



First Quarter Financial Statement And Dividend Announcement for the Period ended 30th September 2012 (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 30 Sep		%
	2012	2011	
	US\$'000	US\$'000	Change
		(Restated ^{^*})	
Turnover (Note 1)	160,300	261,893	-38.8%
Other income (Note 2)	459	314	46.2%
Direct service fees incurred and cost of goods sold (Note 1)	(146,353)	(235,315)	-37.8%
Commissions and other selling expenses (Note 3)	(3,045)	(4,511)	-32.5%
Personnel costs (Note 4)	(7,539)	(10,301)	-26.8%
Infrastructure costs	(1,457)	(2,232)	-34.7%
Depreciation of property, plant and equipment	(876)	(1,063)	-17.6%
Amortisation of intangible assets (Note 5)	(1,203)	(3,327)	-63.8%
Marketing expenses (Note 6)	(2,657)	(9,039)	-70.6%
Foreign exchange gain/ (loss) (Note 7)	1,727	(6,606)	N.M.
Finance costs (Note 8)	(1,026)	(2,297)	-55.3%
Other expenses (Note 9)	(3,013)	(5,367)	-43.9%
Share of results of associates	(10)	(10)	0.0%
Loss before taxation	(4,693)	(17,861)	-73.7%
Taxation (Note 11)	143	1,100	-87.0%
Loss for the period from continuing operations	(4,550)	(16,761)	-72.9%
Operation related to disposal group classified as held for sale			
Loss for the period from discontinued operations, net of tax (Note 12)	(176)	(1,147)	-84.7%
Net loss for the period	(4,726)	(17,908)	-73.6%
(Loss)/ profit attributable to:			
Owners of the parent	(4,762)	(17,799)	-73.2%
Non-controlling interest	36	(109)	N.M.
Total	(4,726)	(17,908)	-73.6%

N.M. - Not Meaningful

[^] - Comparatives have been restated to account for the effects of the retrospective adjustments arising from the finalisation of the fair values of the assets and liabilities, relating to the acquisition of Newtel Group, which was acquired during the financial period ended 31st March 2011. The restatement is computed using the same methods of computation as the audited financial statements for the year ended 30th June 2012.

*- Certain prior year figures have been reclassified to conform with current year's presentation.

Note 1

The decrease in turnover and direct service fees and cost of goods sold for the quarter ended 30th September 2012 ("Q1 2013") was mainly due to lower revenue generated by the mobility business on account of changing preference of customers for mobile phones on the 3G platform rather than the 2G platform which most of the products of the company still were built on.

Note 2

Other income

	Quarter ended 30 Sep		%
	2012	2011	
	US\$'000	US\$'000	Change
Interest income from bonds, deposits and investment securities	260	136	91.2%
Others	199	178	11.8%
Total other income	459	314	46.2%

Note 3

The decrease in commissions and other selling expenses is mainly due to the decrease in the distribution of voice services.

Note 4

The decrease in personnel costs was mainly due to cost cutting measures adopted by the Group as part of its initiative to rein in costs.

Note 5

The decrease in amortisation of intangible assets was mainly due to lower carrying value of intangible assets consequent to impairment of intangible assets during the year ended 30th June 2012.

Note 6

The decrease in marketing expenses was mainly due to the reduction in advertising and promotional expenses by mobility businesses.

Note 7

The foreign exchange movement recognised in Q1 2013 was mainly due to unrealised and realised foreign exchange incurred on fluctuation of USD against SGD, MYR, THB and IDR.

Note 8

The decrease in finance costs was due to recognition of interest expense in relation to the fair value of deferred purchase consideration recognised for the quarter ended 30th September 2011 for the acquisition of Newtel Group and Affinity Group and none for Q1 2013 as the deferred purchase consideration was cancelled during the year ended 30th June 2012.

Note 9

Other expenses include the following:

	Quarter ended 30 Sep		%
	2012	2011	
	US\$'000	US\$'000	Change
		(Restated^)	
Allowance for doubtful trade debts	(144)	(353)	-59.2%
Allowance for doubtful non-trade debts	(6)	-	100.0%
Allowance for stock obsolescence	(126)	(578)	-78.2%
Bank charges	(236)	(260)	-9.2%
Collection service fees	(404)	(659)	-38.7%
Equipment maintenance	(126)	(260)	-51.5%
Equipment rental	(45)	(64)	-29.7%
Freight and postage charges	(52)	(76)	-31.6%
Impairment of property, plant and equipment	(160)	-	100.0%
Gain on disposal of property, plant and equipment	27	0	100.0%
Printing & stationery	(39)	(134)	-70.9%
Loss on disposal of a subsidiary (Note 12)	(26)	-	100.0%
Professional fees	(592)	(937)	-36.8%
Telecommunication expenses	(305)	(387)	-21.2%
Travelling & entertainment expenses	(528)	(976)	-45.9%
Write-back of allowance for doubtful trade debts	77	6	N.M.
Write-back of allowance for stock obsolescence	73	-	100.0%
Write off of stock	(1)	(24)	-95.8%
Write off of trade debts (Note 10)	3	(2)	N.M.
Others	(403)	(663)	-39.2%
Total other expenses	(3,013)	(5,367)	-43.9%

N.M. - Not Meaningful

Note 10

The reversal of write off of trade debts was mainly due to the recovery of debts that was written off during the year ended 30th June 2012.

Note 11

The decrease in taxation in Q1 2013 was mainly due to lower reversal of deferred tax liabilities as a result of writing back of deferred tax liabilities consequent to impairment of certain intangible assets relating to Spice CSL Group, NewTel Group and partial impairment in case of Bharat IT during the year ended 30th June 2012.

Note 12

In Q4 2012, the Group had decided to dispose of its investment in Mobile Concept (M) Sdn. Bhd. ("MCM") for a consideration of US\$300,000. The disposal of MCM was subsequently completed on 17th July 2012.

The results of MCM for the period ended 17th July 2012 are as follows:

	Period ended	
	7/17/2012	9/30/2011
	US\$'000	US\$'000
Turnover	376	1,920
Other income	-	31
Direct service fees incurred and cost of goods sold	(317)	(1,606)
Commissions and other selling expenses	(5)	(134)
Personnel costs	(35)	(121)
Infrastructure costs	(8)	(35)
Depreciation of property, plant and equipment	(2)	(10)
Marketing expenses	(1)	(15)
Foreign exchange gain	4	7
Finance costs	-	-
Other expenses	(4)	(38)
Profit/ (loss) before taxation	8	(1)
Taxation	-	-
Profit/ (loss) for the period from operation related to disposal group classified as held for sale, net of tax	8	(1)

The major classes of assets and liabilities of MCM as at 17th July 2012, loss on its disposal and net cash inflow are as follows:

	7/17/2012
	US\$'000
Property, plant and equipment	103
Intangible assets	43
Stocks	881
Trade debtors, current	291
Other debtors and deposits, current	116
Cash and cash equivalents	178
Tax recoverable	53
Trade creditors	(721)
Other creditors and accruals, current	(236)
Lease obligations	(68)
Deferred tax liabilities	(24)
Net assets	616
Non-controlling interest	(246)
Net assets attributable to owners of the parent	370
Fair value adjustment in fixed assets of subsidiary under disposal as at 30th June 2012	(44)
Loss on disposal of a subsidiary	(26)
Less: Cash and cash equivalents	(178)
Net cash	122

Spice BPO Services Limited (SBPO)

SBPO, being one of the disposal group, was accounted for in accordance with FRS105, Non-Current Assets Held For Sale And Discontinued Operations. Accordingly, all the assets, liabilities and reserves relating to SBPO have been presented on the face of the balance sheet as "Assets held for sale (includes disposal group)", "Liabilities directly associated with disposal group classified as held for sale" and "Translation reserve of disposal group classified as held for sale" respectively. Additionally, SBPO's results are presented separately on the income statement as "Loss for the period from discontinued operations, net of tax" for the quarter ended 30th September 2012.

The results of Spice BPO for the period ended 30th September are as follows:

	Quarter ended 30 Sep	
	2012	2011
	US\$'000	US\$'000
Turnover	209	2,742
Other income	125	81
Personnel costs	(192)	(2,080)
Infrastructure costs	(159)	(685)
Depreciation of property, plant and equipment	(26)	(328)
Amortisation of intangible assets	(3)	(28)
Marketing expenses	-	(5)
Foreign exchange gain/ (loss)	129	(218)
Finance costs	(230)	(288)
Other expenses	(37)	(337)
Loss before taxation	(184)	(1,146)
Taxation	-	-
Loss for the period from discontinued operations, net of tax	(184)	(1,146)

The major classes of assets, liabilities and reserves of SBPO classified as held for sale as at 30th September 2012 are as follows:

	9/30/2012
	US\$'000
Property, plant and equipment	571
Intangible assets	35
Current assets	3,257
Trade debtors, current	789
Other debtors and deposits, current	1,101
Prepayments	13
Cash and bank deposits pledged	46
Cash and cash equivalents	1,079
Tax recoverable	105
Asset classified as held for sale	124
Current liabilities	12,976
Trade creditors	985
Other creditors and accruals, current	2,902
Loans and bank borrowings, current	8,967
Lease obligations, current	122
Net current assets	(9,719)
Net Assets	(9,113)
Reserves:	
Translation reserve	219

Cash flows from operation related to disposal group classified as held for sale

	Quarter ended
	30 Sep 12
	US\$'000
Operating activities	(132)
Investing activities	175
Financing activities	248
Net cash outflows	291

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 30 Sep		%
	2012	2011	
	US\$'000	US\$'000 (Restated [^])	Change
Loss for the period	(4,726)	(17,908)	-73.6%
Other comprehensive income:			
Foreign currency translation (Note 13)	(1,153)	(4,573)	-74.8%
Net (loss)/ gain on available-for-sale financial assets	(1)	3	N.M.
Other comprehensive loss for the period	(1,154)	(4,570)	-74.7%
Total comprehensive loss for the period	(5,880)	(22,478)	-73.8%
Total comprehensive (loss)/ income attributable to:			
Owners of the parent	(5,916)	(22,277)	-73.4%
Non-controlling interest	36	(201)	N.M.
Total	(5,880)	(22,478)	-73.8%

N.M. - Not Meaningful

Note 13

The movement in foreign currency translation was mainly due to appreciation of SGD, MYR and THB against USD in Q1 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	
	30 Sep 12	30 Jun 12	30 Sep 12	30 Jun 12
	US\$'000	US\$'000	US\$'000	US\$'000
Share capital	410,663	410,663	410,663	410,663
Accumulated losses	(263,605)	(258,843)	(252,595)	(252,528)
Other reserves	(3,596)	(3,595)	(6,766)	(6,765)
Translation reserve (Note 13)	6,234	7,652	18	16
Translation reserve of disposal group classified as held for sale (Note 1(a) 12)	219	(46)	-	-
Equity attributable to the owners of the parent	149,915	155,831	151,320	151,386
Non-controlling interest	212	264	-	-
Total Equity	150,127	156,095	151,320	151,386
Property, plant and equipment (Note 14)	11,418	12,981	672	765
Intangible assets	68,999	69,364	1,397	1,554
Investments in subsidiaries (Note 15)	-	-	107,493	107,087
Investment in associates	59	68	144	144
Investment securities	2,894	2,760	2,894	2,760
Long-term loans and advances to subsidiaries	-	-	1,492	1,125
Deferred tax assets	596	539	-	-
Trade debtors, non-current	164	525	-	-
Other debtors and deposits, non-current	7,368	7,639	-	-
Current assets	181,817	174,330	54,584	58,555
Stocks (Note 16)	52,496	33,131	3	49
Trade debtors, current (Note 17)	43,771	49,408	1,088	2,718
Other debtors and deposits, current	9,640	9,240	1,010	2,718
Prepayments	8,307	8,376	551	1,011
Due from subsidiaries	-	-	7,039	4,920
Cash and bank deposits pledged	8,033	7,780	1,451	183
Cash and cash equivalents	54,970	61,477	43,442	45,091
Tax recoverable	737	711	-	-
Assets held for sale (includes disposal group) (note 1(a) 12)	3,863	4,207	-	1,865
Current liabilities	114,905	103,286	17,180	20,422
Trade creditors (Note 18)	32,648	30,654	3,227	6,106
Other creditors and accruals, current (Note 19)	18,639	18,830	4,066	4,621
Deferred revenue	1,591	2,004	563	638
Lease obligations, current	625	644	20	19
Loans and bank borrowings, current (Note 20)	47,962	49,591	-	-
Due to subsidiaries	-	-	9,176	8,910
Due to associates	128	128	128	128
Tax payable	336	402	-	-
Liabilities directly associated with disposal group classified as held for sale (note 1(a) 12)	12,976	1,033	-	-
Net current assets	66,912	71,044	37,404	38,133
Non-current liabilities	8,283	8,825	176	182
Deferred tax liabilities (Note 21)	6,930	7,167	-	-
Provision for employee benefits	1,172	1,155	-	-
Lease obligations, non-current	181	503	176	182
Net Assets	150,127	156,095	151,320	151,386

Note 14

The decrease in property, plant and equipment was mainly due to the disposal of MCM in July 2012, depreciation of US\$0.9m recognised for the quarter and impairment of certain property, plant and equipment by Newtel Group.

Note 15

The increase in investment of subsidiaries was due to the acquisition of Mobile Service International Co., Ltd. ("MSI China") and CSL Communication (Shenzhen) Co., Ltd. ("CSL Shenzhen") on 9th July 2012 and 2nd August 2012 respectively.

Note 16

The increase in stock was due to higher stock at Affinity due to minimum order quantity (MOQ) required for certain mobile handsets.

Note 17

The decrease in trade receivables was mainly due to decline in revenue and collection from a related party.

Note 18

The increase in trade creditors is mainly due to higher purchases of mobile handsets by Affinity Group on account of MOQ in Q1 2013.

Note 19

The decrease in other creditors and accruals was mainly due to the reclassification of Spice BPO sundry accruals to held for sale in Q1 2013 and lower accruals recognised due to the decrease in distribution of voice services.

Note 20

The decrease in loans and borrowings was mainly due to the reclassification of Spice BPO loans to held for sale in Q1 2013. This was partially offset by higher loan utilisation by Affinity Group.

Note 21

The decrease in deferred tax liabilities was due to corresponding reduction in amortisation of intangible assets arising from business combinations.

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

Amount repayable in one year or less, or on demand

As at 30/9/2012		As at 30/6/2012	
Secured (US\$'000)	Unsecured (US\$'000)	Secured (US\$'000)	Unsecured (US\$'000)
47,962	8,967*	41,563	8,028

* This relates to one of the disposal group and accordingly has been shown under liabilities directly associated with disposal group classified as held for sale.

Details of any collateral

- a) Subsidiaries' current assets of US\$71.4m (30/06/2012 : US\$40.2m) and property, plant and equipment with carrying amount of US\$2.1m (30/6/2012: US\$NIL) are pledged as security for bank guarantees, standby letters of credit and other bank services.
- b) Corporate guarantees of US\$NIL (30/06/2012 : US\$4.3m) were given by the Company to enable its subsidiaries to obtain banking facilities.
- c) Corporate guarantees of US\$4.1m (30/06/2012 : US\$NIL) were given by a subsidiary to enable its subsidiary to obtain banking facilities.
- d) Corporate guarantees of US\$10.1m (30/06/2012 : US\$9.7m) were given by the Company to enable its subsidiaries to obtain credit facilities from various suppliers.
- e) Corporate guarantees of US\$5.0m (30/06/2012 : US\$4.8m) were given by a subsidiary to enable its subsidiaries to obtain credit facilities from various suppliers.
- f) Trust receipts of US\$NIL (30/06/2012 : US\$1.3m) is secured by corporate guarantees given by the Company and two subsidiaries.

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	
	30 Sep 12	30 Sep 11
	US\$'000	US\$'000
Cash flows from operating activities		
Loss before taxation from continuing operations	(4,693)	(17,861)
Loss before taxation from discontinued operations (Note 1(a) 12)	(176)	(1,147)
Total loss before taxation	(4,869)	(19,008)
Adjustments for:		
Allowance for doubtful trade debts	144	353
Allowance for doubtful non-trade debts	6	-
Allowance for employee benefits	18	-
Allowance for stock obsolescence	126	578
Amortisation of intangible assets	1,206	3,355
Depreciation of property, plant and equipment	904	1,402
Finance costs	1,256	2,585
(Gain)/loss on disposal of property, plant and equipment	(27)	12
Loss on disposal of a subsidiary	26	-
Interest income from bonds, deposits and investment securities	(330)	(217)
Share-based payments	-	2
Share of results of associates	10	10
Write-back of allowance for doubtful trade debts	(77)	(6)
Write-back of allowance for stock obsolescence	(73)	-
Write off of trade debts	(3)	2
Write off of stock	1	24
Translation differences	(1,245)	(848)
Operating loss before working capital changes	(2,927)	(11,756)
Increase in stocks	(19,423)	(8,249)
Decrease in trade debtors	5,257	5,269
Decrease in other debtors and deposits	513	790
Decrease in prepayments	116	6,591
Increase in trade creditors	3,109	15,110
Increase/ (decrease) in other creditors and accruals	475	(5,736)
Decrease in deferred revenue	(413)	(531)
Cash (used in)/ generated from operating activities	(13,293)	1,488
Interest paid	(1,256)	(1,802)
Tax paid	(253)	(401)
Net cash used in operating activities	(14,802)	(715)
Cash flows from investing activities		
Interest income received from bonds, deposits and investment securities	362	215
Acquisition of subsidiary MSI China, net of cash acquired	(198)	-
Acquisition of subsidiary CSL Shenzhen, net of cash acquired	(306)	-
Acquisition of subsidiary I-Gate Group, net of cash acquired	-	24
Acquisition of subsidiary Mobile Concept, net of cash acquired	-	10
Acquisition of subsidiary CSL Mobile Care, net of cash acquired	-	2
Disposal of subsidiary Mobile Concept, net of cash disposed	122	-
Proceeds from disposal of property, plant and equipment	2,827	72
Purchase of property, plant and equipment	(127)	(1,908)
Additions to intangible assets	(96)	(287)
Net cash generated from/ (used in) investing activities	2,584	(1,872)
Cash flows from financing activities		
(Increase)/ decrease in cash and bank deposits pledged	(299)	6,767
Proceeds from/ (repayment of) loans	8,487	(26,547)
(Repayment of)/ proceeds from bank borrowings	(1,347)	749
Repayment of loan given by a director	-	(1,130)
Repayment of obligations under finance leases	(219)	(527)
Net cash generated from/ (used in) financing activities	6,622	(20,688)
Net decrease in cash and cash equivalents	(5,596)	(23,275)
Cash and cash equivalents at beginning of the period	61,645	98,217
Cash and cash equivalents at end of the period	56,049	74,942
Cash and cash equivalents of disposal group classified as held for sale (note 1(a) 12)	1,079	-
Cash and cash equivalents at the end of the period of the continuing operations	54,970	74,942

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					Non-controlling interest US\$'000	Total Equity US\$'000
	Share capital US\$'000	Accumulated losses US\$'000	Other reserves US\$'000	Translation reserve US\$'000	Total US\$'000		
The Group							
Balance as at 1 July 2012	410,663	(258,843)	(3,595)	7,606	155,831	264	156,095
Total comprehensive income for the period	-	(4,762)	(1)	(934)	(5,697)	36	(5,661)
Non-controlling interest arising from business combination	-	-	-	-	-	158	158
Disposal of a subsidiary	-	-	-	-	-	(246)	(246)
Translation reserve of disposal company classified as held for sale	-	-	-	(219)	(219)	-	(219)
Balance as at 30 September 2012	410,663	(263,605)	(3,596)	6,453	149,915	212	150,127
Balance as at 1 July 2011 as previously reported	410,663	(77,830)	(1,896)	11,287	342,224	(986)	341,238
Prior year adjustment*	-	453	-	40	493	-	493
Balance as at 1 July 2011	410,663	(77,377)	(1,896)	11,327	342,717	(986)	341,731
Total comprehensive income for the period	-	(17,799)	3	(4,481)	(22,277)	(201)	(22,478)
Value of employee services received	-	-	2	-	2	-	2
Balance as at 30 September 2011	410,663	(95,176)	(1,891)	6,846	320,442	(1,187)	319,255

	Share capital US\$'000	Accumulated US\$'000	Other reserves US\$'000	Translation reserve US\$'000	Total US\$'000
The Company					
Balance as at 1 July 2012	410,663	(252,528)	(6,765)	16	151,386
Total comprehensive income for the period	-	(67)	(1)	2	(66)
Exercise of employee share options	-	-	-	-	-
Balance as at 30 September 2012	410,663	(252,595)	(6,766)	18	151,320
Balance as at 1 July 2011	410,663	(88,288)	(6,821)	28	315,582
Total comprehensive income for the period	-	(4,596)	3	(4)	(4,597)
Value of employee services received	-	-	2	-	2
Balance as at 30 September 2011	410,663	(92,884)	(6,816)	24	310,987

*This prior year adjustment arose as a result of finalisation of the purchase price allocation in accordance with FRS 103 – Business Combinations.

- 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 current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	No. of Shares	
	30 Sep 12	30 Jun 12
Issued shares at the beginning of the period	5,484,980,836	2,742,490,418
Shares issued pursuant to the rights issue exercise in May 2011	-	2,742,490,418
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	
	30 Sep 12	30 Sep 11
Options granted under 1999 S i2i Employees' Share Option Scheme II	1,019,841	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 30th September 2012 is 5,484,980,836 (30th June 2012 : 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 30th June 2012, 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	
	2012	2011
		(Restated^)
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)	(0.09 cent)	(0.35 cent)
ii) On a fully diluted basis (US cent)	(0.09 cent)	(0.35 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	
	30 Sep 12	30 Jun 12	30 Sep 12	30 Jun 12
Net asset backing per ordinary share is calculated based on 5,484,980,836 (30/06/2012 : 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).	2.73 cent	2.84 cent	2.76 cent	2.76 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\$160.3 million in Q1 2013 – a decrease of 38.8% over the corresponding quarter. This was mainly due to the increased competition and global changes in the mobile industry. This led to a corresponding decrease in cost of direct service fees and cost of goods sold.

There was a decrease in overheads mainly due to certain cost cutting measures initiated by the Group in its effort to rein in costs. There was a foreign exchange gain in Q1 2013 on account of strengthening of SGD, MYR and THB against USD.

The Group incurred a loss before tax of US\$4.7 million in Q1 2013, as against the loss before tax of US\$17.9 million in the corresponding quarter.

The Group had decided to dispose of its investment in Mobile Concept (M) Sdn. Bhd. ("MCM") for a consideration of US\$300,000 during the year ended 30th June 2012. The disposal of MCM was completed on 17 July 2012. The Group has also decided to dispose of its investment in Spice BPO Services Limited ("SBPO"). The disposal of SBPO has been approved by the shareholders on 25th October 2012.

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**

The Group continues to consolidate the acquisitions and aggregate the Supply Chain Management to reduce procurement costs of mobile handsets. The Group expects that consumers increasingly will prefer mobile devices built on the 3G platform. The Group will therefore continue to develop new products that respond to this expected shift in consumer demand. The Group will also continue to focus on and solve challenges arising from the acquisitions made.

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

As at 9 October 2012*, the net proceeds from the 2011 Rights Issue have been utilised as follows:

	Amount S\$ Million
Net Proceeds from 2011 Rights Issue	146.4
Less Proceeds utilised for:	
To partially fund the completion of the Proposed Acquisition of Affinity Group	87.0
Funding part of the Group's working capital	25.5
Security Deposit, Advance Rent and Capital Expenditure for new office premises	2.3
Loans to various subsidiaries for working capital	5.1
Acquisition of remaining 49% stake in I-Gate Holding Sdn Bhd	0.4
Capital Expenditure for new office premises	1.7
Termination Payment as referred to in the Company's announcement dated 5 March 2012	13.1
Balance of net proceeds from 2011 Rights Issue unutilised	11.3

* As announced by the Company on 9 October 2012 (announcement no. 00135)

14. Interested persons transactions disclosure

Name of interested person	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 30 Sep 2012	Quarter ended 30 Sep 2012
	US\$'000	US\$'000
Armorcoat Technologies Pte Ltd	1,887	-
S Mobility Limited	24	-

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 30th September 2012 to be false or misleading in any material respects.

BY ORDER OF THE BOARD

**Hasanand Nanani
Director**

14 November 2012