

Financial Statements and Related Announcement::Full Yearly Results


Issuer & Securities

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

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For Financial Period Ended	31/12/2017
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Full Year Financial Statements and Dividend Announcement
for the Full Year Ended 31 December 2017

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 2017

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2017	2016	Inc/(dec)
	S\$'000	S\$'000	%
Revenue	24,807	23,452	5.8
Cost of Sales	(13,466)	(10,967)	22.8
Gross profit	11,341	12,485	(9.2)
Other Items of Income:			
Interest Income	154	259	(40.6)
Other Gains	52	2,988	(98.3)
Other Items of Expense:			
Technical Support Expenses	(3,069)	(3,126)	(1.8)
Distribution Costs	(1,290)	(1,390)	(7.2)
Administrative Expenses	(3,404)	(3,317)	2.6
Other Losses	(970)	(487)	99.2
Shared of Result from Jointly-Controlled Entity	-	(3)	(100.0)
Profit Before Income Tax	2,814	7,409	(62.0)
Income Tax Expenses	(514)	(950)	(45.9)
Profit, Net of Tax	2,300	6,459	(64.4)
Profit, Net of Tax Attributable to:			
Owners of the Company	1,166	5,334	(78.1)
Non-Controlling Interests	1,134	1,125	0.9
Profit, Net of Tax	2,300	6,459	(64.4)

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		
	2017	2016	Inc/(dec)
	S\$'000	S\$'000	%
Profit, Net of Tax	2,300	6,459	(64.4)
Other Comprehensive Income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	887	(1,012)	(187.7)
Total Comprehensive Income for the year	3,187	5,447	(41.5)
Total Comprehensive Income for the year Attributable to:			
Owners of the Company	1,970	4,410	(55.3)
Non-Controlling interest	1,217	1,037	17.3
Total Comprehensive Income for the year	3,187	5,447	(41.5)

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

	Group		
	12 months ended 31 December		
	2017	2016	Inc/(dec)
	S\$'000	S\$'000	%
Profit before income tax is stated after (charging)/crediting the following items:			
Reversal of Payables	38	-	100.0
Fair Value (Loss)/Gain on Investments	(351)	2,941	(111.9)
Loss on Disposal of Plant and Equipment	(1)	(1)	0.0
Foreign Exchange Loss, net	(590)	(41)	1340.1
Amortisation of Intangible Assets	(540)	(636)	(15.1)
Depreciation of Plant and Equipment	(512)	(501)	2.2
Write-down of Inventories	(1)	(20)	(94.4)
Impairment Loss on Receivables	(6)	-	100.0
Impairment Loss on Plant and Equipment	-	(31)	(100.0)
Impairment Loss on Intangible Assets	-	(100)	(100.0)
Impairment Loss on Investment Property	-	(271)	(100.0)
Inventories Written-Off	(3)	-	100.0
Components of tax expense recognised in profit and loss include:			
Current Tax Expenses	(1,137)	(692)	64.4
Deferred Tax Income/(Expenses)	673	(27)	(2592.9)
Over adjustments in respect of prior years	13	14	(7.3)
Overseas Withholding Tax Expenses	(63)	(245)	(74.2)

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
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-Current Assets				
Plant and Equipment	1,694	1,288	-	-
Investment Property	2,660	2,588	-	-
Intangible Assets	11,646	11,582	-	-
Investments in Subsidiaries	-	-	32,734	32,734
Investment in an Associate	1,860	1,819	-	-
Other Financial Assets	7,439	5,370	-	-
Deferred Tax assets	933	436	-	-
Total Non-Current Assets	26,232	23,083	32,734	32,734
Current assets				
Inventories	45	26	-	-
Trade and Other Receivables	20,061	17,346	7,848	5,886
Other Assets	320	339	4	4
Cash and Cash Equivalents	7,391	9,055	1,231	768
Total Current Assets	27,817	26,766	9,083	6,658
Total Assets	54,049	49,849	41,817	39,392
EQUITY AND LIABILITIES				
Equity				
Share Capital	31,948	31,948	31,948	31,948
Retained Earnings	13,429	13,062	8,784	6,644
Foreign Currency Translation Reserve	(8,322)	(9,126)	-	-
Equity, Attributable to Owners of the Parent	37,055	35,884	40,732	38,592
Non-Controlling Interest	3,151	2,405	-	-
Total Equity	40,206	38,289	40,732	38,592
Non-Current Liabilities				
Deferred Tax Liabilities	305	500	-	-
Total Non-Current Liabilities	305	500	-	-
Current Liabilities				
Income Tax Payables	359	241	-	-
Trade and Other Payables	11,604	8,818	1,085	800
Other Liabilities	1,575	2,001	-	-
Total Current Liabilities	13,538	11,060	1,085	800
Total Liabilities	13,843	11,560	1,085	800
Total Equity and Liabilities	54,049	49,849	41,817	39,392

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

As at 31 December 2017, 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 \$2,479,000 and covered by a personal guarantee of a director of the subsidiary, and corporate guarantee of the company of \$505,000 (2016: \$491,000). As at the end of the financial year, the outstanding facilities covered by the guarantee were Nil (2016: 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	
	2017	2016
	S\$'000	S\$'000
Operating activities:		
Profit Before Income Tax	2,814	7,409
Adjustments for:		
Amortisation of Intangible Assets	540	636
Depreciation of Plant and Equipment	512	501
Loss on Disposal of Plant and Equipment	1	1
Fair Value Loss / (Gain) on Investments	351	(2,941)
Reversal of Payables	(38)	-
Write-down of Inventories	1	20
Inventories Written Off	3	-
Impairment Loss on Investment Property	-	271
Impairment Loss on Plant and Equipment	-	31
Impairment Loss on Intangible Assets	-	100
Impairment Loss on Receivables	6	-
Interest Income	(154)	(259)
Shared of Result from Jointly-Controlled Entity	-	3
Operating Cash Flow before Changes in Working Capital	4,036	5,772
Inventories	(29)	11
Trade and Other receivables	(2,721)	(11,036)
Other Assets	18	(21)
Trade and Other payables	2,920	4,883
Other Liabilities	(426)	1,480
Net Cash Flows From Operations	3,798	1,089
Income Tax Paid	(1,171)	(680)
Net Cash Flows From Operating Activities	2,627	409
Cash Flows From Investing Activities:		
Purchase of Plant and Equipment	(950)	(448)
Investment in an Associate	(305)	(488)
Other Financial Assets	(2,445)	(2,243)
Payment for Development Costs	(270)	(514)
Interest Income Received	154	259
Net Cash Flows Used in Investing Activities	(3,816)	(3,434)
Cash Flows From Financing Activities:		
Dividend Paid by a Subsidiary to Non-Controlling Interest	(471)	-
Dividend Paid to Equity Owners	(799)	(799)
Cash Restricted in Use	(1,139)	(628)
Net Cash Flows Used in Financing Activities	(2,409)	(1,427)
Net Change in Cash and Cash Equivalents	(3,598)	(4,452)
Cash and Cash Equivalents at Beginning of the Financial Year (Note 1)	8,096	13,110
Effect of Exchange Rate Changes On Cash and Cash Equivalents	768	(562)
Cash and Cash Equivalents At End of the Financial Year (Note 1)	5,266	8,096

Explanatory Notes:

Note 1

	Group	
	12 months ended 31 December	
	2017	2016
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	7,391	9,055
Less: Restricted Deposits	(2,125)	(959)
Cash and cash equivalents per consolidated statement of cash flows	5,266	8,096

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 2017

	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 2017	38,289	35,884	31,948	13,062	(9,126)	2,405
Total Comprehensive Income for the financial year	3,187	1,970	-	1,166	804	1,217
Dividend Paid	(1,270)	(799)	-	(799)	-	(471)
Closing Balance at 31 December 2017	40,206	37,055	31,948	13,429	(8,322)	3,151
Company						
Opening Balance at 1 January 2017	38,592	38,592	31,948	6,644	-	-
Total Comprehensive Income for the financial year	2,939	2,939	-	2,939	-	-
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 31 December 2017	40,732	40,732	31,948	8,784	-	-

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 2016

	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 2016	33,641	32,273	31,948	8,527	(8,202)	1,368
Total Comprehensive Income for the financial year	5,447	4,410	-	5,334	(924)	1,037
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 31 December 2016	38,289	35,884	31,948	13,062	(9,126)	2,405
Company						
Opening Balance at 1 January 2016	37,345	37,345	31,948	5,397	-	-
Total Comprehensive Income for the financial year	2,046	2,046	-	2,046	-	-
Dividend Paid	(799)	(799)	-	(799)	-	-
Closing Balance at 31 December 2016	38,592	38,592	31,948	6,644	-	-

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 31/12/2017	As at 31/12/2016
Ordinary share	31,957,264	31,957,264

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 2016.

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 2017. 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	
	2017	2016
	cents	cents
Based on the weighted average number of ordinary shares on issue ⁽¹⁾	3.65	16.69
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 2017 and 2016.

⁽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 31/12/2017		As at 31/12/2016	
	Group cents	Company cents	Group cents	Company cents
Net asset value per ordinary share ⁽¹⁾	115.95	127.46	112.29	120.76

⁽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 2017 as compared to corresponding financial year ended 31 December 2016

Revenue

The Group achieved consolidated revenue of S\$24.807 million for the financial year ended 31 December 2017 ("2017"), an increase of 5.8% against the revenue recorded in the financial year ended 31 December 2016 ("2016"). The increase in Group revenue for 2017 is attributable to the improved revenue performance by GlobeOSS.

GlobeOSS posted revenue of S\$13.088 million in 2017, an increase of 19.2% from the S\$10.982 million recorded in 2016. This improvement in revenue was mainly driven by higher system sale contracts delivered in 2017.

Unifiedcomms however recorded revenue of S\$11.719 million in 2017, a decrease of 4.5% from the S\$12.277 million recorded in 2016. This decrease in revenue was due to lower system sale contracts which was however partly mitigated by higher revenue from managed service contracts.

The Group's Others segment received no rental revenue in 2017, following the expiry of tenancy agreement on the Group's investment property.

The Group's sales mix in 2017 showed an increase in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 53.5% of the Group's total revenue in 2017 as compared to 52.2% in 2016. The higher contribution of managed service contracts to the Group's sales mix in 2017 was mainly contributed by the improvement in managed service contract revenues of the Group, which had improved 8.3% from S\$12.244 million in 2016 to S\$13.266 million in 2017.

Gross Profit and Gross Profit Margins

Although Group revenue was higher in 2017, gross profit was lower at S\$11.341 million as compared to S\$12.485 million in 2016. This was primarily due to lower gross profit margin realised on Group's system sale contract revenues, which declined from 45.5% in 2016 to 35.6% in 2017. The decline in gross profit margin is mainly attributable to the higher proportionate contribution of system sale contract revenues by GlobeOSS, which generally deliver lower gross profit margin as a result of its typically higher third party costs.

Gross profit margin recorded by the Group on its managed service contract revenues also decreased to 54.5% in 2017 from 60.3% in 2016. This decrease in gross profit margin was mainly due to higher third-party costs on certain managed service contracts, coupled with the lower revenue contribution of certain mature, higher-margin managed service contracts.

Interest Income

The Group recorded interest income of S\$0.154 million in 2017, 40.6% lower against the S\$0.259 million recorded in 2016. This is mainly attributable to lower cash and cash equivalents as a result of on-going investment in other financial assets.

Other gains

The Group recorded other gains of S\$0.052 million in 2017, 98.3% lower than the S\$2.988 million recorded in 2016. This was mainly due to absence of fair value gain on the Group's venture investment portfolio.

Other Items of Expense

The Group recorded total expenses of S\$8.733 million in 2017, 4.9% higher than the S\$8.323 million incurred in 2016. This is mainly attributable to:-

- * A fair value loss of S\$0.351 million assessed on the Group's venture investment portfolio following the adoption of the most appropriate valuation techniques for each investment and may not be reflective of the actual return upon disposal of these investments in the medium to long term; and
- * Higher foreign exchange loss recorded in 2017, as a result of unfavourable exchange rate movements of USD, PKR and MYR against the Group's reporting currency in SGD.

The increase in the above-mentioned expense was offset by:-

- * Absence of impairment loss on investment property of S\$0.271 million;
- * Absence of impairment loss on intangible assets of S\$0.1 million; and
- * Lower distribution expenses recorded in 2017, as result of reduction of sales and business development expenses of the Group.

Net Profit and EBITDA

The Group recorded lower net profit of S\$2.300 million and EBITDA of S\$3.712 million in 2017 as compared to the S\$6.459 million in net profit and S\$8.287 million in EBITDA recorded by the Group in 2016. The lower net profit and EBITDA results recorded in 2017 are mainly attributable to the flow-down effects of lower gross profit margin, lower other income and higher operating expenses recorded in 2017.

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 2017 as compared to corresponding financial year ended 31 December 2016 (continued)

Detailed Segmental Breakdown of Group Revenue and Gross Profit

The detailed segmental breakdown of the Group's revenue and gross profit for 2017, together with comparative results for 2016 is provided below:

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

	2017 S\$'000	Sales mix %	2016 S\$'000	Sales mix %
Unifiedcomms	11,719	47.2	12,277	52.3
GlobeOSS	13,088	52.8	10,982	46.8
Captii Ventures	-	-	-	-
Others	-	-	193	0.9
Total	24,807	100.0	23,452	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.

Captii Ventures - Segment for strategic investment in early and late-stage technology ventures.

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	2017			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
South East Asia (SEA)	10,474	13,072	-	23,546
South Asia (SA)	800	-	-	800
Middle East & Africa (MEA)	445	-	-	445
Others	-	16	-	16
Total	11,719	13,088	-	24,807

External Sales	2016			
	Unifiedcomms S\$'000	GlobeOSS S\$'000	Others S\$'000	Group S\$'000
SEA	10,593	10,965	193	21,751
SA	833	-	-	833
MEA	851	-	-	851
Others	-	17	-	17
Total	12,277	10,982	193	23,452

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

External Sales	2017			2016		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	11,541	13,266	24,807	11,208	12,244	23,452
Gross Profit	4,105	7,236	11,341	5,102	7,383	12,485
Gross Profit (%)	35.6%	54.5%	45.7%	45.5%	60.3%	53.2%

(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 2017 as compared to the Group's financial position as at 31 December 2016

Non-cash current assets of the Group increased from \$17.711 million as at 31 December 2016 to S\$20.426 million as at 31 December 2017. This 15.3% increase in non-cash current assets was mainly due to the increase in trade and other receivables as a result of higher revenue achieved by the Group in respect of GlobeOSS major system sale contracts that were awarded and billed in late 2017.

Total non-current assets of the Group increased from S\$23.083 million as at 31 December 2016 to S\$26.232 million as at 31 December 2017. This 13.6% increase in non-current assets is mainly attributable to:-

- * An increase in investment in other financial assets, made by the Group's subsidiary, Captii Ventures Pte Ltd; and
- * An increase in investment in plant and equipment relating to new managed service contracts.

Total liabilities of the Group increased from S\$11.560 million as at 31 December 2016 to S\$13.843 million as at 31 December 2017. This 19.7% increase in total liabilities is attributable to the increase in trade and other payables corresponding to the higher cost of sales incurred related to the system sales contracts awarded in late 2017.

Review of the Group's cash flow for the financial year ended 31 December 2017 as compared to the corresponding financial year ended 31 December 2016

The Group's net cash flow from operations for 2017 was S\$3.798 million, as compared to S\$1.089 million for 2016, an increase of 248.8%. This significant increase was primarily due to a lower working capital incurred of S\$0.238 million for 2017, as compared to S\$4.683 million for 2016, which was mainly contributed by higher collection related to trade receivables from late 2016.

The Group's net cash flow used in investing activities for 2017 was S\$3.816 million, as compared to S\$3.434 million for 2016. The higher net cash used in investing activities was mainly due to the additional investment made in the plant and equipment invested for new managed service contracts.

The Group's net cash flow used in financing activities for 2017 was S\$2.409 million, as compared to S\$1.427 million for 2016. The higher net cash used in financing activities was mainly due to:-

- * Additional restricted deposits placed as performance bond in connection with new system sale contracts awarded; and
- * Dividend payout by a subsidiary to Non-Controlling Interest in 2017.

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 2018 to be challenging but remain optimistic about growth prospects.

Although 2017 proved to be another unexpectedly good year for business generated from system sale contracts, management does not expect this to be a trend that can be readily extended into 2018. Significant uncertainty and hence lumpiness is still to be expected in the contribution of system sale contracts to the performance of both Unifiedcomms and GlobeOSS businesses.

Management will continue to work on improving execution in respect of strategies and tactics to grow Group managed service contract revenues and profit and further build on the improvement achieved so far for this year.

The growing interest and opportunity in internet-driven application services, new media and applications delivered on an advertisement-supported or advertisement-funded model continues to be recognised by management of the Group. The Group's strategic and venture investment plans in the year ahead will continue to focus primarily on these growth businesses in the SEA and SA regions and will complement the growth initiatives of existing businesses.

11. Dividend

(a) Current Financial Year Reported On

An interim dividend has been declared on 8 August 2017 and paid out on 12 September 2017.

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

(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	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
AESBI Power Systems Sdn Bhd *	229	250	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 2017

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	11,719	13,088	-	-	-	24,807
-inter-segment	-	519	-	7,107	(7,626)	-
	11,719	13,607	-	7,107	(7,626)	24,807
Cost of Sales	(7,221)	(9,098)	-	(48)	2,901	(13,466)
Gross Profit	4,498	4,509	-	7,059	(4,725)	11,341
Other Items of Income:						
Interest Income	67	78	-	9	-	154
Other Gains	115	64	6	50	(183)	52
Other Item of Expenses:						
Technical Support Expenses	(1,122)	(1,072)	-	(1,093)	218	(3,069)
Distribution Costs	(732)	(416)	-	(454)	312	(1,290)
Administrative Expenses	(1,888)	(544)	(465)	(1,291)	784	(3,404)
Other Losses	(261)	(6)	(639)	(133)	69	(970)
Profit/(Loss) Before Income Tax	677	2,613	(1,098)	4,147	(3,525)	2,814
Income Tax Expenses	(189)	(302)	195	(92)	(126)	(514)
Profit/(Loss), Net of Tax	488	2,311	(903)	4,055	(3,651)	2,300
Profit/(Loss) for the Year Attributable to:						
Owners of the Company	488	1,177	(903)	4,055	(3,651)	1,166
Non-Controlling Interest	-	1,134	-	-	-	1,134
Profit/(Loss) for the year	488	2,311	(903)	4,055	(3,651)	2,300
Other information						
Depreciation of Plant and Equipment	(516)	(33)	-	(7)	44	(512)
Amortisation of Intangible Assets	(569)	-	-	-	29	(540)
Fair Value Loss on Investments	-	-	(351)	-	-	(351)
Segment Assets	27,973	16,584	9,300	51,557	(52,298)	53,116
Unallocated Assets	295	541	-	83	14	933
Consolidated Total Assets						54,049
Segment Liabilities	9,393	10,549	7,547	4,985	(18,936)	13,538
Unallocated Liabilities	-	-	305	-	-	305
Consolidated Total Liabilities						13,843
Other Segment Items						
Capital Expenditure						
- Plant and Equipment	1,005	62	-	3	(120)	950
- Development Costs	280	-	-	-	(10)	270

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 2016

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	12,277	10,982	-	193	-	23,452
-inter-segment	-	586	-	5,161	(5,747)	-
	12,277	11,568	-	5,354	(5,747)	23,452
Cost of Sales	(6,598)	(7,335)	-	(49)	3,015	(10,967)
Gross Profit	5,679	4,233	-	5,305	(2,732)	12,485
Other Items of Income:						
Interest Income	202	57	-	-	-	259
Other Gains	92	-	2,942	898	(944)	2,988
Other Item of Expenses:						
Technical Support Expenses	(1,199)	(943)	-	(1,133)	149	(3,126)
Distribution Costs	(833)	(360)	-	(455)	258	(1,390)
Administrative Expenses	(1,979)	(499)	(51)	(1,321)	533	(3,317)
Other Losses	(227)	(161)	(1)	(267)	169	(487)
Share of Results from Jointly-Controlled Entity	(3)	-	-	-	-	(3)
Profit/(Loss) Before Income Tax	1,732	2,327	2,890	3,027	(2,567)	7,409
Income Tax Expenses	(518)	(38)	(500)	(86)	192	(950)
Profit/(Loss), Net of Tax	1,214	2,289	2,390	2,941	(2,375)	6,459
Profit/(Loss) for the Year Attributable to:						
Owners of the Company	1,214	1,164	2,390	2,941	(2,375)	5,334
Non-Controlling Interest	-	1,125	-	-	-	1,125
Profit/(Loss) for the year	1,214	2,289	2,390	2,941	(2,375)	6,459
Other information						
Impairment Loss on Plant and Equipment	(39)	-	-	-	8	(31)
Impairment Loss on Intangible assets	(114)	-	-	-	14	(100)
Impairment Loss on Investment Property	-	-	-	(271)	-	(271)
Depreciation of Plant and Equipment	(494)	(33)	-	(13)	39	(501)
Amortisation of Intangible Assets	(669)	(1)	-	-	34	(636)
Fair Value Gain on Investments	-	-	2,941	-	-	2,941
Segment Assets	36,657	13,289	7,192	55,923	(63,648)	49,413
Unallocated Assets	341	-	-	81	14	436
Consolidated Total Assets						49,849
Segment Liabilities	16,494	7,909	4,340	12,691	(30,374)	11,060
Unallocated Liabilities	-	-	500	-	-	500
Consolidated Total Liabilities						11,560
Other Segment Items						
Capital Expenditure						
- Plant and Equipment	464	39	-	2	(57)	448
- Development Costs	573	-	-	-	(59)	514

	Group							
	Revenue		Total assets		Non-current assets		Capital expenditure	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
SEA	23,546	21,751	49,675	46,803	25,145	22,415	1,170	853
SA	800	833	507	786	154	232	50	109
MEA	445	851	133	198	-	-	-	-
Others	16	17	2,801	1,626	-	-	-	-
	24,807	23,452	53,116	49,413	25,299	22,647	1,220	962
Unallocated assets			933	436	933	436		
			54,049	49,849	26,232	23,083		

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.

Unifiedcomms recorded a decline in profit after tax in 2017 versus that recorded in 2016, which was mainly due to lower revenue from system sales revenue in SEA region.

Captii Ventures recorded a loss after tax in 2017 (in contrast with profit after tax in 2016), which is mainly attributable to a fair value loss on its venture investment portfolio as compared to a fair value gain recorded in 2016.

Others showed an increase in profit after tax in 2017 as compared to in 2016, which is mainly attributable to significantly higher dividend income from its subsidiaries, which had no impact on the Group's financial performance.

16. A breakdown of sales.

	Group		
	12 months ended 31 December		
	2017	2016	Inc/(dec)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	9,351	9,375	(0.3)
(b) Profit, net of tax, before deducting non-controlling interest reported for first half year	926	1,531	(39.5)
(c) Sales reported for second half year	15,456	14,077	9.8
(d) Profit, net of tax, before deducting non-controlling interest reported for second half year	1,374	4,928	(72.1)

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	
	2017	2016
	S\$'000	S\$'000
Interim dividend to ordinary share	799	799

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 Office 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
Executive Director

BY ORDER OF THE BOARD

Wong Tze Leng
Executive Chairman
13 February 2018

