

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::THIRD QUARTER RESULTS

Issuer & Securities

Issuer/ Manager

CAPTII LIMITED

Securities

CAPTII LIMITED - SG1BA0000004 - AWW

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Designation

Executive Chairman

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

30/09/2024

Attachments

[CL SGX Financial Results Q3 2024.pdf](#)

Total size =428K MB

Condensed interim financial statements
for the quarter and nine months ended 30 September 2024

A. Condensed consolidated statement of profit or loss and other comprehensive income

	Note	Group		Group	
		Quarter ended 30 September		9 months ended 30 September	
		Q3 2024	Q3 2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Revenue	4	4,839	3,465	11,383	13,653
Cost of sales		(1,960)	(1,838)	(5,269)	(7,607)
Gross profit		2,879	1,627	6,114	6,046
Other items of income:					
Interest Income		21	30	66	94
Other gains		(102)	53	27	188
Other items of expense:					
Technical support expenses		(1,184)	(1,130)	(3,556)	(3,379)
Distribution costs		(424)	(396)	(1,195)	(1,202)
Administrative expenses		(528)	(535)	(1,559)	(1,618)
Other losses		(4,887)	34	(6,815)	(21)
Finance costs		(6)	(5)	(41)	(34)
(Loss)/Profit before income tax	6	(4,231)	(322)	(6,959)	74
Income tax expenses	7	(120)	(68)	(256)	(165)
Loss, net of tax		(4,351)	(390)	(7,215)	(91)
Loss, net of tax attributable to:					
Owners of the company		(2,761)	(227)	(5,245)	(42)
Non-controlling interests		(1,590)	(163)	(1,970)	(49)
Loss, net of tax		(4,351)	(390)	(7,215)	(91)

Other comprehensive loss

	Note	Group		Group	
		Quarter ended 30 September		9 months ended 30 September	
		Q3 2024	Q3 2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Loss, net of tax		(4,351)	(390)	(7,215)	(91)
Other comprehensive loss:					
Items that may be reclassified to profit or loss in subsequent periods (net of tax)					
Currency translation differences on consolidation of foreign entities (net)		1,938	290	2,021	(1,108)
Total other comprehensive loss for the financial period		(2,413)	(100)	(5,194)	(1,199)
Total comprehensive profit/(loss) attributable to:					
Owners of the company		(1,061)	38	(3,509)	(982)
Non-Controlling interest		(1,351)	(138)	(1,685)	(217)
Total other comprehensive loss for the financial period		(2,413)	(100)	(5,194)	(1,199)
Earnings per share for loss for the year attributable to the owners of the company during the financial period:		cents	cents	cents	cents
Basic and diluted earnings per share		(8.64)	(0.71)	(16.41)	(0.13)

B. Condensed statements of financial position

	Note	Group	Group	Company	Company
		As at	As at	As at	As at
		30/9/2024	31/12/2023	30/9/2024	31/12/2023
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Plant and equipment	12	938	1,199	-	-
Investment property	13	2,041	1,895	-	-
Intangible assets	11	3,300	2,896	-	-
Investments in subsidiaries		-	-	25,166	25,166
Other financial assets	10	10,630	17,171	-	-
Deferred tax assets		687	654	-	-
Total non-current assets		17,596	23,815	25,166	25,166
Current assets					
Inventories		9	5	-	-
Trade and other receivables		10,295	8,662	8,055	8,644
Other non-financial assets		2,744	4,628	28	44
Cash and cash equivalents		10,485	10,965	656	399
Total current assets		23,533	24,260	8,739	9,087
Total assets		41,129	48,075	33,905	34,253
EQUITY AND LIABILITIES					
Equity					
Share capital	15	31,948	31,948	31,948	31,948
Retained earnings		10,705	15,950	663	448
Foreign currency translation reserve		(10,019)	(11,755)	-	-
Equity, attributable to owners of the parent		32,634	36,143	32,611	32,396
Non-controlling interest		4,840	6,525	-	-
Total equity		37,474	42,668	32,611	32,396
Non-current liabilities					
Lease liabilities		204	343	-	-
Deferred tax liabilities		35	33	-	-
Total non-current liabilities		239	376	-	-
Current liabilities					
Income tax payables		35	45	2	4
Trade and other payables		2,518	3,364	1,292	1,853
Other non-financial liabilities		624	458	-	-
Lease liabilities		239	318	-	-
Borrowings	14	-	846	-	-
Total current liabilities		3,416	5,031	1,294	1,857
Total liabilities		3,655	5,407	1,294	1,857
Total equity and liabilities		41,129	48,075	33,905	34,253

C. Condensed statements of changes in equity

Statement of Changes in Equity for the quarter ended 30 September 2024

	Note	Total equity S\$'000	Attributable to parent Sub-total S\$'000	Share capital S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Non-controlling interests S\$'000
Current quarter							
Group							
Opening balance at 1 July 2024		39,887	33,696	31,948	13,466	(11,718)	6,191
Total comprehensive (expenses)/income for the financial period		(2,413)	(1,062)	-	(2,761)	1,699	(1,351)
Closing Balance at 30 September 2024		37,474	32,634	31,948	10,705	(10,019)	4,840
Company							
Opening balance at 1 July 2024		32,260	32,260	31,948	312	-	-
Total comprehensive income for the financial period		351	351	-	351	-	-
Closing Balance at 30 September 2024		32,611	32,611	31,948	663	-	-

Statement of Changes in Equity for the quarter ended 30 September 2023

	Note	Total equity S\$'000	Attributable to parent Sub-total S\$'000	Share capital S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Non-controlling interests S\$'000
Previous quarter							
Group							
Opening balance at 1 July 2023		55,608	45,303	31,948	24,950	(11,595)	10,305
Total comprehensive (expenses)/income for the quarter		(100)	38	-	(227)	265	(138)
Dividend Paid		(689)	(399)	-	(399)	-	(290)
Closing balance at 30 September 2023		54,819	44,942	31,948	24,324	(11,330)	9,877
Company							
Opening balance at 1 July 2023		33,791	33,791	31,948	1,843	-	-
Total comprehensive income for the financial period		360	360	-	360	-	-
Dividend Paid	8	(399)	(399)	-	(399)	-	-
Closing balance at 30 September 2023		33,752	33,752	31,948	1,804	-	-

C. Condensed interim statements of changes in equity (continued)

Statements of changes in equity for the nine months ended 30 September 2024

	Note	Total equity S\$'000	Attributable to parent sub-total S\$'000	Share capital S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Non-controlling interests S\$'000
Current period:							
Group							
Opening balance at 1 January 2024		42,668	36,143	31,948	15,950	(11,755)	6,525
Total comprehensive (expenses)/income for the financial period		(5,194)	(3,509)	-	(5,245)	1,736	(1,685)
Closing balance at 30 September 2024		37,474	32,634	31,948	10,705	(10,019)	4,840
Company							
Opening balance at 1 January 2024		32,396	32,396	31,948	448	-	-
Total comprehensive income for the financial period		215	215	-	215	-	-
Closing balance at 30 September 2024		32,611	32,611	31,948	663	-	-

Statements of changes in equity for the nine months ended 30 September 2023

	Note	Total equity S\$'000	Attributable to parent Sub-total S\$'000	Share capital S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Non-controlling interests S\$'000
Previous period:							
Group							
Opening balance at 1 January 2023		56,707	46,323	31,948	24,765	(10,390)	10,384
Total comprehensive expenses for the period		(1,199)	(982)	-	(42)	(940)	(217)
Dividend paid		(689)	(399)	-	(399)	-	(290)
Closing balance at 30 September 2023		54,819	44,942	31,948	24,324	(11,330)	9,877
Company							
Opening balance at 1 January 2023		33,910	33,910	31,948	1,962	-	-
Total comprehensive income for the period		241	241	-	241	-	-
Dividend paid	8	(399)	(399)	-	(399)	-	-
Closing balance at 30 September 2023		33,752	33,752	31,948	1,804	-	-

D. Condensed consolidated statement of cash flows

	Note	Group			
		9 months ended 30 September			
		Q3 2024	Q3 2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Operating activities:					
(Loss)/Profit before income tax		(4,231)	(322)	(6,959)	74
Adjustments for:					
Amortisation of intangible assets	6	59	54	161	166
Depreciation of plant and equipment	6	74	83	226	287
Depreciation of right-of-use assets	6	84	82	245	248
Fair value loss/(gain) on unquoted investments	6	4,465	(3)	6,388	16
Interest expense		6	5	41	34
Interest income		(21)	(30)	(66)	(94)
Operating cash flow before changes in working capital		436	(131)	36	731
Inventories		(4)	-	(5)	1
Trade and other receivables		691	393	(1,052)	2,202
Other non-financial assets		(230)	139	2,254	(485)
Trade and other payables		290	(275)	(1,029)	(1,243)
Other non-financial liabilities		(323)	201	135	190
Net cash flows from operations		860	327	339	1,396
Income tax paid		(86)	(76)	(268)	(394)
Net cash flows from operating activities		774	251	71	1,002
Cash flows from investing activities:					
Purchase of plant and equipment		(46)	(44)	(154)	(112)
Proceeds from disposal of unquoted investments		-	135	350	135
Investment in unquoted investments		(169)	-	(169)	(133)
Payment for development costs		(264)	(73)	(336)	(255)
Interest received		21	30	66	94
Net cash flow (used in)/from investing activities		(458)	48	(243)	(271)
Cash flows from financing activities:					
Dividend paid to non-controlling interests of subsidiary		-	(290)	-	(290)
Dividend paid to equity owners	8	-	(399)	-	(399)
Cash restricted in use		(3)	(2)	(8)	(6)
Repayment of interest bearing borrowings		(65)	(4)	(911)	(856)
Lease liabilities principal portion paid		(108)	(89)	(271)	(281)
Interest expenses paid		(6)	(5)	(41)	(34)
Net cash flows used in financing activities		(182)	(789)	(1,231)	(1,866)
Net change in cash and cash equivalents		134	(490)	(1,403)	(1,135)
Cash and cash equivalents at beginning of the financial year (Note 1)		6,992	9,302	8,662	10,831
Effect of exchange rate changes on cash and cash equivalents		888	36	755	(848)
Cash and cash equivalents at end of the financial period/year (Note 1)		8,014	8,848	8,014	8,848

Explanatory Notes:

Note 1

	Group	
	9 months ended 30 September	
	2024	2023
	S\$'000	S\$'000
Cash and bank balances per statement of financial position	10,485	11,145
Less: Restricted deposits	(2,471)	(2,297)
Cash and cash equivalents per consolidated statement of cash flows	8,014	8,848

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Captii Limited (the company) is incorporated in Singapore with limited liability. It is listed on Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the financial period ended 30 September 2024 comprise the company and its subsidiaries (collectively, the group). The primary activities of the company are those of investment holding and the provision of management services.

The principal activities of the group are:

- a) Distribution of information technology and telecommunications products, research and development, software engineering, system integration, project management, and maintenance and support services for the telecommunications industry.
- b) Providing money lending services, credit profiling, pay-later solutions, and/or other incidental/relevant businesses to any telecommunications operators, service providers, enterprises, or entities of any descriptions.
- c) Provision of global roaming quality of services management solutions.
- d) Undertake investment in technology companies.
- e) Investment holding and the provision of management services.

2. Basis of Preparation

The condensed interim financial statements for the financial period ended 30 September 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the group's financial position and performance of the group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the company's functional currency.

2.1. New and amended standards adopted by the group

A number of amendments to Standards have become applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- * Note 4 – revenue recognised over time
- * Note 10 – fair value of unquoted investments
- * Note 11 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts
- * Note 13 – determination of fair value of investment property using significant unobservable inputs
- * Note 16 – expected credit loss allowance on receivables

3. Seasonal operations

The group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The group is organised into the following main business segments:

- * 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 investment holding and operational headquarters of the group.

These operating segments are reported in a manner consistent with internal reporting provided to those who are responsible for allocating resources and assessing performance of the operating segments.

4.1. Reportable segments

Financial period ended 30 September 2024

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	7,609	3,774	-	-	-	11,383
-inter-segment	-	352	-	132	(484)	-
Revenue from external parties	7,609	4,126	-	132	(484)	11,383
Cost of sales	(3,745)	(1,839)	-	(39)	354	(5,269)
Gross profit	3,864	2,287	-	93	(130)	6,114
Other items of income:						
Interest income	46	20	-	-	-	66
Other gains	96	16	(13)	9	(81)	27
Other item of expenses:						
Technical support expenses	(1,797)	(1,770)	-	(45)	56	(3,556)
Distribution costs	(736)	(468)	-	-	9	(1,195)
Administrative expenses	(755)	(332)	(69)	(548)	145	(1,559)
Other losses	(139)	(53)	(6,388)	(248)	13	(6,815)
Finance costs	(23)	(18)	-	-	-	(41)
Profit/(Loss) before income tax	556	(318)	(6,470)	(739)	12	(6,959)
Income tax expenses	(229)	(22)	-	(5)	-	(256)
Profit/(Loss), net of tax	327	(340)	(6,470)	(744)	12	(7,215)
Profit/(Loss) for the year attributable to:						
Owners of the company	327	(175)	(4,665)	(744)	12	(5,245)
Non-controlling interest	-	(165)	(1,805)	-	-	(1,970)
Profit/(Loss) for the year	327	(340)	(6,470)	(744)	12	(7,215)
Other information						
Depreciation of plant and equipment	(187)	(38)	-	(1)	-	(226)
Depreciation of right-of-use assets	(181)	(64)	-	-	-	(245)
Amortisation of intangible assets	(161)	-	-	-	-	(161)
Fair value gain on unquoted investments	-	-	(6,388)	-	-	(6,388)
Other segment items						
Capital expenditure						
- Plant and equipment	133	21	-	-	-	154
- Development costs	336	-	-	-	-	336
Financial period ended 30 September 2024						
Segment assets	20,376	12,432	10,664	40,140	(43,170)	40,442
Unallocated assets						687
Consolidated total assets						41,129
Segment liabilities	4,803	1,632	10,461	3,832	(17,108)	3,620
Unallocated liabilities						35
Consolidated total liabilities						3,655

4.1 Reportable segments (continued)

Financial period ended 30 September 2023

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Revenue:						
-external	9,034	4,619	-	-	-	13,653
-inter-segment	-	359	-	166	(525)	-
	9,034	4,978	-	166	(525)	13,653
Cost of sales	(5,219)	(2,709)	-	(40)	361	(7,607)
Gross profit	3,815	2,269	-	126	(164)	6,046
Other items of income:						
Interest income	47	47	-	-	-	94
Other gains	181	14	86	176	(269)	188
Other item of expenses:						
Technical support expenses	(1,864)	(1,477)	-	(50)	12	(3,379)
Distribution costs	(686)	(524)	-	-	8	(1,202)
Administrative expenses	(791)	(378)	(71)	(553)	175	(1,618)
Other losses	(240)	(1)	(17)	(1)	238	(21)
Finance costs	(13)	(21)	-	-	-	(34)
Profit/(Loss) before income tax	449	(71)	(2)	(302)	-	74
Income tax expenses	(136)	(27)	-	(2)	-	(165)
Profit/(Loss), net of tax	313	(98)	(2)	(304)	-	(91)
Profit/(Loss) for the period attributable to:						
Owners of the company	313	(49)	(2)	(304)	-	(42)
Non-controlling interest	-	(49)	-	-	-	(49)
Profit/(Loss) for the period	313	(98)	(2)	(304)	-	(91)
Other information						
Depreciation of plant and equipment	(227)	(59)	-	(1)	-	(287)
Depreciation of right-of-use assets	(183)	(65)	-	-	-	(248)
Amortisation of intangible assets	(415)	-	-	-	249	(166)
Fair value loss on unquoted investments	-	-	(16)	-	-	(16)
Other segment items						
Capital expenditure						
- Plant and equipment	109	3	-	-	-	112
- Development costs	255	-	-	-	-	255

Financial year ended 31 December 2023

Segment assets	20,252	13,581	17,208	41,391	(45,011)	47,421
Unallocated assets						654
Consolidated total assets						48,075
Segment liabilities	6,068	2,625	10,576	3,853	(17,748)	5,374
Unallocated liabilities						33
Consolidated total liabilities						5,407

4.2. Disaggregation of revenue

The group's revenue can be divided into revenue generated from two types of contracts, as described below:

(a) System sales – 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.

(b) Managed services – 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 managed service contracts are system maintenance and technical support contracts with existing customers of the group.

Financial period ended 30 September 2024

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Types of goods or service:						
-System sales	899	1,824	-	-	-	2,723
-Managed service	6,710	1,950	-	-	-	8,660
Total revenue	7,609	3,774	-	-	-	11,383

All the contracts are less than 12 months, and majority of the contracts are recognised over time. Customers are mainly companies in the telecommunication industry.

Geographical information:

-South East Asia #	7,355	3,774	-	-	-	11,129
-South Asia	63	-	-	-	-	63
-Middle East & Africa	191	-	-	-	-	191
-Others	-	-	-	-	-	-
	7,609	3,774	-	-	-	11,383

(#) South East Asia included

-Singapore	500	-	-	-	-	500
-Malaysia	6,606	3,256	-	-	-	9,862
-Others	249	518	-	-	-	767
	7,355	3,774	-	-	-	11,129

Financial period ended 30 September 2023

	Unifiedcomms S\$'000	GlobeOSS S\$'000	Captii Ventures S\$'000	Others S\$'000	Elimination S\$'000	Group S\$'000
Types of goods or service:						
-System sales	694	3,093	-	-	-	3,787
-Managed service	8,340	1,526	-	-	-	9,866
Total revenue	9,034	4,619	-	-	-	13,653

All the contracts are less than 12 months, and majority of the contracts are recognised over time. Customers are mainly companies in the telecommunication industry.

Geographical information:

-South East Asia #	8,813	4,619	-	-	-	13,432
-South Asia	71	-	-	-	-	71
-Middle East & Africa	150	-	-	-	-	150
-Others	-	-	-	-	-	-
	9,034	4,619	-	-	-	13,653

(#) South East Asia included

-Singapore	385	-	-	-	-	385
-Malaysia	8,105	4,072	-	-	-	12,177
-Others	323	547	-	-	-	870
	8,813	4,619	-	-	-	13,432

Revenue contribution from a single region is disclosed separately when it exceeds 20% of the group's revenue.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the group as at 30 September 2024 and 31 December 2023:

	Note	Group		Company	
		As at	As at	As at	As at
		30/9/2024	31/12/2023	30/9/2024	31/12/2023
		S\$'000	S\$'000	S\$'000	S\$'000
Financial assets					
Financial assets at fair value through profit or loss	10	10,630	17,171	-	-
Cash and bank balances and trade and other receivables (Amortised cost)		20,780	19,627	8,712	9,043
		31,410	36,798	8,712	9,043
Financial liabilities					
Trade and other payables and borrowings (Amortised cost)		2,961	4,871	1,292	1,853

6. Profit before taxation

6.1. Significant items	Group		Group	
	Quarter ended 30 September		9 months ended 30 September	
	Q3 2024	Q3 2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax is stated after (charging)/crediting the following items:				
Fair value (loss)/gain on unquoted investments	(4,465)	3	(6,388)	(16)
Foreign exchange (loss)/gain, net	(540)	61	(420)	28
Amortisation of intangible assets	(59)	(54)	(161)	(166)
Depreciation of plant and equipment	(74)	(83)	(226)	(287)
Depreciation of right-of-use assets	(84)	(82)	(245)	(248)

6.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

The group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group		Group	
	Quarter ended 30 September		9 months ended 30 September	
	Q3 2024	Q3 2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Components of tax expense recognised in profit and loss include:				
Current tax expenses	(113)	(55)	(233)	(126)
Overseas withholding tax expenses	(7)	(13)	(23)	(39)
Total income tax expenses	(120)	(68)	(256)	(165)

8. Dividends

	Group	
	9 months ended 30 September	
	2024	2023
	S\$'000	S\$'000
Ordinary dividends paid:		
Interim exempt 2023 dividend of 1.25 cents per share	-	(399)

9. Net asset value

	As at 30/9/2024	As at 31/12/2023	As at 30/9/2024	As at 31/12/2023
	Group cents	Group cents	Company cents	Company cents
Net asset value per ordinary share ⁽¹⁾	102.12	113.10	102.05	101.37

⁽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.

10. Other financial assets

Financial assets at fair value through profit or loss comprise the following:

	Group	
	As at	As at
	30/9/2024	31/12/2023
	S\$'000	S\$'000
Balance is made up of:		
Unquoted investments at fair value through profit or loss	10,630	17,171

10.1. Fair value measurement

The group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (Level 3)

For fair value measurements (Level 3) recognised in the statement of financial position, the group adopted the following valuation methodologies in estimating the fair values of the investments:

- Cost approach;
- Option Pricing Model; and
- Implied Enterprise Value

The group has the policy to regularly assess and evaluate the appropriate valuation methodologies in ascertaining the fair value of the investments.

The following table presented the assets measured at fair value:

	Level	Group	
		As at	As at
		30/9/2024	31/12/2023
		S\$'000	S\$'000
Enterprise application technology			
Unquoted convertible preference shares in Singapore	3	432	701
Unquoted convertible loan notes in Singapore	3	8,915	8,769
Unquoted convertible preference shares in Malaysia	3	-	129
Unquoted convertible preference shares in Indonesia	3	1,283	3,377
Marketplace technology			
Unquoted convertible loan notes in Vietnam	3	-	4,195
Total other financial assets		10,630	17,171

11. Intangible assets

	Group			
	Deferred development costs	Intellectual property	Goodwill	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2023				
Cost	8,875	17	9,209	18,101
Accumulated amortisation and impairment	(8,074)	(17)	(7,114)	(15,205)
Net book amount	801	-	2,095	2,896
9 months ended 30 September 2024				
Opening net book amount	801	-	2,095	2,896
Additions	336	-	-	336
Amortisation charge	(161)	-	-	(161)
Foreign exchange adjustments	68	-	161	229
Closing net book amount	1,044	-	2,256	3,300
At 30 September 2024				
Cost	9,899	17	9,915	19,831
Accumulated amortisation and impairment	(8,855)	(17)	(7,659)	(16,531)
Net book amount	1,044	-	2,256	3,300

11.1 Deferred development costs

Deferred development costs mainly comprise staff costs, operating expenses and depreciation expenses for the development of the group's proprietary software and these have an average remaining amortisation period of 2 years (2023: 2 years).

11.2 Intellectual property

Intellectual property comprises rights and titles relating to mobile software.

11.3 Goodwill

Goodwill acquired through business combination has been allocated to its subsidiaries, Unified Communications Pte Ltd, Postpay Asia Sdn Bhd, Postpay Sdn Bhd, Postpay Technology Sdn Bhd, Adzentrum Sdn Bhd, Unified Communications (Private) Limited and Ahead Mobile Sdn Bhd for the purpose of impairment testing. The carrying amount is disclosed above.

An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit ("CGU") exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal or its value-in-use. The recoverable amount of the CGU has been measured based on the value-in-use method.

The value-in-use was determined by management using discounted cash flows to be generated from the continuing use of the CGU. Value in use as at 30 September 2024 was determined similarly to the 31 December 2023 goodwill impairment test, and was based on the following key assumptions:

Unobservable inputs	As at	As at
	30/9/2024	31/12/2023
Estimated discount rates that reflect current market assessments at the risks specific to the CGU	14.68%	14.68%
Growth rates based on management estimate forecasts and not exceeding the average long-term growth rate for the relevant markets	2%	2%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management	5 Years	5 Years

The value-in-use is a recurring fair value measurement (Level 3).

12. Plant and equipment

	Group			
	Computers, telecommunications, research and development equipment	Office equipment, furniture, motor vehicle and renovation	Right-of-use assets	Total
	S\$'000	S\$'000	S\$'000	S\$'000
At 31 December 2023				
Cost	8,569	181	1,161	9,911
Accumulated amortisation and impairment	(8,062)	(136)	(514)	(8,712)
Net book amount	507	45	647	1,199
9 months ended 30 September 2024				
Opening net book amount	507	45	647	1,199
Additions	135	19	-	154
Depreciation charge	(190)	(36)	(245)	(471)
Foreign exchange adjustments	22	2	32	56
Closing net book amount	474	30	434	938
At 30 September 2024				
Cost	9,097	241	1,234	10,572
Accumulated depreciation and impairment	(8,623)	(211)	(800)	(9,634)
Net book amount	474	30	434	938

During the financial period ended 30 September 2024, the group acquired assets amounting to S\$154,000 (31 December 2023: S\$192,000). There are no material capital commitments at 30 September 2024.

13. Investment property

The group's investment property represents a commercial property, held for long-term rental yield and/or capital appreciation and is not substantially occupied by the group.

	Group	
	As at 30/9/2024	As at 31/12/2023
	S\$'000	S\$'000
Cost		
Beginning of financial year	2,277	2,415
Currency translation differences	175	(138)
End of financial period/year	2,452	2,277
Fair value loss movement		
Beginning of financial year	382	405
Currency translation differences	29	(23)
End of financial period/year	411	382
Net book value	2,041	1,895

13.1 Valuation

The fair value of the investment property was measured at the end of every year based on the highest and best use method to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a valuation made by an external, independent and qualified professional valuer. There has been no change to the valuation technique during the period/year.

For fair value measurements categorised within Level 3 of the fair value hierarchy, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs	Price per square foot. S\$234
Sensitivity on management's estimates – 10% variation from estimate	Impact – lower by S\$189,000; higher by S\$189,000

14. Borrowings

	Group	
	As at	As at
	30/9/2024	31/12/2023
	S\$'000	S\$'000
Amount repayable within one year or on demand		
Secured	-	846
Unsecured	-	-

Details of any collateral

The company has issued financial guarantees to the financial institutions for the following facilities granted to the group's subsidiary:-

- 1) A facility with outstanding amount of Nil (2023: S\$846,000), that is secured by fixed deposits of the subsidiary amounting to approximately S\$2,145,000 (2023: S\$1,987,000) and covered by a personal guarantee of a director of the subsidiary, and corporate guarantee of the company of S\$1,917,000 (2023: S\$1,781,000).

As at the end of the financial period/year, the outstanding facilities covered by the guarantee were Nil (2023: S\$846,000).

The fair value of these guarantees at 30 September 2024 was insignificant.

15. Share Capital

	30/9/2024		31/12/2023	
	Number of shares	Amount	Number of shares	Amount
	000	S\$'000	000	S\$'000
Group and Company				
Ordinary shares of no par value:				
Balance at beginning and end of the period/year	31,957	31,948	31,957	31,948

The company did not hold any treasury shares as at 30 September 2024.

The company's subsidiaries do not hold any shares in the company as at 30 September 2024 and 31 December 2023.

16. Expected credit loss allowance on receivables

There has been no change to the expected credit losses approach and assumptions as compared to previous financial year. As at 30 September 2024, no significant loss allowance was provided for the reporting period.

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Captii Limited and its subsidiaries as at 30 September 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the financial period ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the group

2.1 Review of performance of the group for the third quarter ended 30 September 2024 as compared to corresponding quarter ended 30 September 2023

Group revenue

The group achieved consolidated revenue of S\$4.839 million for the quarter ended 30 September 2024 ("Q3 2024"), an increase of 39.6% against the revenue recorded in the corresponding quarter ended 30 September 2023 ("Q3 2023"). The increase in group revenue for Q3 2024 is attributable to higher revenue recorded by both GlobeOSS and Unifiedcomms.

GlobeOSS posted revenue of S\$2.116 million in Q3 2024, an increase of 175.2% from the S\$0.769 million recorded in Q3 2023. This improvement in revenue was mainly driven by higher revenue from system sale and managed service contracts.

Unifiedcomms posted revenue of S\$2.723 million in Q3 2024, a slight increase of 1% from the S\$2.696 million recorded in Q3 2023. This improvement in revenue was mainly driven by higher revenue from system sale.

The group's sales mix in Q3 2024 showed a decrease in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 61.1% of the group's total revenue in Q3 2024 as compared to 87.9% in Q3 2023. The lower contribution of managed service contracts to the group's sales mix in Q3 2024 was mainly attributable to a 352.1% improvement in system sale contract revenues of GlobeOSS and Unifiedcomms from S\$0.417 million in Q3 2023 to S\$1.885 million in Q3 2024.

Group gross profit and gross profit margins

The group posted a gross profit of S\$2.879 million in Q3 2024, an increase of 76.9% from the S\$1.627 million recorded in Q3 2023. The improvement in group gross profit for Q3 2024 is due to the flow-down effect of higher group revenue. In addition, gross profit margin was higher at 59.5% as compared to 47% in Q3 2023.

The increase in group gross profit margin is mainly attributable to the higher gross profit margin on system sale contract revenues of 77.3% in Q3 2024, versus the 68.3% recorded in Q3 2023. This improvement in system sale contract gross profit margin is attributable to a higher GlobeOSS system sale contracts gross profit margin in Q3 2024, contributed by lower third-party component costs incurred in the current quarter.

Gross profit margin recorded by the group on its managed service contract revenues also increased to 48.1% in Q3 2024 from 44% in Q3 2023. This improvement in managed service contract gross profit margin is attributable to the lower revenue contribution of certain lower-margin managed service contracts.

Interest income

The group recorded interest income of S\$0.021 million in Q3 2024, slightly lower than the S\$0.03 million recorded in Q3 2023.

Other gains and other item of expense

The group recorded net total expenses of S\$7.131 million in Q3 2024, 260.3% higher than the S\$1.979 million incurred in Q3 2023. This is mainly attributable to:-

- * Higher fair value loss of S\$4.465 million assessed on the group's venture investment portfolio in Q3 2024 as compared to fair value gain of S\$0.003 million recorded in Q3 2023; and
- * Higher net foreign exchange loss as a result of an unfavourable exchange rate movement of MYR and USD against SGD, the group's reporting currency.

Net loss and LBITDA

The group recorded a net loss of S\$4.351 million and LBITDA of S\$4.029 million in Q3 2024 as compared to S\$0.39 million in net loss and S\$0.128 million in LBITDA in Q3 2023. The higher net loss and LBITDA is mainly attributable to higher net total expenses, though partly mitigated by higher revenue and gross profit margin.

2. Review of performance of the group (continued)

2.1 Review of performance of the group for the third quarter ended 30 September 2024 as compared to corresponding quarter ended 30 September 2023 (continued)

Detailed segmental breakdown of group revenue and gross profit

The detailed segmental breakdown of the group's revenue and gross profit for Q3 2024, together with comparative results for Q3 2023 is provided below:

Table 2.1: Group consolidated revenue as analysed by business unit for the quarter ended 30 September

	Q3 2024 S\$'000	Sales mix %	Q3 2023 S\$'000	Sales mix %
Unifiedcomms	2,723	56.3	2,696	77.8
GlobeOSS	2,116	43.7	769	22.2
Captii Ventures	-	-	-	-
Others	-	-	-	-
Total	4,839	100.0	3,465	100.0

Table 2.2: Group consolidated revenue as analysed by contract type for the quarter ended 30 September

External Sales	Q3 2024			Q3 2023		
	System Sale (1)	Managed Service (2)	Group	System Sale (1)	Managed Service (2)	Group
Revenue	1,885	2,954	4,839	417	3,048	3,465
Gross Profit	1,458	1,421	2,879	285	1,342	1,627
Gross Profit (%)	77.3%	48.1%	59.5%	68.3%	44.0%	47.0%

Table 2.3: Group net total expenses for the quarter ended 30 September

	Group	
	Q3 2024 S\$'000	Q3 2023 S\$'000
Other gains	(102)	53
Technical support expenses	(1,184)	(1,130)
Distribution costs	(424)	(396)
Administrative expenses	(528)	(535)
Other losses	(4,887)	34
Finance cost	(6)	(5)
Net total expenses	(7,131)	(1,979)

2. Review of performance of the group

2.2 Review of performance of the group for the nine months ended 30 September 2024 as compared to corresponding financial period ended 30 September 2023

Group revenue

The group recorded consolidated revenue of S\$11.383 million for the nine months ended 30 September 2024 ("9M 2024"), a 16.6% decrease against the revenue recorded in the corresponding period ended 30 September 2023 ("9M 2023"). The decline in group revenue for 9M 2024 is attributable to lower revenue recorded by both GlobeOSS and Unifiedcomms.

GlobeOSS recorded revenue of S\$3.774 million in 9M 2024, a decrease of 18.3% from the S\$4.619 million recorded in 9M 2023. This decrease in revenue was due to lower system sale contract revenues.

Unifiedcomms recorded revenue of S\$7.609 million in 9M 2024, a decrease of 15.8% from the S\$9.034 million recorded in 9M 2023. This decrease in revenue was due to lower managed service contract revenues.

The group's sales mix in 9M 2024 showed an increase in the proportionate contribution of revenue of a recurring nature, with revenue from managed service contracts representing 76.1% of the group's total revenue in 9M 2024 as compared to 72.3% in 9M 2023. The higher contribution of managed service contracts to the group's sales mix in 9M 2024 was mainly attributable to a 28.1% drop in system sale contract revenues of GlobeOSS from S\$3.787 million in 9M 2023 to S\$2.723 million in 9M 2024.

Gross profit and gross profit margins

Although group revenue was lower in 9M 2024, gross profit was higher at S\$6.114 million as compared to S\$6.046 million recorded in 9M 2023. This is attributable to the higher gross profit margin of 53.7% in 9M 2024 against 44.3% in 9M 2023, which was driven by the improvement in gross profit margin on system sale contract revenues and managed service contract revenues.

Gross profit margin recorded by the group on its system sale contract revenues increased to 80% in 9M 2024 from 45.2% in 9M 2023. This improvement in system sale contract gross profit margin is attributable to a higher proportionate contribution of system sale contract revenues by Unifiedcomms, which generally yields a higher gross profit margin as a result of its typically minimum third party costs. In addition, GlobeOSS system sale contracts delivered a higher gross profit margin in 9M 2024, with lower third-party component costs incurred in the current period.

Gross profit margin recorded by the group on its managed service contract revenues also increased to 45.4% in 9M 2024 from 43.9% in 9M 2023. This improvement in managed service contract gross profit margin is attributable to the lower revenue contribution of certain lower-margin managed service contracts.

Interest income

The group recorded interest income of S\$0.066 million in 9M 2024, slightly lower than the S\$0.094 million recorded in 9M 2023.

Other gains and other item of expense

The group recorded net total expenses of S\$13.139 million in 9M 2024, 116.6% higher than the S\$6.066 million incurred in 9M 2023. This is mainly attributable to:-

- * Higher fair value loss of S\$6.388 million assessed on the group's venture investment portfolio in 9M 2024 as compared to fair value loss of S\$0.016 million recorded in 9M 2023;
- * Higher net foreign exchange loss as a result of an unfavourable exchange rate movement of MYR against SGD, the group's reporting currency; and
- * Higher technical support expenses, due to an increase in headcount at both GlobeOSS and Unifiedcomms.

Net loss and (LBITDA)/EBITDA

The group recorded a net loss of S\$7.215 million and LBITDA of S\$6.352 million in 9M 2024 as compared to S\$0.091 million in net loss and S\$0.715 million in EBITDA in 9M 2023. The higher net loss and LBITDA results recorded in 9M 2024 are mainly attributable to the flow-down effects of lower revenue and higher net total expenses, though partly mitigated by higher gross profit margin.

2. Review of performance of the group (continued)

2.2 Review of performance of the group for the nine months ended 30 September 2024 as compared to corresponding financial period ended 30 September 2023 (continued)

Detailed segmental breakdown of group revenue and gross profit

The detailed segmental breakdown of the group's revenue and gross profit for 9M 2024, together with comparative results for 9M 2023 is provided below:

Table 2.4: Group revenue as analysed by business unit for the nine months ended 30 September

	2024 S\$'000	Sales mix %	2023 S\$'000	Sales mix %
Unifiedcomms	7,609	66.8	9,034	66.2
GlobeOSS	3,774	33.2	4,619	33.8
Captii Ventures	-	-	-	-
Others	-	-	-	-
Total	11,383	100.0	13,653	100.0

Table 2.5: Group revenue as analysed by contract type for the nine months ended 30 September

External sales	2024			2023		
	System sale (1)	Managed service (2)	Group	System sale (1)	Managed service (2)	Group
Revenue	2,723	8,660	11,383	3,787	9,866	13,653
Gross profit	2,179	3,935	6,114	1,712	4,334	6,046
Gross profit (%)	80.0%	45.4%	53.7%	45.2%	43.9%	44.3%

Table 2.6: Group net total expenses for the nine months ended 30 September

	Group	
	2024 S\$'000	2023 S\$'000
Other gains	27	188
Technical support expenses	(3,556)	(3,379)
Distribution costs	(1,195)	(1,202)
Administrative expenses	(1,559)	(1,618)
Other losses	(6,815)	(21)
Finance cost	(41)	(34)
Net total expenses	(13,139)	(6,066)

2. Review of performance of the group (continued)

2.3 Review of the group's financial position as at 30 September 2024 as compared to the group's financial position as at 31 December 2023

Non-cash current assets of the group decreased from S\$13.295 million as at 31 December 2023 to S\$13.048 million as at 30 September 2024. This 1.9% decrease in non-cash current assets was mainly due to a decrease in other non-financial assets, which comprised the contract assets and costs related to those uncompleted revenue projects. The reduction of such assets is attributable to the decrease in revenue.

Total non-current assets of the group decreased from S\$23.815 million as at 31 December 2023 to S\$17.596 million as at 30 September 2024. This decrease of 26.1% in non-current assets is attributable to a decrease in venture investments of the group, following a reduction in fair value of S\$6.388 million in the group's venture investment portfolio recorded as other financial assets and disposal of one venture investment in the reporting period.

Total liabilities of the group decreased from S\$5.407 million as at 31 December 2023 to S\$3.655 million as at 30 September 2024. This 32.4% decrease in total liabilities is attributable to the decrease in trade and other payables following repayments made in the reporting period.

2.4 Review of the group's cash flow for the quarter and nine months ended 30 September 2024 as compared to the corresponding quarter ended 30 September 2023

The group's net cash flow from operations for Q3 2024 was S\$0.86 million, as compared to S\$0.327 million for Q3 2023, an increase of 162.9%. This significant increase was primarily due to a profit before income tax (excluding fair value effect on unquoted investments) of S\$0.234 million, in contrast with a loss before income tax (excluding fair value effect on unquoted investments) of S\$0.325 million for Q3 2023.

The group's net cash flow from operations for 9M 2024 was S\$0.339 million, as compared to S\$1.396 million for 9M 2023, a decrease of 75.7%. This decrease was primarily due to a loss before income tax of S\$6.959 million for 9M 2024, in contrast with a profit before income tax of S\$0.074 million for 9M 2023.

The group's net cash flow used in investing activities for Q3 2024 was S\$0.458 million, in contrast with the net cashflow from investing activities of S\$0.048 million recorded in Q3 2023. This was primarily due to higher investment in intangible assets and the absence of proceed from disposal of a venture investment.

The group's net cash flow used in investing activities for 9M 2024 was S\$0.243 million, flat against what was recorded in 9M 2023.

The group's net cash flow used in financing activities for Q3 2024 and 9M 2024 amounted to S\$0.182 million and S\$1.231 million respectively, as compared to S\$0.789 million and S\$1.866 million for Q3 2023 and 9M 2023 respectively. The lower net cash used in financing activities was mainly due to the absence of dividend payout to equity holders and absence of dividend payout by a subsidiary to Non-Controlling Interest.

3. 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.

4. 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 outlook of Unifiedcomms and GlobeOSS has been challenging, especially within the telecommunication industry, where the impact of the diminished performance of certain major managed service contracts, followed by intensified pricing pressure and delays in securing new opportunities, are adversely affecting the business of Unifiedcomms and GlobeOSS, resulting in a lower-than-expected performance in the financial period under review. On the business front, both Unifiedcomms and GlobeOSS contracts in-hand continue to be progressed, and management of the group are hopeful that new projects and initiatives requiring our products and services will continue to be pursued by customers. The possibility remains however, that larger system sale contracts and certain managed service contracts that have yet to be committed in the financial year under review, may be further deferred, or even abandoned entirely if industry conditions worsen or do not improve significantly enough.

At Captii Ventures, the group's venture investment business, the climate for business development and funding continues to be challenging for start-ups in certain industries, resulting in a fair value loss of S\$4.465 million in the Captii Ventures investment portfolio for the current quarter, and a cumulative loss of S\$6.388 million for the nine month period under review.

Against this negative industry backdrop for the future, the group remains optimistic and will continue to work closely with customers and investees, to minimise the negative impact on group financial performance.

5. Dividend information**5a. Current financial period reported on**

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

5b. Corresponding period of the immediate preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

5c. Date payable

Not applicable.

5d. Books closure date

Not applicable.

6. Interested person transactions

Name of the interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period 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	
		2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Temasya House Sdn Bhd	A subsidiary of Advance Synergy Realty Sdn. Bhd. (a subsidiary of Advance Synergy Berhad, the group's ultimate holding corporation)	147	150	Nil	Nil

The group does not require any shareholders' mandate pursuant to Rule 920 of the Listing Manual of SGX-ST.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

Confirmation by the board

On behalf of the board of directors of the company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the board of directors of the company which may render the financial statements for the financial period ended 30 September 2024 to be false or misleading in any material aspect.

On behalf of the board of directors

Wong Tze Leng
Executive Chairman

Anton Syazi Ahmad Sebi
Executive Director

Singapore
7 November 2024