34,556	31,948	6,754	(4,146)	1,370
Total Comprehensive (Loss) / Income for the financial year	(1,227)	(1,484)	-	2,572	(4,056)	257
Dividend Paid	(1,058)	(799)	-	(799)	-	(259)
Closing Balance at 31 December 2015	33,641	32,273	31,948	8,527	(8,202)	1,368
Company						
Opening Balance at 1 January 2015	36,282	36,282	31,948	4,334	-	-
Total Comprehensive Income for the financial year	1,862	1,862	-	1,862	-	-
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 31 December 2015	37,345	37,345	31,948	5,397	-	-

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 year ended 31 December 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
Previous Year:						
Group						
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 year	1,600	1,622	-	2,159	(537)	(22)
Dividend Paid	(639)	(639)	-	(639)	-	-
Closing Balance at 31 December 2014	35,926	34,556	31,948	6,754	(4,146)	1,370
Company						
Opening Balance at 1 January 2014	36,578	36,578	31,948	4,630	-	-
Total Comprehensive Income for the financial year	343	343	-	343	-	-
Dividend Paid	(639)	(639)	-	(639)	-	-
Closing Balance at 31 December 2014	36,282	36,282	31,948	4,334	-	-

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 31/12/2015	As at 31/12/2014
Ordinary share ⁽¹⁾	31,957,264	319,572,675

⁽¹⁾ The Company had on 14 May 2015 completed the share consolidation of every then (10) ordinary share into one (1) consolidated share. Accordingly, the issued share capital of the Company now comprises 31,957,264 consolidated shares.

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.

The Group and the Company have also adopted all new and revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are effective for the year beginning on 1 January 2015. The adoption of these FRS and INT FRS does not have any significant effect on the financial performance or position of the Group and Company.

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	
	12 months ended 31 December	
	2015	2014
	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	8.05	6.76
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 profit, net of tax from the financial statements of the relevant financial period and the weighted average number of ordinary shares issued of 31,957,264 shares for financial year ended 31 December 2015 and 2014.

⁽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 31/12/2015		As at 31/12/2014	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	100.99	116.86	108.13	113.53

⁽¹⁾ For comparative purposes, 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 year and the existing issued share capital of 31,957,264 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 year ended 31 December 2015 as compared to corresponding financial year ended 31 December 2014

Revenue

The Group recorded consolidated revenue of S\$19,300 million for the financial year ended 31 December 2015 ("2015"), a decrease of 10.6% against the revenue recorded in the corresponding financial year ended 31 December 2014 ("2014"). The decline in Group revenue for 2015 is attributable to lower revenue recorded by GlobeOSS and Unifiedcomms.

GlobeOSS recorded revenue of S\$5,578 million in 2015, a decrease of 22.6% from the S\$7,207 million recorded in 2014. This decline in revenue was due to lower system sale and managed service contract revenues.

Unifiedcomms recorded revenue of S\$13,500 million, a decrease of 4.4% from the S\$14,128 million recorded in 2014. This decline in revenue was mainly due to lower managed service contract revenue.

The Group's Others segment meanwhile contributed S\$0.22 million in income from investments.

The Group's sales mix in 2015 showed an increase in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 68.7% of the Group's total revenue in 2015 as compared to 65.4% in 2014. The higher contribution of managed service contracts to the Group's sales mix in 2015 is mainly attributable to the decrease in system sale contract revenues of the Group, which had declined to 31.3% from S\$7,470 million in 2014 to S\$6,048 million in 2015.

Gross Profit and Gross Profit Margins

Although Group revenue was lower in 2015, gross profit was higher at S\$11,771 million as compared to S\$10,984 million achieved in 2014. This is attributable to the higher gross profit margin of 61.0% in 2015 against 50.9% in 2014, which was driven by the improvement in gross profit margin on system sale contract revenues. This improvement was mainly contributed by the lower third-party component costs incurred by both GlobeOSS and Unifiedcomms on their system sale contracts.

The gross profit margin recorded by the Group on its managed service contract also increased to 61.2% in 2015 from 56.8% in 2014. This increase in gross profit margin is mainly attributable to the lower amortisation of intellectual property in 2015, as a result of favorable foreign exchange translation on MYR denominated amortisation cost. This lower amortisation was however partly offset by the higher depreciation cost on equipment that were commissioned for use in managed service contracts in 2015.

Interest Income

The Group recorded interest income of S\$0.285 million in 2015, a slight increase of 5.4% on the S\$0.270 recorded in 2014.

Other gains

The Group recorded other gains of S\$0.252 million in 2015, 61.0% lower than the S\$0.648 million recorded in 2014, which is mainly attributable to the lower reversal of payables of S\$0.029 million in 2015 as compared to S\$0.479 million in 2014. The reversed payables are those creditors that are no longer valid or repayable by the Group.

Other Items of Expense

The Group recorded total expenses of S\$8,394 million in 2015, 6.8% lower than the S\$9,014 million incurred in 2014. This decrease in total expenses is mainly attributable to:-

- * Lower technical support and distribution costs recorded in 2015, attributable to a reduction in the technical and sales and business development headcount of the Group; and
- * Absence of impairment loss on intangible assets of S\$0.361 million. This impairment loss is in respect of certain products that were assessed to produce lower than expected profitability and returns.

The savings in the above mentioned expenses were however partly offset by the higher administrative expenses recorded in 2015, and impairment loss on plant and equipment related to certain managed services contracts which have produced lower than expected profitability and returns.

Net Profit and EBITDA

The Group achieved higher net profit of S\$3,002 million and EBITDA of S\$5,021 million in 2015 as compared to the S\$2,255 million in net profit and S\$4,132 million in EBITDA recorded by the Group in 2014. The higher net profit and EBITDA results achieved in 2015 are mainly attributable to the flow-down effects of higher gross profit margin and lower operating expenses recorded in 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 financial year ended 31 December 2015 as compared to corresponding financial year ended 31 December 2014 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

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

Table 8.1: Group revenue as analysed by business unit for the financial year ended 31 December

	2015 S\$'000	Sales mix %	2014 S\$'000	Sales mix %
Unifiedcomms	13,500	69.9	14,128	65.5
GlobeOSS	5,578	28.9	7,207	33.4
Others	222	1.2	244	1.1
Total	19,300	100.0	21,579	100.0

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 financial year ended 31 December

External Sales	2015			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	11,162	5,557	222	16,941
South Asia (SA)	895	-	-	895
Middle East & Africa (MEA)	1,437	-	-	1,437
Others	6	21	-	27
Total	13,500	5,578	222	19,300

External Sales	2014			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	10,892	7,184	244	18,320
SA	1,168	-	-	1,168
MEA	2,062	-	-	2,062
Others	6	23	-	29
Total	14,128	7,207	244	21,579

Table 8.3: Group revenue as analysed by contract type for the financial year ended 31 December

External Sales	2015			2014		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	6,048	13,252	19,300	7,470	14,109	21,579
Gross Profit	3,656	8,115	11,771	2,964	8,020	10,984
Gross Profit (%)	60.4%	61.2%	61.0%	39.7%	56.8%	50.9%

(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 December 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\$6.750 million as at 31 December 2015. This 33.6% decrease in non-cash current assets was mainly due to the decrease in trade and other receivables.

Total non-current assets of the Group decreased from S\$19.722 million as at 31 December 2014 to S\$18.003 million as at 31 December 2015. This 8.7% decrease in non-current assets is mainly attributable to:-

- * On-going depreciation and amortisation charges on plant and equipment and the intangible assets of the Group; and
- * The effect of foreign exchange movement on the Group's MYR denominated investment property and intangible assets.

The above impact was however partly mitigated by the investments in other financial assets of S\$1.517 million, made by the Group's recently incorporated subsidiary, Captii Ventures Pte Ltd.

Total liabilities of the Group decreased from S\$5.847 million as at 31 December 2014 to S\$4.562 million as at 31 December 2015. This 21.9% decrease in total liabilities is attributable to a reduction in trade and other payables.

Review of the Group's cash flow for the financial year ended 31 December 2015 as compared to the corresponding financial year ended 31 December 2014

The Group's net cash flow from operations for 2015 was S\$7.193 million, as compared to S\$4.407 million for 2014, an increase of 63.2%. This increase was primarily due to favorable working capital changes (S\$2.042 million for 2015 versus S\$0.335 million for 2014), and an improvement in profit before tax to S\$3.914 million for 2015 from S\$2.888 million for 2014.

The Group's net cash flow used in investing activities for 2015 was S\$1.914 million, in contrast with the net cash flows from investing activities of S\$0.322 million for 2014. The significant higher net cash used in investing activities is mainly attributable to:-

- * The absence of the withdrawal of interest bearing deposits amounting to S\$2.354 million in 2014 relating to contingent consideration payable for the acquisition of Ahead Mobile Sdn Bhd. The withdrawal amount in 2014 is in connection with the final payment of contingent consideration of S\$0.899 million made in 2014; and
- * Investments of S\$1.517 million on certain technology companies (classified as other financial assets) by Captii Ventures Pte Ltd in 2015.

This higher net cash flow used in investing activities was partly mitigated by lower investment cost on plant and equipment and intangible asset.

The Group's net cash flow used in financing activities for 2015 amounted to S\$1.039 million as compared to S\$0.648 million for 2014. The higher net cash used in financing activities was mainly due to:-

- * Higher dividend payout to equity holders of the Company in 2015; and
- * Dividend payout by a subsidiary to Non-Controlling Interest in 2015.

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 financial year 2016 to be challenging. Having completed the current financial year, it has become apparent that contrary to our earlier expectations, it is the parts of our business that generate revenues primarily from managed service contracts that have faced the more difficult operating conditions.

2015 has so far proved to be a fair year for business generated from system sale contracts. The efforts made by management and the teams across both the Unifiedcomms and GlobeOSS businesses to sustain, if not improve, on the system sale revenues achieved in 2014 has yielded broadly positive results.

Although 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 securing of such new managed service contract opportunities has been slower than expected in the year-to-date. The existing managed service contracts of the Group have meanwhile largely underperformed in the current financial year and failed to provide steady growth required for it to serve as a countervailing force for the more uncertain nature of system sale contract revenues.

Management however remains optimistic that the growth path of managed service contract revenues can be restored over the coming years, to drive the continued improvement in the overall financial performance of the Group.

Following the renaming of the Company to Captii Limited last year and the establishment of Captii Ventures, the Group has started to invest in promising technology and innovation originating outside the confines of our Group. Through our technology investment and venture activities, the Group 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 continue to focus primarily on these growth businesses in the SEA and SA regions and will complement the growth plans of our Unifiedcomms and GlobeOSS businesses.

11. Dividend

(a) Current Financial Year Reported On

Any dividend declared for the current financial period reported on? None

An interim dividend has been declared on 12 August 2015 and paid out on 14 September 2015.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	2.5 Singapore Cents per ordinary share ⁽¹⁾
Tax Rate	Tax-exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per share (in cents)	0.2 Singapore Cents per ordinary share ⁽¹⁾
Tax Rate	Tax-exempt (one-tier)

⁽¹⁾ The Company had on 14 May 2015 completed the share consolidation of every then (10) ordinary share into one (1) consolidated share. Accordingly, the issued share capital of the Company now comprises 31,957,264 consolidated shares.

(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)	
	12 months ended 31 December		12 months ended 31 December	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
AESBI Power Systems Sdn Bhd *	252	272	Nil	Nil

* A wholly-owned subsidiary of Advance Synergy Capital Sdn. Bhd. (a wholly-owned subsidiary of Advance Synergy Berhad, the Group's ultimate holding corporation)

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.

Financial year ended 31 December 2015

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:					
-external	13,500	5,578	222	-	19,300
-inter-segment	-	571	4,833	(5,404)	-
	<u>13,500</u>	<u>6,149</u>	<u>5,055</u>	<u>(5,404)</u>	<u>19,300</u>
Cost of Sales	(7,322)	(3,656)	(50)	3,499	(7,529)
Gross Profit	6,178	2,493	5,005	(1,905)	11,771
Other Items of Income:					
Interest Income	241	44	-	-	285
Other Gains	186	-	1,262	(1,196)	252
Other Item of Expenses:					
Technical Support Expenses	(1,462)	(787)	(1,222)	114	(3,357)
Distribution Costs	(772)	(260)	(558)	153	(1,437)
Administrative Expenses	(1,945)	(430)	(1,318)	310	(3,383)
Other Losses	(273)	(112)	(3)	175	(213)
Share of Results from Jointly-Controlled Entity	(4)	-	-	-	(4)
Profit/(Loss) Before Income Tax	2,149	948	3,166	(2,349)	3,914
Income Tax Expenses	(471)	(70)	(227)	(144)	(912)
Profit/(Loss), Net of Tax	1,678	878	2,939	(2,493)	3,002
Profit/(Loss) for the Year Attributable to:					
Owners of the Company	1,678	448	2,939	(2,493)	2,572
Non-Controlling Interest	-	430	-	-	430
Profit/(Loss) for the year	1,678	878	2,939	(2,493)	3,002
Other information					
Impairment Loss on Plant and Equipment	(205)	-	-	29	(176)
Depreciation of Plant and Equipment	(502)	(32)	(20)	39	(515)
Amortisation of Intangible Assets	(958)	(6)	-	87	(877)
Segment Assets	37,771	4,608	53,672	(57,848)	38,203
Unallocated Assets	-	-	-	-	-
Consolidated Total Assets					38,203
Segment Liabilities	16,066	1,329	12,355	(25,218)	4,532
Unallocated Liabilities	15	-	28	(13)	30
Consolidated Total Liabilities					4,562
Other Segment Items					
Capital Expenditure					
- Plant and Equipment	398	50	2	(48)	402
- Development Costs	317	-	-	(32)	285

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. (continued)

Financial year ended 31 December 2014

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:					
-external	14,128	7,207	244	-	21,579
-inter-segment	-	628	5,074	(5,702)	-
	14,128	7,835	5,318	(5,702)	21,579
Cost of Sales	(8,197)	(5,878)	(94)	3,574	(10,595)
Gross Profit	5,931	1,957	5,224	(2,128)	10,984
Other Items of Income:					
Interest Income	238	32	-	-	270
Other Gains	759	-	60	(171)	648
Other Item of Expenses:					
Technical Support Expenses	(1,456)	(791)	(1,519)	175	(3,591)
Distribution Costs	(1,048)	(368)	(491)	135	(1,772)
Administrative Expenses	(1,980)	(484)	(1,260)	510	(3,214)
Other Losses	(414)	(42)	(499)	529	(426)
Finance Costs	-	(1)	-	-	(1)
Share of Results from Jointly-Controlled Entity	(10)	-	-	-	(10)
Profit/(Loss) Before Income Tax	2,020	303	1,515	(950)	2,888
Income Tax Expenses	(257)	(12)	(214)	(150)	(633)
Profit/(Loss), Net of Tax	1,763	291	1,301	(1,100)	2,255
Profit/(Loss) for the Year Attributable to:					
Owners of the Company	1,763	148	1,301	(1,053)	2,159
Non-Controlling Interest	-	143	-	(47)	96
Profit/(Loss) for the year	1,763	291	1,301	(1,100)	2,255
Other information					
Impairment Loss on Intangible Assets	(361)	-	-	-	(361)
Depreciation of Plant and Equipment	(413)	(39)	(34)	20	(466)
Amortisation of Intangible Assets	(1,133)	(7)	-	93	(1,047)
Segment Assets	42,289	6,077	51,538	(58,131)	41,773
Unallocated Assets	-	-	-	-	-
Consolidated Total Assets					41,773
Segment Liabilities	17,600	3,010	11,390	(26,158)	5,842
Unallocated Liabilities	19	-	-	(14)	5
Consolidated Total Liabilities					5,847
Other Segment Items					
Capital Expenditure					
- Plant and Equipment	1,041	18	30	(119)	970
- Development Costs	444	-	-	(6)	438

	Group							
	Revenue		Total assets		Non-current assets		Capital expenditure	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
SEA	16,941	18,320	37,049	40,005	17,777	19,389	628	1,388
SA	895	1,168	1,134	1,119	226	333	59	20
MEA	1,437	2,062	20	642	-	-	-	-
Others	27	29	-	7	-	-	-	-
	19,300	21,579	38,203	41,773	18,003	19,722	687	1,408
Unallocated assets			-	-	-	-		
			38,203	41,773	18,003	19,722		

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.

GlobeOSS achieved a significant increase in profit after tax in 2015 versus that recorded in 2014 despite lower revenue recorded in 2015 against 2014, this was mainly contributed by the improvement in gross profit margin on its system sale contract revenues.

Others also showed an increase in profit after tax in 2015 as compared to in 2014, which is mainly attributable to the significantly higher other gains, coupled with lower other losses. The changes relate to a reversal of impairment loss provision on inter-segment receivables, which had no impact on the Group's financial performance.

16. A breakdown of sales.

	Group		
	12 months ended 31 December		
	2015 S\$'000	2014 S\$'000	Inc/(dec) %
(a) Sales reported for first half year	10,367	11,337	(8.6)
(b) Profit, net of tax, before deducting non-controlling interest reported for first half year	1,576	847	86.1
(c) Sales reported for second half year	8,933	10,242	(12.8)
(d) Profit, net of tax, before deducting non-controlling interest reported for second half year	1,426	1,408	1.3

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

	Total annual dividend	
	2015 S\$'000	2014 S\$'000
Interim dividend to ordinary share	799	639

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).

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company hereby confirms that as at the date of this announcement, to the best of its knowledge, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in appendix 7.7) under rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

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
23 February 2016