First Quarter Financial Statement And Dividend Announcement for the Period ended 31st March 2014 (Unaudited)*

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year:

	Quarter Ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Turnover (Note 1)	85,595	115,610	-26.0%
Cost of goods sold and direct service fees incurred (Note 2)	(79,319)	(109,100)	-27.3%
Commissions and other selling expenses (Note 3)	(478)	(1,664)	-71.3%
Gross margin	**5,798**	**4,846**	**19.6%**
Other income - operating (Note 4)	667	426	56.5%
Operating expenses (Note 5)	(8,715)	(8,990)	-3.1%
EBITDA - Operating- from continuing operations	**(2,250)**	**(3,718)**	**-39.5%**
Other income - non operating (Note 13)	-	7,870	**-100.0%**
Other expenses - non operating (Note 15)	-	(326)	-100.0%
Interest income from deposits and investment securities (Note 16)	143	117	22.6%
Finance costs (Note 17)	(306)	(635)	-51.8%
Depreciation of property, plant and equipment (Note 18)	(461)	(784)	-41.2%
Amortisation of intangible assets	(1,060)	(990)	7.1%
(Loss)/profit before taxation (Note 19)	**(3,934)**	**1,534**	**-356.4%**
Taxation (Note 20)	36	(22)	-263.6%
(Loss)/profit for the period from continuing operations	**(3,898)**	**1,512**	**-357.8%**
Operation related to disposal group classified as held for sale			
Loss for the period from discontinued operations, net of tax (Note 21)	-	(104)	-100.0%
Net (loss)/profit for the period	**(3,898)**	**1,408**	**-376.8%**
(Loss)/profit attributable to:			
Owners of the parent	(3,868)	1,440	-368.6%
Non-controlling interest (Note 22)	(30)	(32)	-6.3%
Total	**(3,898)**	**1,408**	**-376.8%**

*Starting FY 2014, presentation format has been changed: 1) Operating segments have been redefined to facilitate better understanding of current businesses 2) Segment turnover has been shown separately 3) Gross margin and Operating EBITDA has been shown separately . Accordingly, certain prior period figures have been rearranged/reclassified to conform with current year's presentation and improve overall readability of the results.

Note 1

Turnover

	Quarter Ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Distribution of operator products and services	67,451	81,251	-17.0%
ICT distribution and managed services	8,623	13,819	-37.6%
Mobile devices distribution & retail	9,521	20,540	-53.6%
Total *(Note 2)*	**85,595**	**115,610**	**-26.0%**

Note 2

Distribution of Operator products and services in Indonesia grew in local currency terms , but depreciation of local IDR vs US Dollar starting second half of 2013, led to significant translation differences against results of corresponding period for the quarter ended 31st March 2013 ("Q3 2013"). Demand and margins of Mobile devices and products in major market of Indonesia has also been affected due to increased inflation, reduced GDP and consequent tighter liquidity. In addition, lower revenue was generated for the quarter ended 31st march 2014 ("Q1 2014") mainly due to an industry change noticed in mobile device business on account of changing of consumer preferences from feature phones to smart phones portfolio. This change of portfolio resulted in lower revenue as the company is in process of ramp up to cater to a new dealer ecosystem, product portfolio, training of stakeholders and implementation. Accordingly, there has been reduction in direct services fee incurred and cost of goods sold. Despite reduction in turnover, due to shift in product mix , Gross margin for the quarter shows improvement from previous year.

Note 3

The decrease in commissions and other selling expenses was mainly due to decrease in ICT distribution and managed services and sale of mobile devices.

Note 4

Other income - operating mainly included performance incentive from principals, management support services fee, government subsidy and write back of certain accruals no longer required. The increase in Q1 2014 was mainly on account of write back of certain accruals no longer required.

Note 5

The operating expenses during Q1 2014 given below showed significant reduction over Q3 2013. However, Q3 2013 had recorded write back of US$ 2.3 million in respect of allowance for stock obsolescense.

	Quarter Ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Personnel costs (Note 6)	(4,266)	(6,615)	-35.5%
Infrastructure costs (Note 7)	(1,279)	(2,550)	-49.8%
Marketing expenses (Note 8)	(200)	(962)	-79.2%
Other expenses - operating (Note 9)	(2,970)	1,137	-361.2%
Total operating overheads	**(8,715)**	**(8,990)**	**-3.1%**

Note 6

The decrease in personnel costs in Q1 2014 was mainly due to lower headcount.

Note 7

The reduction in infrastructure costs in Q1 2014 was mainly due to rationalisation of infrastructure requirements. Included in Q3 2013 was one-time charge of US$1.1 million by Affinity group, for vacating certain shops/ offices no more in use.

Note 8

As the company prepares for the launch of new products to meet the demand for the shift in consumer preferences, the marketing expenses were lower than in corresponding quarter.

Note 9

Other expenses- operating include the following:

	Quarter ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Bank charges	(30)	(69)	-56.5%
Collection service fees	(86)	(205)	-58.0%
Equipment maintenance	(75)	(106)	-29.2%
Equipment rental	(65)	(51)	27.5%
Foreign exchange gain/ (loss) (Note 10)	124	988	-87.4%
Freight and postage charges	(21)	(15)	40.0%
Printing & stationery	(50)	(55)	-9.1%
Professional fees (Note 11)	(691)	(557)	24.1%
(Provision)/write back of allowance for doubtful trade debts	102	390	-73.8%
(Provision)/write back of allowance for stock obsolescence (Note 12)	(1,300)	2,368	-154.9%
Telecommunication expenses	(171)	(259)	-34.0%
Travelling & entertainment expenses	(402)	(748)	-46.3%
Write off of stock	(8)	-	-
Write off of trade debts	(22)	7	-414.3%
Others	(275)	(551)	-50.1%
Total other expenses - operating	**(2,970)**	**1,137**	**-361.2%**

Note 10

The foreign exchange movement recognised in Q1 2014 was mainly due to unrealised and realised foreign exchange gain/ loss incurred on fluctuation of USD against SGD, MYR, THB, IDR and INR.

Note 11

The increase in professional fees was mainly due to costs incurred with respect to special audit procedures undertaken consequent to empahsis of matters reported by auditors in respect of accounts for the year ended 31st December 2013 (For details, please refer to announcement dated 25th March 2014) and also expenses incurred for a litigation matter which is now settled.

Note 12

The allownace for stock obsolescence in Q1 2014 was mainly due to recognition of new provisions on slow moving stocks of mobile devices. Corresponding quarter Q3 2013 had write back of provisions consequent to clearance of mobile devices.

Note 13

Other income- non operating

	Quarter ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Gain on disposal of subsidiaries (Note 14)	-	7,870	100.0%
Total other income - non operating	**-**	**7,870**	**-100.0%**

Note 14

As disclosed previously, gain on disposal of subsidiary during FY 2013 arose mainly due to sale of one of its subsidiaries Spice BPO Services Limited ("SBPO") on 24 January 2013. (Please refer to announcement 00033 dated 24th January 2013.)

Note 15

Other expenses- non operating include the following:

	Quarter ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Fair value gain/ (loss) on investment securities	-	(300)	-100.0%
Gain/ (loss) on disposal of property, plant and equipment	1	(6)	-116.7%
(Impairment)/ write back of property, plant and equipment	-	(92)	-100.0%
Others	(1)	72	-101.4%
Total other expenses - non operating	**-**	**(326)**	**-100.0%**

Note 16

The increase in interest income during Q1 2014 was mainly on account of Interest accrual starting from 30th April 2013 on 7 years term loan that came with certain warrants. The loan is fully repayable on 30th April 2015 and was interest free for first 5 years. Fair value assessment is carried out at the end of each financial period. The amount is shown as part of investment securities in statement of financial position. The increase in interest income had been partially offset by reduction in interest from deposits with banks.

Note 17

The reduction in finance cost during Q1 2014 was mainly on account of reduced loans and bank borrowings by Affinity group.

Note 18

The reduction in depreciation during Q1 2014 against corresponding quarter Q3 2013 was mainly on account of Cavu group, where certain assets had since been fully depreciated/impaired up to 31st December 2013.

Note 19

The profit before taxation of US$ 1.5 million during Q3 2013 was mainly on account of disposal of a subsidiary (SBPO) of the group, as explained in Note 14. Excluding this one time gain of US$ 7.8 million, the loss during Q3 2013 would have been US$ 6.3 million as against the loss of US$ 3.9 million in the current quarter Q1 2014.

Note 20

The movement in taxation for Q1 2014 was mainly due to lower provision for taxes in Bharat IT. There is no change in reversal of deferred tax liabilities, consequent to amortisation of intangible assets recognised as part of acquisitions in earlier years.

Note 21
Spice BPO Services Limited ("SBPO")

In Q2 2013, the Group had decided to dispose of its investment in Spice BPO Services Limited (“SBPO”) for a consideration of US$1. The disposal of SBPO was subsequently completed on 24th January 2013. (Please refer to annoucement 00033 dated 24th January 2013.)

The results of Spice BPO for the period ended 31st March are as follows:

	1/01/2013 - 24/01/2013
	US$'000
Turnover	**20**
Other income	4
Personnel costs	(22)
Infrastructure costs	(11)
Depreciation of property, plant and equipment	(2)
Finance	(1)
Other expenses	(92)
Loss before taxation	**(104)**
Taxation	-
Loss for the period from discontinued operations, net of tax	**(104)**

The major classes of assets and liabilities of SBPO as at 24th January 2013, gain on its disposal and net cash outflow are as follows:

	24/01/2013
	US$'000
Property, plant and equipment	302
Intangible assets	1
Trade debtors, current	590
Other debtors and deposits, current	978
Cash and cash equivalents	902
Tax recoverable	112
Trade creditors	(648)
Other creditors and accruals, current	(859)
Loans and borrowings	(8,781)
Hire Purchase	(24)
Translation reserve	(443)
Net assets attributable to owners of the parent	**(7,870)**
Gain on disposal of a subsidiary	7,870
Less: Cash and cash equivalents	(902)
Net cash	**(902)**

Note 22
Movement in loss attributable to Non controlling interest during Q1 2014 had been mainly on account of sale of 21% stake in one of the subsidiaries of Affinity group. (please refer to announcement no. 00107 dated 8 January 2014). Correspondingly, the loss attributable to owners of the parent has gone down. In addition, it has also affected the movement in non-controlling interest in statement of financial position. The company continues to consolidate subsidiary’s accounts, as part of its results.

A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Quarter ended 31 Mar		%
	2014	2013	
	US$'000	US$'000	Change
Profit/ (loss) for the period	**(3,898)**	**1,408**	**N.M.**
Other comprehensive income:			
Items that may be reclassifed subsequently to profit and loss:			
Foreign currency translation (Note 23)	1,057	(2,208)	N.M.
Net gain/ (loss) on available-for-sale financial assets	10	5	N.M.
Other comprehensive (loss)/ income for the period	**1,067**	**(2,203)**	**N.M.**
Total comprehensive loss for the period	**(2,831)**	**(795)**	**256.1%**
Total comprehensive (loss)/ income attributable to:			
Owners of the parent	(2,797)	(763)	266.6%
Non-controlling interest	(34)	(32)	6.3%
Total	**(2,831)**	**(795)**	**256.1%**

N.M. - Not Meaningful

Note 23
The movement in foreign currency translation was mainly due to movement of SGD, MYR, THB, INR and IDR against USD in Q3 2013.

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.

	Group		Company	
	31 Mar 14	**31 Dec 13**	**31 Mar 14**	**31 Dec 13**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Share capital	410,663	410,663	410,663	410,663
Accumulated losses	(320,585)	(316,768)	(328,091)	(327,642)
Other reserves	(3,540)	(3,550)	(6,710)	(6,720)
Translation reserve (Note 23)	852	(209)	37	33
Equity attributable to the owners of the parent	**87,390**	**90,136**	**75,899**	**76,334**
Non-controlling interest (Note 22)	(2)	83	-	-
Total Equity	**87,388**	**90,219**	**75,899**	**76,334**
Property, plant and equipment (Note 24)	**5,989**	**5,984**	**390**	**394**
Intangible assets (Note 25)	**39,866**	**40,745**	**535**	**501**
Investments in subsidiaries	**-**	**-**	**38,946**	**38,946**
Investment securities	**2,773**	**2,747**	**2,773**	**2,747**
Long-term loans and advances to subsidiaries	**-**	**-**	**24,079**	**20,127**
Deferred tax assets	**74**	**61**	**-**	**-**
Trade debtors, non-current	**216**	**215**	**-**	**-**
Tax recoverable, non-current (Note 26)	**4,169**	**3,782**	**-**	**-**
Other debtors and deposits, non-current	**68**	**64**	**-**	**-**
Current assets	**78,025**	**85,140**	**26,700**	**29,561**
Stocks (Note 27)	18,739	20,992	122	195
Trade debtors, current (Note 28)	17,065	24,458	922	843
Other debtors and deposits, current	5,408	5,666	1,006	810
Prepayments	3,831	4,078	563	381
Due from subsidiaries	-	-	5,787	10,657
Cash and bank deposits pledged	5,471	6,424	3,023	3,448
Cash and cash equivalents	26,735	22,633	15,277	13,227
Tax recoverable, current (Note 26)	776	889	-	-
Current liabilities	**36,970**	**41,520**	**17,371**	**15,789**
Trade creditors (Note 29)	9,526	11,416	2,227	1,683
Other creditors and accruals (Note 30)	13,237	11,669	3,335	2,705
Deferred revenue (Note 31)	1,560	1,174	224	293
Lease obligations, current (Note 32)	1,976	2,470	15	21
Loans and bank borrowings (Note 33)	9,643	13,609	-	-
Due to subsidiaries	-	-	11,570	11,087
Due to associates	-	-	-	-
Tax payable	1,028	1,182	-	-
Net current assets	**41,055**	**43,620**	**9,329**	**13,772**
Non-current liabilities	**6,822**	**6,999**	**153**	**153**
Deferred tax liabilities	5,619	5,836	-	-
Provision for employee benefits	758	714	-	-
Lease obligations, non-current (Note 32)	246	251	153	153
Loans and bank borrowings, non-current (Note 33)	199	198	-	-
Net Assets	**87,388**	**90,219**	**75,899**	**76,334**

Note 24
The increase in property, plant and equipment was mainly due to currency translation effects and addition of US$ 0.15 million during Q1 2014. Increase was offset by depreciation of US$0.5 million recognised in Q1 2014.

Note 25
The decrease in intangible assets was mainly due to the amortisation of US$1.0 million in Q1 2014.

Note 26
The increase in tax recoverable was mainly on account of advance tax deposited by Bharat IT.

Note 27
The decrease in Stocks of US$2.2 million was mainly due to stock reduction in Operator products and services and Mobile devices. In addition, provision of US$1.3 million has been recognised primarily with respect to certain slow moving mobile devices.

Note 28
The decrease in trade receivables was mainly due to decline in revenue.

Note 29
The decrease in trade creditors was mainly due to lower purchases made during the quarter, resulting also from decrease in revenue.

Note 30
The increase in other creditors and accruals was mainly due to certain payments made after the end of quarter.

Note 31
The increase in deferred revenue is mainly in case of Cavu Group.

Note 32
The decrease in lease obligations is mainly on account of repayment of scheduled instalments by Cavu group.

Note 33
The decrease in loans and borrowings was mainly on account of repayments and utilisation of credit facilities with the banks, corresponding to the level of operations.

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

Amount repayable in one year or less, or on demand

As at 31/3/2014		As at 31/12/2013	
Secured (US$'000)	Unsecured (US$'000)	Secured (US$'000)	Unsecured (US$'000)
10,591	**1,028**	**13,204**	**2,875**

Amount repayable after one year

246	**199**	**251**	**198**

Details of any collateral

a) Subsidiaries' current assets of US$23.7 million (31/12/2013: US$25.3 million) and property, plant and equipment with carrying amount of US$1.6 million (31/12/2013: US$1.5 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.

b) Corporate guarantees of US$7.4 million (31/12/2013 : US$7.3 million) were given by the Company to enable a subsidiary to obtain credit facility from suppliers.

c) Corporate guarantees of US$4.6 million (31/12/2013 : US$4.6 million) were given by a subsidiary to enable its subsidiaries to obtain credit facility from various suppliers.

d) Corporate guarantees of US$2.4 million (31/12/2013 : US$2.4 million) were given by a subsidiary to enable its subsidiaries to obtain banking facilities.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Quarter ended 31 Mar	
	31 Mar 14	**31 Mar 13**
	US$'000	**US$'000**
Cash flows from operating activities		
Profit/ (loss) before taxation from continuing operations	**(3,934)**	**1,534**
Loss before taxation from discontinued operations (Note 1(a) 21)	-	(104)
Total profit/ (loss) before taxation	**(3,934)**	**1,430**
Adjustments for:		
Depreciation and amortisation	1,521	1,775
Provision/ write-back of allowance/ write off of doubtful trade debts	(80)	(397)
Provision/ write-back of allowance/ write off of stock obsolescence	1,308	(2,368)
Gain on disposal of a subsidiary	-	(7,870)
Interest income from bonds, deposits and investment securities	(143)	(122)
Finance cost	306	637
Translation differences	615	(1,073)
Other items	43	734
Operating loss before working capital changes	**(364)**	**(7,254)**
Changes in working capital	8,851	14,251
Cash generated from/ (used in) operating activities	**8,487**	**6,997**
Interest paid	(306)	(637)
Tax paid	(357)	(220)
Net cash generated from/ (used in) operating activities	**7,824**	**6,140**
Cash flows from investing activities		
Interest income received from bonds, deposits and investment securities	47	188
Disposal of subsidiary Spice BPO, net of cash disposed	-	(902)
Proceeds from disposal of intangible assets	-	30
Proceeds from disposal of property, plant and equipment	8	350
Purchase of property, plant and equipment	(150)	(181)
Additions to intangible assets	(111)	(91)
Net cash (used in)/ generated from investing activities	**(206)**	**(606)**
Cash flows from financing activities		
Decrease/ (increase) in cash and bank deposits pledged	953	1,519
Repayment of loans	(3,671)	(24,944)
(Repayment of)/ proceeds from bank borrowings	(298)	(25)
(Repayment of)/ proceeds from obligations under finance leases	(500)	(133)
Net cash used in financing activities	**(3,516)**	**(23,583)**
Net increase/(decrease) in cash and cash equivalents	**4,102**	**(18,049)**
Cash and cash equivalents at beginning of the period	22,633	56,619
Cash and cash equivalents at end of the period	**26,735**	**38,570**

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Equity attributable to the owner of the parent						
	Share capital US$'000	**Accumulated losses US$'000**	**Other reserves US$'000**	**Translation reserve US$'000**	**Total US$'000**	**Non-controlling interest US$'000**	**Total Equity US$'000**
The Group							
Balance as at 1 January 2014	**410,663**	**(316,768)**	**(3,550)**	**(209)**	**90,136**	**83**	**90,219**
Total comprehensive income/ (loss) for the period	-	(3,868)	10	1,061	**(2,797)**	(34)	**(2,831)**
Partial disposal of interest in a subsidiary (Note 21)	-	51		-	**51**	(51)	**-**
Balance as at 31 March 2014	**410,663**	**(320,585)**	**(3,540)**	**852**	**87,390**	**(2)**	**87,388**
Balance as at 1 January 2013	410,663	(280,555)	(3,596)	5,941	**132,453**	194	**132,647**
Total comprehensive (loss)/ income for the period	-	1,440	5	(1,645)	**(200)**	(32)	**(232)**
Translation reserve of disposal company classified as held for sale	-	-	-	(563)	**(563)**	-	**(563)**
Balance as at 31 March 2013	**410,663**	**(279,115)**	**(3,591)**	**3,733**	**131,690**	**162**	**131,852**

	Share capital US$'000	**Accumulated losses US$'000**	**Other reserves US$'000**	**Translation reserve US$'000**	**Total US$'000**
The Company					
Balance as at 1 January 2014	410,663	(327,642)	(6,720)	33	**76,334**
Total comprehensive (loss)/ income for the period	-	(449)	10	4	**(435)**
Exercise of employee share options	-	-	-	-	-
Share issue cost	-	-	-	-	**-**
Value of employee services received	-	-	-	-	**-**
Balance as at 31 March 2014	**410,663**	**(328,091)**	**(6,710)**	**37**	**75,899**
Balance as at 1 January 2013	410,663	(252,788)	(6,766)	18	**151,127**
Total comprehensive (loss)/ income for the period	-	(916)	4	1	**(911)**
					-
Balance as at 31 March 2013	**410,663**	**(253,704)**	**(6,762)**	**19**	**150,216**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-back , 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 period 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 period.

	No. of Shares	
	31 Mar 14	**31 Dec 13**
Issued shares at the beginning of the period	5,484,980,836	5,484,980,836
Total issued shares at the end of the period	5,484,980,836	5,484,980,836

The details of the outstanding share options and share awards granted under the Employees' Share Option Schemes and Share Plans respectively are as follows:

	No. of Shares	
	31 Mar 14	**31 Mar 13**
Options granted under 1999 S i2i Employees' Share Option Scheme II	781,004	1,019,841

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 immediately preceding year.

Total number of issued shares as at 31st March 2014 is 5,484,980,836 (31st December 2013 : 5,484,980,836).

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.

Not Applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditor's 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 as the audited financial statements for the year ended 31 December 2013, except as disclosed in Para 5, below.

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

The Group has adopted the new or revised Singapore Financial Reporting Standards (FRS) and Interpretations (INT FRS) that are effective in this financial year. The adoption of these FRS does not have any significant impact on the financial statements.

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	
	Quarter ended 31 March	
	2014	**2013**
Earning per ordinary share for the period after deducting any provision for preference dividends:-		
i) Based on weighted average number of ordinary share in issue (US cent)	(0.07 cent)	0.03 cent
ii) On a fully diluted basis (US cent)	(0.07 cent)	0.03 cent

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.

	Group		**Company**	
	31 Mar 14	**31 Dec 13**	**31 Mar 14**	**31 Dec 13**
Net asset backing per ordinary share is calculated based on 5,484,980,836 (31/12/2013 : 5,484,980,836) ordinary shares in issue at the end of the period under review and of the immediate preceding financial year (US cent).	1.59 cent	1.64 cent	1.38 cent	1.39 cent

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) 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; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The group recorded a turnover of US$85.6 million - a reduction of 26% against revenue in corresponding quarter. Distribution of Operator products and services in Indonesia grew in local currency terms , but depreciation of local IDR vs US Dollar starting second half of 2013, led to significant translation differences against results of corresponding period for the quarter ended 31st March 2013 ("Q3 2013"). Demand and margins of Mobile devices and products in major market of Indonesia has also been affected due to increased inflation, reduced GDP and consequent tighter liquidity. In addition, lower revenue was generated for the quarter ended 31st march 2014 ("Q1 2014") mainly due to an industry change noticed in mobile device business on account of changing of consumer preferences from feature phones to smart phones portfolio. This change of portfolio resulted in lower revenue as the company is in process of ramp up to cater to a new dealer ecosystem, product portfolio, training of stakeholders and implementation. Accordingly, there has been reduction in direct services fee incurred and cost of goods sold. Despite reduction in turnover, due to shift in product mix , Gross margin for the quarter shows improvement from previous year.

There was a decrease in overheads mainly due to certain cost cutting measures initiated by the group in its effort to rein in costs.

With improvement in gross margin and reduction in operating overheads, the group incurred lower EBIDTA loss of US$ 2.1 million against EBIDTA loss of US$3.6 million in corresponding quarter.

The group had also decided to dispose of its investment in Spice BPO Services Limited ("SBPO") for a consideration of US$1. The disposal of SBPO had been approved by the shareholders on 25th October 2012. The sale was completed on 24th January 2013 in corresponding quarter Q3 2013 resulting in a gain of US$7.8 million. (Please refer to announcement 00033 dated 24th January 2013.)

Resultantly, the Group incurred a loss before tax of US$3.9 million, as against the profit before tax of US$1.4 million in the corresponding quarter.

With increased focus on operating efficiencies, there had been reduction mainly in stocks, trade debtors, trade creditors and loans and borrowings. Cash in hand as at 31 March 2014 had been US$26.7 million against US$22.6 million as at 31 December 2013.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast or prospect statement disclosed to shareholders previously.

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 Company will focus on Distribution of operator products & services business which is a steady and robust business in Indonesia and also assist all other BUs. In Indonesia there are 8 operators in the air time business selling prepaid cards, vouchers, starter packs. Indonesia continues to remain more of SMS, BBM and whatsapp led data growth market rather than pure talk time. Hence Android devices and smart phones are growing as data is key for communication on this platform. Infrastructure is still developing and the country is slowly moving from 2G to 3G in many cities and islands. The company continues to work closely with operators to grow and hold the existing clusters for distribution and Card voucher business. This is a highly working capital and cash intensive business and cash flow management is the key strength of the company in this business unit.

The Information Communication and Technology (ICT) is a steady business based out of Singapore. The company will continue to work very closely with the partners like HP, IBM and other MNC partners and consolidate and grow the business with new solutions and technologies in partnership with the principals. The company is now focusing on large account deals and continues to grow services oriented project based business as compared to hardware oriented sale. Singapore ICT is a tough market with mostly covered on computerization. The growth is in system integration and new solutions aligned with strategy with key principals.

Mobile Device business In Indonesia is still recovering from the currency impact faced after the depreciation of the IDR in late 2013. Both international and local players have lost sales in 2014 compared to 2013. Competition is severe in both local brands and MNC brands, and the company will monitor the situation and competition spends closely. The company continues to focus on smart phones led business model and moves towards data bundles through operators.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared / recommended, a statement to that effect.

No dividend has been declared or recommended

13. Utilisation of Rights Issue proceeds

Not Applicable.

14. Interested persons transactions disclosure

	Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 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 SGD100,000)
	Quarter ended 31 Mar 2014	Quarter ended 31 Mar 2014
Name of interested person	US$'000	US$'000
S Mobility Limited	1	
Spice Retail Limited	82	-

There was neither renewal nor new IPT mandate obtained during the Annual General Meeting of the Company held on 15th April 2014.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. 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.

16. 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.

17. A breakdown of sales.

Not Applicable.

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

Not Applicable

19. Statement Pursuant to Rule 705(5) of The Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the quarter ended 31st March 2014 to be false or misleading in any material respects.

BY ORDER OF THE BOARD

Maneesh Tripathi
Chief Executive Officer

8 May 2014