

Financial Statements and Related Announcement::Third Quarter Results

Issuer & Securities

Issuer/ Manager	CAPTII LIMITED
Securities	CAPTII LIMITED - SG1BA0000004 - AWW
Stapled Security	No

Announcement Details

Announcement Title	Financial Statements and Related Announcement
Date & Time of Broadcast	13-Nov-2015 17:08:52
Status	New
Announcement Sub Title	Third Quarter Results
Announcement Reference	SG151113OTHRK6AJ
Submitted By (Co./ Ind. Name)	Anton Syazi Ahmad Sebi
Designation	Chief Executive Officer
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Please see attached.

Additional Details

For Financial Period Ended	30/09/2015
Attachments	<p>📎CL_SGX Financial Results Q3 2015.pdf</p> <p>Total size =80K</p>

CAPTII LIMITED

(Incorporated in the Republic of Singapore)

(Company registration no.: 200211129W)

**Third Quarter Financial Statements and Dividend Announcement
for the Period Ended 30 September 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 third quarter ended 30 September 2015

Consolidated Statement of Comprehensive Income

	Group			Group		
	Quarter ended 30 September			9 months ended 30 September		
	Q3 2015	Q3 2014	Inc/(dec)	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	5,043	4,779	5.5	15,410	16,116	(4.4)
Cost of Sales	(1,754)	(1,917)	(8.5)	(6,410)	(8,316)	(22.9)
Gross profit	3,289	2,862	14.9	9,000	7,800	15.4
Other Items of Income:						
Interest Income	73	67	8.7	205	199	3.2
Other Gains	49	1	4,790.6	88	67	30.8
Other Items of Expense:						
Technical Support Expenses	(942)	(932)	1.1	(2,690)	(2,725)	(1.3)
Distribution Costs	(441)	(550)	(19.8)	(1,506)	(1,765)	(14.7)
Administrative Expenses	(691)	(623)	11.0	(1,852)	(1,690)	9.6
Other Losses	(12)	(36)	(65.3)	(20)	(51)	(60.9)
Finance Costs	-	(1)	(100.0)	-	(1)	(100.0)
Shared of Result from Jointly-Controlled Entity	-	-	0.0	(4)	-	100.0
Profit Before Income Tax	1,325	788	68.1	3,221	1,834	75.6
Income Tax Expenses	(201)	(96)	109.8	(521)	(294)	77.1
Profit, Net of Tax	1,124	692	62.5	2,700	1,540	75.3
Profit, Net of Tax Attributable to:						
Owners of the Company	1,050	631	66.4	2,364	1,415	67.0
Non-Controlling Interests	74	61	21.5	336	125	169.1
Profit, Net of Tax	1,124	692	62.5	2,700	1,540	75.3

Consolidated Statement of Comprehensive Income

	Group			Group		
	Quarter ended 30 September			9 months ended 30 September		
	Q3 2015	Q3 2014	Inc/(dec)	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit, Net of Tax	1,124	692	62.5	2,700	1,540	75.3
Other Comprehensive Income:						
Item that may be reclassified subsequently to profit or loss:						
Exchange Differences on Translating Foreign Operations, Net of Tax	(3,218)	43	(7584.5)	(4,815)	240	(2106.4)
Total Comprehensive (Loss)/Income for the period	(2,094)	735	(384.9)	(2,115)	1,780	(218.8)
Total Comprehensive (Loss)/Income for the period Attributable to:						
Owners of the Company	(2,027)	674	(400.8)	(2,244)	1,655	(235.6)
Non-Controlling interest	(67)	61	(209.6)	129	125	3.5
Total Comprehensive (Loss)/Income for the period	(2,094)	735	(384.9)	(2,115)	1,780	(218.8)

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

	Group			Group		
	Quarter ended 30 September			9 months ended 30 September		
	Q3 2015	Q3 2014	Inc/(dec)	2015	2014	Inc/(dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit before income tax is stated after (charging)/crediting the following items:						
Gain on Disposal of Plant and Equipment	0	-	100.0	4	-	100.0
Foreign Exchange Gain/(Loss), net	48	(30)	(261.6)	75	(32)	(333.4)
Amortisation of Intangible Assets	(230)	(290)	(20.5)	(761)	(865)	(12.0)
Depreciation of Plant and Equipment	(142)	(126)	12.7	(424)	(366)	15.9
Plant and Equipment Written-Off	-	(2)	(100.0)	-	(8)	(100.0)
Components of tax expense recognised in profit and loss include:						
Current Tax Expenses	(204)	(82)	148.8	(311)	(206)	51.0
Over adjustments in respect of prior years	(10)	33	(131.2)	8	19	100.0
Overseas Withholding Tax Expenses	13	(47)	(126.9)	(218)	(107)	104.1

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
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-Current Assets				
Plant and Equipment	1,604	1,804	-	-
Investment Property	2,883	3,370	-	-
Intangible Assets	11,951	14,541	-	-
Investments in Subsidiaries	-	-	32,734	32,734
Investment in Jointly-Controlled Entity	3	7	-	-
Other Financial Assets	844	-	-	-
Total Non-Current Assets	17,285	19,722	32,734	32,734
Current assets				
Inventories	53	19	-	-
Income Tax Recoverable	232	130	-	-
Trade and Other Receivables	6,560	9,680	3,616	4,080
Other Assets	421	342	29	4
Cash and Cash Equivalents	13,094	11,880	460	14
Total Current Assets	20,360	22,051	4,105	4,098
Total Assets	37,645	41,773	36,839	36,832
EQUITY AND LIABILITIES				
Equity				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	8,319	6,754	4,672	4,334
Foreign Currency Translation Reserve	(8,754)	(4,146)	-	-
Equity, Attributable to Owners of the Parent	31,513	34,556	36,620	36,282
Non-Controlling Interest	1,411	1,370	-	-
Total Equity	32,924	35,926	36,620	36,282
Non-Current Liabilities				
Deferred Tax Liabilities	7	5	-	-
Total Non-Current Liabilities	7	5	-	-
Current Liabilities				
Income Tax Payables	100	75	-	-
Trade and Other Payables	4,198	5,240	219	550
Other Liabilities	416	527	-	-
Total Current Liabilities	4,714	5,842	219	550
Total Liabilities	4,721	5,847	219	550
Total Equity and Liabilities	37,645	41,773	36,839	36,832

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

As at 30 September 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 \$278,000 and covered by a personal guarantee of a director of the subsidiary and corporate guarantee of the company of \$497,000 (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			
	9 months ended 30 September			
	Q3 2015	Q3 2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities:				
Profit Before Income Tax	1,325	788	3,221	1,834
Adjustments for:				
Amortisation of Intangible Assets	230	290	761	865
Depreciation of Plant and Equipment	142	126	424	366
Loss on Disposal of Plant and Equipment	(0)	-	(4)	-
Plant and Equipment Written-Off	-	2	-	8
Interest Expense	-	1	-	1
Interest Income	(73)	(67)	(205)	(199)
Shared of Result from Jointly-Controlled Entity	(0)	-	4	-
Operating Cash Flow before Changes in Working Capital	1,624	1,140	4,201	2,875
Inventories	10	6	12	(19)
Trade and Other receivables	3,996	1,052	3,120	(1,019)
Other Assets	(194)	(203)	(79)	(21)
Trade and Other payables	(200)	227	(1,056)	1,978
Other Liabilities	(1,453)	(69)	(111)	(106)
Net Cash Flows From Operations	3,783	2,153	6,087	3,688
Income Tax Paid	(361)	(192)	(557)	(452)
Net Cash Flows From Operating Activities	3,422	1,961	5,530	3,236
Cash Flows From Investing Activities:				
Purchase of Plant and Equipment	(89)	(359)	(349)	(733)
Other Financial Assets	(148)	-	(844)	-
Proceeds From Disposal of Plant and Equipment	-	-	5	-
Payment of Contingent Consideration	-	(1)	-	(924)
Payment for Development Costs	(36)	(124)	(218)	(300)
Cash Restricted in Use	-	(14)	-	2,419
Interest Income Received	73	67	205	199
Net Cash Flows (Used in) / From Investing Activities	(200)	(431)	(1,201)	661
Cash Flows From Financing Activities:				
Dividend Paid by a Subsidiary to Non-Controlling Interest	(88)	-	(88)	-
Dividend Paid to Equity Owners	(799)	(639)	(799)	(639)
Cash Restricted in Use	0	(47)	(4)	(3)
Proceeds from Interest Bearing Borrowings	-	163	-	163
Interest Expenses Paid	-	(1)	-	(1)
Net Cash Flows Used in Financing Activities	(887)	(524)	(891)	(480)

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			
			9 months ended 30 September	
	Q3 2015	Q3 2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Net Change in Cash and Cash Equivalents	2,335	1,006	3,438	3,417
Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)	11,871	10,894	11,480	8,453
Effect of Exchange Rate Changes On Cash and Cash Equivalents	(1,471)	33	(2,183)	63
Cash and Cash Equivalents At End of the Financial Period (Note 1)	12,735	11,933	12,735	11,933

Explanatory Notes:

Note 1

	Group	
	9 months ended 30 September	
	2015	2014
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	13,094	12,339
Less: Restricted Deposits	(359)	(406)
Cash and cash equivalents per consolidated statement of cash flows	12,735	11,933

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 Third Quarter ended 30 September 2015

	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
Current Quarter						
Group						
Opening Balance at 1 July 2015	35,905	34,339	31,948	8,068	(5,677)	1,566
Total Comprehensive (Loss) / Income for the financial period	(2,094)	(2,027)	-	1,050	(3,077)	(67)
Dividend Paid	(887)	(799)	-	(799)	-	(88)
Closing Balance at 30 September 2015	32,924	31,513	31,948	8,319	(8,754)	1,411
Company						
Opening Balance at 1 July 2015	36,135	36,135	31,948	4,187	-	-
Total Comprehensive Income for the financial period	1,284	1,284	-	1,284	-	-
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 30 September 2015	36,620	36,620	31,948	4,672	-	-

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 Third Quarter ended 30 September 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 Quarter						
Group						
Opening Balance at 1 July 2014	36,010	34,554	31,948	6,018	(3,412)	1,456
Total Comprehensive Income for the financial period	735	674	-	631	43	61
Dividend Paid	(639)	(639)	-	(639)	-	-
Closing Balance at 30 September 2014	36,106	34,589	31,948	6,010	(3,369)	1,517
Company						
Opening Balance at 1 July 2014	36,418	36,418	31,948	4,470	-	-
Total Comprehensive Loss for the financial period	1,295	1,295	-	1,295	-	-
Dividend Paid	(639)	(639)	-	(639)	-	-
Closing Balance at 30 September 2014	37,074	37,074	31,948	5,126	-	-

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 nine months ended 30 September 2015

	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
Current Period:						
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 period	(2,115)	(2,244)	-	2,364	(4,608)	129
Dividend Paid	(887)	(799)	-	(799)	-	(88)
Closing Balance at 30 September 2015	32,924	31,513	31,948	8,319	(8,754)	1,411
Company						
Opening Balance at 1 January 2015	36,282	36,282	31,948	4,334	-	-
Total Comprehensive Income for the financial period	1,137	1,137	-	1,137	-	-
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 30 September 2015	36,620	36,620	31,948	4,672	-	-

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 nine months ended 30 September 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 Quarter:						
Group						
Opening Balance at 1 January 2014	34,965	33,573	31,948	5,234	(3,609)	1,392
Total Comprehensive Income for the financial period	1,780	1,655	-	1,415	240	125
Dividend Paid	(639)	(639)	-	(639)	-	-
Closing Balance at 30 September 2014	36,106	34,589	31,948	6,010	(3,369)	1,517
Company						
Opening Balance at 1 January 2014	36,578	36,578	31,948	4,630	-	-
Total Comprehensive Loss for the financial period	1,135	1,135	-	1,135	-	-
Dividend Paid	(639)	(639)	-	(639)	-	-
Closing Balance at 30 September 2014	37,074	37,074	31,948	5,126	-	-

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous financial year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

None

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year.

	Company	
	As at 30/9/2015	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.

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

Not applicable.

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

	Group		Group	
	Quarter ended 30 September		9 months ended 30 September	
	2015	2014	2015	2014
	cents	cents	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	3.29	1.97	7.40	4.43
On fully diluted basis (detailing any adjustments made to the earnings) ⁽²⁾	n.a	n.a	n.a	n.a

n.a.: not applicable

⁽¹⁾ For comparative purposes, the earnings per ordinary share of the Group has been computed based on the 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 period ended 30 September 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 30/9/2015		As at 31/12/2014	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	98.61	114.59	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 period/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 third quarter ended 30 September 2015 as compared to corresponding quarter ended 30 September 2014

Group Revenue

The Group achieved consolidated revenue of S\$5.043 million for the quarter ended 30 September 2015 ("Q3 2015"), an increase of 5.5% against the revenue recorded in the quarter ended 30 September 2014 ("Q3 2014"). The increase in Group revenue for Q3 2015 is attributable to the improved revenue performance of Unifiedcomms.

Unifiedcomms posted revenue of S\$3.916 million, an increase of 11.2% on the S\$3.521 million recorded in Q3 2014. This increase was driven primarily by the higher system sale contract revenues.

GlobeOSS recorded revenue of S\$1.074 million in Q3 2015, a decrease of 10.2% from the S\$1.196 million recorded in Q3 2014. This decline in revenue was mainly due to lower managed service contracts revenues.

The Group's Others segment meanwhile contributed S\$0.053 million in income from investments.

The Group's sales mix in Q3 2015 showed a decrease in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 62.3% of the Group's total revenue in Q3 2015 as compared to 76.5% in Q3 2014. The lower contribution of managed service contracts to the Group's sales mix in Q3 2015 is mainly attributable to the increase in system sale contract revenues of the Group, which had improved 69.3% from S\$1.122 million in Q3 2014 to S\$1.899 million in Q3 2015.

Group Gross Profit and Gross Profit Margins

The Group's gross profit was higher at S\$3.289 million in Q3 2015 as compared to S\$2.862 million in Q3 2014. This was primarily due to the higher revenue achieved from system sales as explained above. In addition, higher gross profit margin was realised in the Group's system sale contract revenues, which showed an increase from 67.7% in Q3 2014 to 75.6% in Q3 2015. This improvement was mainly contributed by the lower third-party component costs incurred by Unifiedcomms on system sale contract revenues.

The gross profit margin recorded by the Group on its managed service contract revenues also increased slightly to 59.0% in Q3 2015 from 57.5% in Q3 2014. This increase in gross profit margin is mainly attributable to the lower amortisation of intellectual property in Q3 2015, as a result of favorable foreign exchange translation of MYR denominated amortisation of intellectual property.

Interest Income

The Group recorded interest income of S\$0.073 million in Q3 2015, marginally higher than the S\$0.067 million recorded in Q3 2014.

Other gains

The Group recorded other gains of S\$0.049 million in Q3 2015, significantly higher than the S\$0.001 million achieved in Q3 2014, mainly contributed by a foreign exchange gain of S\$0.048 million in Q3 2015, as a result of favorable exchange rate movement of SGD against USD on the Group's USD denominated assets.

Other Items of Expense

The Group recorded total expenses of S\$2.086 million in Q3 2015, 2.6% lower than the S\$2.142 million incurred in Q3 2014. This decrease in total expenses is mainly attributable to the absence of foreign exchange loss, caused by unfavorable exchange rate movement of PKR against SGD in Q3 2014.

Excluding the impact of the above mentioned foreign exchange loss, total expenses were flat against what was incurred in Q3 2014.

Group Net Profit and EBITDA

The Group achieved higher net profit of S\$1.124 million and EBITDA of S\$1.624 million in Q3 2015 as compared to the S\$0.692 million in net profit and S\$1.138 million in EBITDA recorded by the Group in Q3 2014. The higher net profit and EBITDA results achieved in Q3 2015 are mainly attributable to the flow-down effect of higher revenue and gross profit margin recorded in Q3 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 third quarter ended 30 September 2015 as compared to corresponding quarter ended 30 September 2014 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

The detailed segmental breakdown of the Group's revenue and gross profit for Q3 2015, together with comparative results for Q3 2014, is provided below:

Table 8.1: Group consolidated revenue as analysed by business unit for the quarter ended 30 September

	Q3 2015 S\$'000	Sales mix %	Q3 2014 S\$'000	Sales mix %
Unifiedcomms	3,916	77.7	3,521	73.7
GlobeOSS	1,074	21.3	1,196	25.0
Others	53	1.0	62	1.3
Total	5,043	100.0	4,779	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 consolidated revenue as analysed by geographical segment for the quarter ended 30 September

External Sales	Q3 2015			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	3,501	1,070	53	4,624
South Asia (SA)	176	-	-	176
Middle East & Africa (MEA)	239	-	-	239
Others	-	4	-	4
Total	3,916	1,074	53	5,043

External Sales	Q3 2014			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	2,847	1,190	62	4,099
SA	296	-	-	296
MEA	377	-	-	377
Others	1	6	-	7
Total	3,521	1,196	62	4,779

Table 8.3: Group consolidated revenue as analysed by contract type for the quarter ended 30 September

External Sales	Q3 2015			Q3 2014		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	1,899	3,144	5,043	1,122	3,657	4,779
Gross Profit	1,435	1,854	3,289	760	2,102	2,862
Gross Profit (%)	75.6%	59.0%	65.2%	67.7%	57.5%	59.9%

(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 results for the nine months ended 30 September 2015 as compared to corresponding financial period ended 30 September 2014

Revenue

The Group recorded consolidated revenue of S\$15.410 million for the nine months ended 30 September 2015 ("9M 2015"), a decrease of 4.4% against the revenue recorded in the corresponding period of 2014 ("9M 2014"). The decline in Group revenue for 9M 2015 is attributable to lower revenue recorded by GlobeOSS.

GlobeOSS recorded revenue of S\$4.499 million in 9M 2015, a decrease of 22.7% from the S\$5.823 million recorded in 9M 2014. This decline in revenue was mainly due to the lower system sale contract revenues.

In contrast, Unifiedcomms posted revenue of S\$10.741 million, an increase of 6.3% on the S\$10.109 million recorded in 9M 2014. This increase was driven primarily by the higher system sale contract revenues.

The Group's Others segment meanwhile contributed S\$0.17 million in income from investments.

The Group recorded a consistent sales mix in both 9M 2015 and 9M 2014, as the proportionate contribution of revenue from managed service contracts and system sales were 64.8% and 35.2% respectively in both 9M 2015 and 9M 2014.

Gross Profit and Gross Profit Margins

Although Group revenue was lower in 9M 2015, gross profit was higher at S\$9.000 million as compared to S\$7.800 million achieved in 9M 2014. This is attributable to the higher gross profit margin of 58.4% in 9M 2015 against 48.4% in 9M 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 respective system sale contract revenues.

The gross profit margin recorded by the Group on its managed service contract revenues also increased to 58.4% in 9M 2015 from 55.5% in 9M 2014. This increase in gross profit margin is mainly attributable to the lower amortisation of intellectual property in 9M 2015, as a result of favorable foreign exchange translation on the MYR denominated amortisation cost. This decreased amortisation was however partly offset by the higher depreciation cost on equipment that have been commissioned for use in managed service contracts in 9M 2015.

Interest Income

The Group recorded interest income of S\$0.205 million in 9M 2015, a flat result against what was recorded in 9M 2014.

Other gains

The Group recorded other gains of S\$0.088 million in 9M 2015, 30.8% higher than the S\$0.067 million recorded in 9M 2014, which was mainly contributed by the foreign exchange gain of S\$0.075 million in 9M 2015 as a result of favorable exchange rate movement of the SGD against USD, on the Group's USD denominated assets. This increase was however partly offset by the absence of cash incentives from the Singapore tax authority on certain plant and equipment investments of a subsidiary in Singapore recorded in 2014.

Other Items of Expense

The Group recorded total expenses of S\$6.072 million in 9M 2015, 2.6% lower than the S\$6.232 million incurred in 9M 2014. This decrease in total expenses is mainly attributable to lower distribution costs recorded in 9M 2015 as a result of reduction in sales and business development headcount of the Group.

The saving in the above mentioned expenses was however partly offset by the higher administrative expenses recorded in 9M 2015.

Net Profit and EBITDA

The Group achieved higher net profit of S\$2.700 million and EBITDA of S\$4.202 million in 9M 2015 as compared to the S\$1.540 million in net profit and S\$2.867 million in EBITDA recorded by the Group in 9M 2014. The higher net profit and EBITDA results achieved in 9M 2015 are mainly attributable to the flow-down effect of higher gross profit margin and lower operating expenses recorded in 9M 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 nine months ended 30 September 2015 as compared to corresponding financial period ended 30 September 2014 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

The detailed segmental breakdown of the Group's revenue and gross profit for 9M 2015, together with comparative results for 9M 2014 is provided below:

Table 8.4: Group revenue as analysed by business unit for the nine months ended 30 September

	2015 S\$'000	Sales mix %	2014 S\$'000	Sales mix %
Unifiedcomms	10,741	69.7	10,109	62.7
GlobeOSS	4,499	29.2	5,823	36.2
Others	170	1.1	184	1.1
Total	15,410	100.0	16,116	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 8.5: Group revenue as analysed by geographical segment for the nine months ended 30 September

External Sales	2015			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	8,950	4,484	170	13,604
South Asia (SA)	572	-	-	572
Middle East & Africa (MEA)	1,213	-	-	1,213
Others	6	15	-	21
Total	10,741	4,499	170	15,410

External Sales	2014			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	8,112	5,806	184	14,102
SA	859	-	-	859
MEA	1,132	-	-	1,132
Others	6	17	-	23
Total	10,109	5,823	184	16,116

Table 8.6: Group revenue as analysed by contract type for the nine months ended 30 September

External Sales	2015			2014		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	5,420	9,990	15,410	5,671	10,445	16,116
Gross Profit	3,154	5,846	9,000	2,004	5,796	7,800
Gross Profit (%)	58.2%	58.5%	58.4%	35.3%	55.5%	48.4%

(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 30 September 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 \$7.266 million as at 30 September 2015. This 28.6% 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\$17.285 million as at 30 September 2015. This 12.4% 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
- * Effect of foreign exchange on the Group's MYR denominated investment property and intangible assets, as a result of unfavorable foreign exchange translation of MYR to SGD.

The above impact was however partly mitigated by the investments in other financial assets of S\$0.844 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\$4.721 million as at 30 September 2015. This 19.3% decrease in total liabilities is attributable to reduction in trade and other payables.

Review of the Group's cash flow for the quarter and nine months ended 30 September 2015 as compared to the corresponding period ended 30 September 2014

The Group's net cash flow from operations for Q3 2015 was S\$3.783 million, as compared to S\$2.153 million for Q3 2014, an increase of 75.7%. This increase was mainly contributed by the favorable working capital changes (S\$2.159 million for Q3 2015 versus S\$1.013 million for Q3 2014) and the improvement in profit before tax to S\$1.325 million for Q3 2015 from S\$0.788 million for Q3 2014.

The Group's net cash flow from operations for 9M 2015 was S\$6.087 million, as compared to S\$3.688 million for 9M 2014, an increase of 65.1%. Similar to above, this increase was primarily due to the favorable working capital changes (S\$1.886 million for 9M 2015 versus S\$0.813 million for 9M 2014) and the improvement in profit before tax to S\$3.221 million for 9M 2015 from S\$1.834 million for 9M 2014.

The Group's net cash flow used in investing activities for Q3 2015 was S\$0.200 million, as compared to S\$0.431 million for 9M 2014. The lower net cash used in investing activities is mainly attributable to lower investment cost on plant and equipment and intangible asset. This lower net cash used in investing activities was partly offset by investment of S\$0.148 million on certain technology companies (classified as other financial assets) in Q3 2015.

The Group's net cash flow used in investing activities for 9M 2015 was S\$1.201 million, in contrast with the net cash flows from investing activities of S\$0.661 million for 9M 2014. The significant higher net cash used in investing activities is mainly attributable to:-

- * Absence of withdrawal of interest bearing deposit amounted to S\$2.419 million in 9M 2014 related to the deposit in an escrow account that served as contingent consideration payable for the acquisition of Ahead Mobile Sdn Bhd. The withdrawal amount in 9M 2014 is in connection with the final payment of contingent consideration of S\$0.924 million made in 9M 2014; and
- * Investments of S\$0.844 million on certain technology companies in 9M 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 Q3 2015 amounted to S\$0.887 million as compared to S\$0.524 million for Q3 2014. The higher net cash used in financing activities is mainly attributable to:-

- * Absence of withdrawal of a deposit previously pledged by a subsidiary with a bank to increase its existing banking facilities' limit; and
- * Higher dividend payout to equity holders of the Company in Q3 2015.

The Group's net cash flow used in financing activities for 9M 2015 amounted to S\$0.891 million as compared to S\$0.480 million for 9M 2014. This changes is mainly attributable to the same factors as explained above.

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 the 2015 financial year to remain challenging. Having completed nine months of 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, and the recovery in system sale revenues has extended to the current financial year. 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 in the year-to-date.

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

(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)	
	9 months ended 30 September		9 months ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
AESBI Power Systems Sdn Bhd *	194	203	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.

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 30 September 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 November 2015