



Fourth Quarter and Full-Year Financial Statement And Dividend Announcement for the Period / Year Ended 31/12/2009 (Unaudited)

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 Dec | | | Year ended 31 Dec | | |
|--|----------------------|---------------|---------------|-------------------|----------------|---------------|
| | 2009 | 2008 | % | 2009 | 2008 | % |
| | US\$'000 | US\$'000 | Change | US\$'000 | US\$'000 | Change |
| Turnover (Note 1) | 29,625 | 37,148 | -20.3% | 114,963 | 140,824 | -18.4% |
| Other income (Note 2) | 5,299 | 376 | N.M | 6,807 | 1,905 | 257.3% |
| Direct service fees incurred (Note 1) | (17,640) | (19,490) | -9.5% | (62,596) | (71,589) | -12.6% |
| Commissions and other selling expenses (Note 1) | (5,521) | (8,709) | -36.6% | (25,660) | (34,127) | -24.8% |
| Personnel costs (Note 6) | (2,642) | (3,947) | -33.1% | (15,418) | (16,536) | -6.8% |
| Infrastructure costs (Note 7) | (981) | (1,175) | -16.5% | (4,049) | (4,854) | -16.6% |
| Depreciation of property, plant and equipment (Note 7) | (800) | (935) | -14.4% | (3,452) | (4,300) | -19.7% |
| Amortization of intangible assets | (245) | (427) | -42.6% | (1,417) | (1,423) | -0.4% |
| Marketing expenses | (504) | (422) | 19.4% | (1,931) | (1,879) | 2.8% |
| Foreign exchange gain/ (loss) (Note 8) | 131 | (15) | -973.3% | 272 | (817) | -133.3% |
| Finance costs | (113) | (44) | 156.8% | (323) | (157) | 105.7% |
| Other expenses (Note 9) | (2,529) | (2,203) | 14.8% | (5,453) | (6,504) | -16.2% |
| Share of results of associates | 2 | 9 | -77.8% | 18 | 13 | 38.5% |
| Profit before taxation | 4,082 | 166 | N.M | 1,761 | 556 | 216.7% |
| Taxation | 46 | 44 | 4.5% | (20) | 121 | N.M. |
| Profit for the period | 4,128 | 210 | N.M | 1,741 | 677 | 157.2% |

N.M. - Not Meaningful

Note 1

The decline in revenue for the year ended 31 December 2009 was partly due to the economic slowdown and stiff competition in the existing markets. In line with the fall in revenue, direct expenses associated with sales such as service fees, commission and other selling expenses have decreased accordingly for the year.

Note 2

Other income

| | Quarter ended 31 Dec | | | Year ended 31 Dec | | |
|---|----------------------|------------|------------|-------------------|--------------|------------|
| | 2009 | 2008 | % | 2009 | 2008 | % |
| | US\$'000 | US\$'000 | Change | US\$'000 | US\$'000 | Change |
| Interest income from bonds, deposits and structured securities (Note 3) | 212 | 364 | -41.8% | 910 | 1,773 | -48.7% |
| Fair value gain on structured securities (Note 4) | 500 | - | N.M | 1,126 | - | N.M |
| Gain on bargain purchase based on provisional valuation (Note 5) | 4,476 | - | N.M | 4,476 | - | N.M |
| Others | 111 | 12 | 825.0% | 295 | 132 | 123.5% |
| Total other income | 5,299 | 376 | N.M | 6,807 | 1,905 | N.M |

N.M. - Not Meaningful

Note 3

The decrease in interest income from bonds, deposits and structured securities for Q4 2009 and FY 2009 was due to the lower interest rate environment prevailing in 2009 as compared to 2008. In addition, there was a reduction of fixed deposit amounting to US\$49.8 million, due to acquisition of structured securities in Q4 2009.

Note 4

The fair value gain on structured securities for FY 2009 arose from the change in the fair value of structured securities.

Note 5

The gain on bargain purchase recognised during Q4 2009 arose from the acquisition of a new subsidiary in December 2009.

Note 6

The decrease in personnel costs in Q4 2009 and FY 2009 as compared to the corresponding quarter and financial year was mainly due to the right-sizing exercise carried out in Q3 2009. Cost-cutting initiatives were taken to reduce the overhead costs.

Note 7

Initiated in Q3 2009, the Group's cost control efforts to reduce operating expenditure in infrastructure costs have led to better cost efficiencies in Q4 2009 and hence a decrease in the mentioned expenditure.

Note 8

The foreign exchange gain for Q4 2009 and YTD 2009 mainly arose from the Group's Singapore Dollar ("SGD") denominated assets as SGD further strengthens against United States Dollar ("USD") in the last quarter of 2009.

Note 9

Other expenses include the following:

| | Quarter ended 31 Dec | | | Year ended 31 Dec | | |
|--|----------------------|----------------|--------------|-------------------|----------------|---------------|
| | 2009 | 2008 | % | 2009 | 2008 | % |
| | US\$'000 | US\$'000 | Change | US\$'000 | US\$'000 | Change |
| Allowance for doubtful trade debts | (56) | (108) | -48.1% | (217) | (362) | -40.1% |
| Allowance for stock obsolescence (Note 10) | (152) | (139) | 9.4% | (298) | (145) | 105.5% |
| Equipment maintenance | (160) | (112) | 42.9% | (539) | (508) | 6.1% |
| Equipment rental (Note 11) | (3) | (98) | -96.9% | (14) | (972) | -98.6% |
| Gain on disposal of property, plant and equipment | 18 | 4 | 350.0% | 82 | 6 | N.M |
| Impairment loss on unquoted equity investment | - | (74) | -100.0% | - | (74) | -100.0% |
| Loss on disposal of a subsidiary | - | - | N.M | - | (198) | -100.0% |
| Loss on disposal of an unquoted equity investment | - | - | N.M | (4) | - | N.M |
| Fair value loss on structured securities (Note 12) | (295) | (726) | -59.4% | (295) | (726) | -59.4% |
| Professional fees (Note 13) | (280) | (338) | -17.2% | (786) | (981) | -19.9% |
| Property, plant and equipment written off | (40) | (23) | 73.9% | (57) | (23) | 147.8% |
| Travelling & entertainment | (380) | (207) | 83.6% | (942) | (891) | 5.7% |
| Write-off of non-trade debts (Note 14) | - | - | N.M | (263) | - | N.M |
| Write-off of trade debts | (12) | 51 | -123.5% | (25) | (2) | N.M |
| Write-back of allowance for doubtful trade debts | 8 | (22) | -136.4% | 129 | 59 | 118.6% |
| Others | (1,177) | (411) | 186.4% | (2,224) | (1,687) | 31.8% |
| Total other expenses | (2,529) | (2,203) | 14.8% | (5,453) | (6,504) | -16.2% |

N.M. - Not Meaningful

Note 10

The increase in YTD 2009 allowance for stock obsolescence by 105.5% was mainly due to additional provision made by a subsidiary for aged stocks.

Note 11

The decrease in equipment rental, compared to the corresponding period last year, was due to the redemption of a leased equipment.

Note 12

Assessment of fair value of structured securities was performed during Q4 2009, hence a loss was recognized during the period.

Note 13

The decrease in professional fees for Q4 2009 and YTD 2009 was mainly due to fewer projects undertaken that required the engagement of professional services.

Note 14

Being amount irrecoverable from a Company, previously an associate of the Group.

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

| | Quarter ended 31 Dec | | | Year ended 31 Dec | | |
|---|----------------------|------------|---------------|-------------------|--------------|---------------|
| | 2009 | 2008 | % | 2009 | 2008 | % |
| | US\$'000 | US\$'000 | Change | US\$'000 | US\$'000 | Change |
| Profit for the period | 4,128 | 210 | N.M | 1,741 | 677 | 157.2% |
| Other comprehensive income: | | | | | | |
| Foreign currency translation (Note 15) | 214 | (60) | -456.7% | 799 | 476 | 67.9% |
| Net gain/ (loss) on available-for-sale financial assets | - | 94 | -100.0% | 34 | (42) | -181.0% |
| Other comprehensive income for the period | 214 | 34 | 529.4% | 833 | 434 | 91.9% |
| Total comprehensive income for the period | 4,342 | 244 | N.M | 2,574 | 1,111 | 131.7% |

N.M. - Not Meaningful

Note 15

The increase in translation reserve for the Group was caused by the continuing appreciation of SGD against USD during the period under review.

1(b)(f)

| | Group | | Company | |
|---|----------------|---------------|---------------|---------------|
| | 31 Dec 09 | 31 Dec 08 | 31 Dec 09 | 31 Dec 08 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Share capital | 168,534 | 161,723 | 168,534 | 161,723 |
| Accumulated losses | (70,268) | (72,009) | (76,934) | (78,317) |
| Other reserves | (80) | 564 | (80) | 564 |
| Translation reserve (Note 15) | 2,951 | 2,152 | 28 | 18 |
| Total Shareholders' Equity | 101,137 | 92,430 | 91,548 | 83,988 |
| Property, plant and equipment | 4,563 | 5,220 | 1,216 | 1,964 |
| Intangible assets (Note 16) | 18,486 | 13,602 | 556 | 709 |
| Investment in subsidiaries | - | - | 24,673 | 23,125 |
| Investment in associates | 463 | 445 | 479 | 679 |
| Deferred tax assets | 19 | - | - | - |
| Investment in long-term bonds and deposits (Note 17) | 3,300 | 7,906 | 3,300 | 7,906 |
| Investment securities (Note 18) | 3,905 | 7,918 | 3,905 | 7,808 |
| Long-term loans and advances to subsidiaries | - | - | 1,214 | 1,726 |
| Trade debtors, non-current | 488 | 1,038 | - | - |
| Current assets | 107,490 | 89,440 | 78,149 | 55,945 |
| Stocks | 7,487 | 4,284 | 266 | 428 |
| Trade debtors (Note 19) | 16,327 | 15,261 | 6,866 | 1,696 |
| Other debtors and deposits (Note 16) | 1,792 | 759 | 577 | 558 |
| Prepayments | 4,499 | 3,839 | 2,378 | 2,459 |
| Due from subsidiaries | - | - | 4,572 | 826 |
| Due from associates | 28 | 1,180 | 28 | 1,180 |
| Investment in short-term bonds and deposits (Note 17) | 4,184 | 1,009 | 4,184 | 1,009 |
| Investment securities (Note 18) | 54,688 | - | 54,688 | - |
| Fixed deposits (Note 18) | 6,356 | 52,037 | 2,379 | 42,529 |
| Cash and bank balances | 12,129 | 11,071 | 2,211 | 5,260 |
| Current liabilities | 32,338 | 31,261 | 21,944 | 15,874 |
| Trade creditors (Note 16) | 11,860 | 8,594 | 6,704 | 1,978 |
| Other creditors and accruals (Note 20) | 8,619 | 11,489 | 3,625 | 4,665 |
| Deferred revenue (Note 20) | 6,180 | 8,609 | 2,636 | 4,726 |
| Lease obligations, current | 1,035 | 935 | - | - |
| Loan and Bank borrowings (Note 21) | 4,246 | 1,380 | - | - |
| Due to subsidiaries | - | - | 8,957 | 4,505 |
| Due to associates | 22 | - | 22 | - |
| Tax payable | 376 | 254 | - | - |
| Net current assets | 75,152 | 58,179 | 56,205 | 40,071 |
| Non-current liabilities | 5,239 | 1,878 | - | - |
| Deferred tax liabilities | 1,734 | 536 | - | - |
| Lease obligations, non-current | 834 | 1,342 | - | - |
| Loan and Bank borrowings (Note 21) | 2,671 | - | - | - |
| Net Assets | 101,137 | 92,430 | 91,548 | 83,988 |

Note 16

As compared to 31 December 2008, the increase in Group's other debtors & deposits, trade creditors and intangible assets arose mainly from the acquisition of the subsidiary Bharat IT Services Limited in December 2009.

Note 17

As compared to 31 December 2008, the decrease in investment in long-term bonds and deposits was mainly due to reclassification of bonds from long-term to short-term since Q3 2009, and the redemption of bonds amounting to US\$1.3 million during the year.

Note 18

As compared to 31 December 2008, the decrease in long-term investment securities was due to reclassification of structured securities from long-term to short-term since Q3 2009. The increase in short-term investment securities was funded by the drawdown of fixed deposits.

Note 19

The increase in trade debtors was mainly due to US\$5.6 million recoverable from related party in relation to the sales of mobile phone handsets to the related party.

Note 20

As compared to 31 December 2008, the decrease in other creditors, accruals and deferred revenue were mainly due to decline in revenue. The decrease in other creditors was partially offset by US\$1.3 million advances from a related party.

Note 21

As compared to 31 December 2008, the increase in bank borrowings was mainly due to utilisation of trust receipt facilities for paying of trade creditors.

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

Amount repayable in one year or less, or on demand

| As at 31/12/2009 | | As at 31/12/2008 | |
|--------------------|----------------------|--------------------|----------------------|
| Secured (US\$'000) | Unsecured (US\$'000) | Secured (US\$'000) | Unsecured (US\$'000) |
| 4,246 | Nil | 1,380 | Nil |

Amount repayable after one year

| As at 31/12/2009 | | As at 31/12/2008 | |
|--------------------|----------------------|--------------------|----------------------|
| Secured (US\$'000) | Unsecured (US\$'000) | Secured (US\$'000) | Unsecured (US\$'000) |
| 2,671 | Nil | Nil | Nil |

Details of any collateral

- Subsidiary's fixed deposits of US\$0.15 million (31/12/2008 : US\$0.95 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.
- Corporate guarantees of US\$19.4 million (31/12/2008 : US\$18.3 million) were given by the Company to enable its subsidiaries to obtain banking facilities.
- Corporate guarantees of US\$5.7 million (31/12/2008 : US\$3.5 million) were given by the Company to enable a subsidiary to obtain credit facility from a supplier.
- Corporate guarantees of US\$3.7 million (31/12/2008 : US\$3.5 million) were given by the subsidiary to enable its subsidiaries to obtain credit facility from suppliers.
- Trust receipts of US\$3.3 million (31/12/2008 : US\$1.1 million) were secured by a fixed charge over a subsidiary's fixed deposits of US\$ Nil million (31/12/2008 : US\$0.8 million), as well as 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 | | Year ended | |
|---|-----------------|----------------|-----------------|-----------------|
| | 31 Dec 09 | 31 Dec 08 | 31 Dec 09 | 31 Dec 08 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Cash flows from operating activities | | | | |
| Profit before taxation | 4,082 | 166 | 1,761 | 556 |
| Adjustments for non cash items: | | | | |
| Allowance for doubtful trade debts | 56 | 108 | 217 | 362 |
| Allowance for stock obsolescence | 152 | 139 | 298 | 145 |
| Amortization of intangible assets | 245 | 427 | 1,417 | 1,423 |
| Write-off/ (write-back) of bad trade debts | 12 | (51) | 25 | 2 |
| Write-off of bad non-trade debts | - | - | 263 | - |
| Depreciation of property, plant and equipment | 800 | 935 | 3,452 | 4,300 |
| Fair value gain on structured securities | (500) | - | (1,126) | - |
| Fair value loss on structured securities | 295 | 726 | 295 | 726 |
| Gain on disposal of property, plant and equipment | (18) | (4) | (82) | (6) |
| Impairment loss on quoted equity investment | - | 74 | - | 74 |
| Interest expense on borrowings | 113 | 44 | 323 | 157 |
| Interest income from bonds, deposits and structured securities | (212) | (364) | (910) | (1,773) |
| Gain on bargain purchase based on provisional valuation | (4,476) | - | (4,476) | - |
| Loss on disposal of a subsidiary | - | - | - | 198 |
| Loss on disposal of an unquoted equity investment | - | - | 4 | - |
| Property, plant and equipment written-off | 40 | 23 | 57 | 23 |
| Share of results of associates | (2) | (9) | (18) | (13) |
| Share-based payments | (41) | 17 | 7 | 163 |
| (Write-back)/ allowance for doubtful trade debts | (8) | 22 | (129) | (59) |
| Translation differences | 67 | 176 | 332 | 674 |
| Operating profit before working capital changes | 605 | 2,429 | 1,710 | 6,952 |
| (Increase)/ decrease in stocks | (628) | (1,176) | (3,141) | 39 |
| (Increase)/ decrease in trade debtors | (4,019) | (1,094) | 810 | (1,156) |
| (Increase)/ decrease in other debtors and deposits | (269) | 1,188 | 35 | 871 |
| Decrease/ (increase) in prepayments | 349 | 1,749 | (657) | 1,543 |
| Decrease in amount due from associates | 123 | 43 | 391 | 269 |
| Increase in trade creditors | 4,339 | 2,238 | 901 | 841 |
| (Decrease)/ increase in other creditors and accruals | (1,599) | 2,832 | (4,892) | (519) |
| Decrease in deferred revenue | (1,169) | (700) | (2,595) | (489) |
| Cash (used in)/ generated from operating activities | (2,268) | 7,509 | (7,438) | 8,351 |
| Interest paid | (113) | (44) | (323) | (157) |
| Tax (paid)/ refund | (5) | 25 | (219) | (677) |
| Net cash (used in)/ generated from operating activities | (2,386) | 7,490 | (7,980) | 7,517 |
| Cash flows from investing activities | | | | |
| Interest income received from bonds, deposits and structured securities | 145 | 313 | 1,050 | 1,719 |
| Investment in subsidiaries, net of cash acquired | 2,384 | (389) | 2,384 | (389) |
| Purchase of a hybrid instrument | - | - | - | (4,099) |
| Net cash outflow on a disposal of a subsidiary | - | - | - | (116) |
| Proceeds from disposal of property, plant and equipment | 19 | 4 | 93 | 15 |
| Proceeds from disposal of investment securities | - | - | 105 | - |
| Proceeds from redemption of short-term bonds | - | - | 300 | - |
| Proceeds from disposal of long-term bonds | - | - | 1,000 | - |
| Purchase of structured securities | (49,789) | - | (49,789) | (4,500) |
| Purchase of long-term bonds and structured securities | - | - | - | (7,145) |
| Purchase of property, plant and equipment | (582) | (419) | (2,757) | (2,256) |
| Additions to intangible assets | (267) | (38) | (284) | (718) |
| Net cash used in investing activities | (48,090) | (529) | (47,898) | (17,489) |
| Cash flows from financing activities | | | | |
| (Increase)/ decrease in fixed deposits pledged | (1) | 7 | 807 | 3,314 |
| Proceeds from bank borrowings | 3,565 | - | 5,537 | - |
| Repayment of bank borrowings | (1,330) | (1,434) | - | (4,281) |
| Proceeds from exercise of employee share options | 1,098 | - | 6,126 | 665 |
| (Repayment of obligations)/ obligations obtained under finance leases | (247) | (251) | (408) | 841 |
| Net cash generated from/ (used in) financing activities | 3,085 | (1,678) | 12,062 | 539 |
| Net (decrease)/ increase in cash and cash equivalents | (47,391) | 5,283 | (43,816) | (9,433) |
| Cash and cash equivalents at beginning of the period | 65,729 | 56,871 | 62,154 | 71,587 |
| Cash and cash equivalents at end of the period | 18,338 | 62,154 | 18,338 | 62,154 |

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.

| | 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 January 2009 | 161,723 | (72,009) | 564 | 2,152 | 92,430 |
| Total comprehensive income for the period | - | (2,387) | 34 | 585 | (1,768) |
| Exercise of employees share options | 5,452 | - | (424) | - | 5,028 |
| Value of employee services received | - | - | 48 | - | 48 |
| Balance as at 30 September 2009 | 167,175 | (74,396) | 222 | 2,737 | 95,738 |
| Total comprehensive income for the period | - | 4,128 | - | 214 | 4,342 |
| Exercise of employees share options | 1,359 | - | (261) | - | 1,098 |
| Value of employee services received | - | - | (41) | - | (41) |
| Balance as at 31 December 2009 | 168,534 | (70,268) | (80) | 2,951 | 101,137 |
| Balance as at 1 January 2008 | | | | | |
| Balance as at 1 January 2008 | 160,758 | (72,686) | 743 | 1,676 | 90,491 |
| Total comprehensive income for the period | - | 467 | (136) | 536 | 867 |
| Exercise of employees share options | 953 | - | (288) | - | 665 |
| Value of employee services received | - | - | 146 | - | 146 |
| Balance as at 30 September 2008 | 161,711 | (72,219) | 465 | 2,212 | 92,169 |
| Total comprehensive income for the period | - | 210 | 94 | (60) | 244 |
| Exercise of employees share options | 12 | - | (11) | - | 1 |
| Value of employee services received | - | - | 16 | - | 16 |
| Balance as at 31 December 2008 | 161,723 | (72,009) | 564 | 2,152 | 92,430 |

| | 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 2009 | 161,723 | (78,317) | 564 | 18 | 83,988 |
| Total comprehensive income for the period | - | (3,063) | 34 | 9 | (3,020) |
| Exercise of employees share options | 5,452 | - | (424) | - | 5,028 |
| Value of employee services received | - | - | 48 | - | 48 |
| Balance as at 30 September 2009 | 167,175 | (81,380) | 222 | 27 | 86,044 |
| Total comprehensive income for the period | - | 4,446 | - | 1 | 4,447 |
| Exercise of employees share options | 1,359 | - | (261) | - | 1,098 |
| Value of employee services received | - | - | (41) | - | (41) |
| Balance as at 31 December 2009 | 168,534 | (76,934) | (80) | 28 | 91,548 |
| 2008 | | | | | |
| Balance as at 1 January 2008 | 160,758 | (75,743) | 743 | 43 | 85,801 |
| Total comprehensive income for the period | - | (768) | (136) | (28) | (932) |
| Exercise of employees share options | 953 | - | (288) | - | 665 |
| Value of employee services received | - | - | 146 | - | 146 |
| Balance as at 30 September 2008 | 161,711 | (76,511) | 465 | 15 | 85,680 |
| Total comprehensive income for the period | - | (1,806) | 94 | 3 | (1,709) |
| Exercise of employees share options | 12 | - | (11) | - | 1 |
| Value of employee services received | - | - | 16 | - | 16 |
| Balance as at 31 December 2008 | 161,723 | (78,317) | 564 | 18 | 83,988 |

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.

During the financial year under review, a total of 65,374,808 ordinary shares were issued upon the exercise of options granted under the Employees' Share Option Schemes and Employees' Performance Share Schemes.

The breakdown of the outstanding share options granted under the Employees' Share Option Schemes:

| | No. of Shares | |
|--|---------------|------------|
| | 31/12/2009 | 31/12/2008 |
| Options granted under 1999 MediaRing Employees' Share Option Scheme | - | 1,518,251 |
| Options granted under 1999 MediaRing Employees' Share Option Scheme II | 4,185,288 | 69,794,031 |

A total of Nil (31/12/2008 : 513,000) outstanding performance shares was granted under the Employees' Performance Share Schemes.

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 31 December 2009 is 1,268,365,755 (31/12/2008 : 1,202,990,947).

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 2008, except as disclosed in Note 5.

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.**

On 1 January 2009, the Group and the Company adopted all the new and revised FRS and INT FRS mandatory for annual financial period beginning on or after 1 January 2009. The adoption of these FRS and INT FRS does not have a significant impact on the financial statements of the Group and of the Company.

6. **Earning 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 | | | |
|--|----------------|-----------|------------|-----------|
| | Fourth Quarter | | Year Ended | |
| | 2009 | 2008 | 2009 | 2008 |
| 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) | 0.34 cent | 0.02 cent | 0.14 cent | 0.06 cent |
| ii) On a fully diluted basis (US cent) | 0.33 cent | 0.02 cent | 0.14 cent | 0.06 cent |

Basic earning per share is calculated based on the weighted average number of 1,228,168,862 (31/12/2008 : 1,202,410,319) ordinary shares in issue.

Diluted earning per share is calculated based on the adjusted weighted average number of 1,234,917,179 (31/12/2008 : 1,204,671,575) ordinary shares.

7. **Net assets 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 | |
|--|------------|------------|------------|------------|
| | 31/12/2009 | 31/12/2008 | 31/12/2009 | 31/12/2008 |
| Net asset backing per ordinary share is calculated based on 1,268,365,755 (31/12/2008 : 1,202,990,947) ordinary shares in issue at the end of the period under review and of the immediate preceding financial year (US cent). | 7.97 cent | 7.68 cent | 7.22 cent | 6.98 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 reported Q4 and FY 2009 revenue of US\$29.6 million and US\$115.0 million respectively. The decline in revenue was mainly due to strong competition in current telecommunication and computing business segments coupled with weaker consumer sentiment due to economic slowdown.

Even with decline in revenue, the Group managed to record a growth in net profit by 157.2% over the preceding financial year. There was a net gain of US\$4.5 million gain after deferred taxation arising from the acquisition of Bharat IT Services Limited.

To improve productivity in the long-run, the management carried out a right-sizing exercise costing US\$1.9 million. The Group is keen in developing new products and new revenue streams to increase profitability and shareholder value. New revenue streams include sale of GSM handsets in Q4 2009.

The Group entered into an agreement to acquire 100% equity in Spice BPO Ltd on 30 December 2009. The transaction was completed subsequent to the year end. Through these newly acquired subsidiaries, the Group has expanded its presence in India.

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.**

Given the current global conditions, the Group will act with caution in all aspects of our business.

MediaRing remains committed to being a one-stop premier IP communications provider of Voice, Data and Computing services with a special focus on Asia and MENA region .

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

| | |
|------------------|---|
| Name of dividend | Final |
| Dividend Type | Cash; Tax exempt (1-tier) dividend |
| Dividend Amount | SGD 0.1 cent per ordinary share |
| Tax Rate | Exempt (1-tier) |

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

The Directors have proposed a final of SGD 0.1 cent per ordinary share, tax exempt (1-tier) for approval by shareholders at the forthcoming annual general meeting to be convened. Details on payment of dividend will be announced in due course.

(d) Books closure date

Details on closure of books will be announced in due course.

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

Not applicable

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

13. **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.**

Operating Segments

The main business segments of the Group comprise:

- a) Voice & Data Services comprising mainly:
- i) "PC-Phone" service that allows users to make calls from their PC to any phone in the world;
 - ii) "GCC" service that offers users the means to make low cost calls via IP infrastructure;
 - iii) IDD, Mobile VoIP and VoIP telephony services to corporate users and consumers;
 - iv) "Enterprise" service that allows corporate users to make calls via their existing corporate PABX and internet access;
 - v) wholesale traffic terminating services to carriers and service providers; and
 - vi) "Technology Licensing" service that offers connectivity and interoperability solutions to telecommunication carriers and wholesale clearing houses.
 - vii) "ISP" service that offers an extensive portfolio of data services include Broadband, Lease line Access, Private Network, Network Security, Hosted Services and IT Solutions to corporate users and consumers;
 - viii) Sale of mobile phone handset.
- b) Computing comprising mainly:
- i) supply, rental, maintenance and servicing of computer hardware and peripheral equipment; and
 - ii) systems integration service related to computer equipment and peripherals, storage systems and networking products.

| | 2009 | | |
|--|----------------------------------|----------------------|------------------|
| | Voice & Data Services (US\$'000) | Computing (US\$'000) | Group (US\$'000) |
| Turnover - external sales | 79,930 | 35,033 | 114,963 |
| Results: | | | |
| Gain on bargain purchase | - | 4,476 | 4,476 |
| Fair value gain on structured securities | 1,126 | - | 1,126 |
| Interest income from bonds, deposits and structured securities | 806 | 104 | 910 |
| Direct service fees incurred | (37,272) | (25,324) | (62,596) |
| Commissions and other selling expenses | (25,460) | (200) | (25,660) |
| Personnel costs | (10,409) | (5,009) | (15,418) |
| Infrastructure costs | (3,540) | (509) | (4,049) |
| Depreciation of property, plant and equipment | (1,512) | (1,940) | (3,452) |
| Amortization of intangible assets | (717) | (700) | (1,417) |
| Marketing expenses | (1,913) | (18) | (1,931) |
| Fair value loss on structured securities | (295) | - | (295) |
| Other expenses | (3,444) | (1,452) | (4,896) |
| (Loss)/ profit before taxation | (2,700) | 4,461 | 1,761 |
| Taxation | 46 | (66) | (20) |
| (Loss)/ profit after taxation | (2,654) | 4,395 | 1,741 |
| Assets: | | | |
| Investment in associates | 463 | - | 463 |
| Segment assets | 94,627 | 44,087 | 138,714 |
| Segment liabilities | 15,089 | 22,488 | 37,577 |
| Capital expenditure | 700 | 2,341 | 3,041 |

| | 2008 | | |
|--|----------------------------------|----------------------|------------------|
| | Voice & Data Services (US\$'000) | Computing (US\$'000) | Group (US\$'000) |
| Turnover - external sales | 107,613 | 33,211 | 140,824 |
| Results: | | | |
| Interest income from bonds, deposits and structured securities | 1,686 | 87 | 1,773 |
| Direct service fees incurred | (47,584) | (24,005) | (71,589) |
| Commissions and other selling expenses | (33,962) | (165) | (34,127) |
| Personnel costs | (12,630) | (3,906) | (16,536) |
| Infrastructure costs | (4,463) | (391) | (4,854) |
| Depreciation of property, plant and equipment | (2,062) | (2,238) | (4,300) |
| Amortization of intangible assets | (777) | (646) | (1,423) |
| Marketing expenses | (1,866) | (13) | (1,879) |
| Other expenses | (5,608) | (1,725) | (7,333) |
| Profit before taxation | 347 | 209 | 556 |
| Taxation | 78 | 43 | 121 |
| Profit after taxation | 425 | 252 | 677 |
| Assets: | | | |
| Investment in associates | 445 | - | 445 |
| Segment assets | 89,815 | 35,754 | 125,569 |
| Segment liabilities | 15,741 | 17,398 | 33,139 |
| Capital expenditure | 1,776 | 1,198 | 2,974 |

Geographical Segments

The Group has operating offices in two main geographical areas.

- i) Asia includes the operations in Singapore, China, Indochina, India, Hong Kong, Taiwan, Malaysia, Japan and Middle East; and
- ii) USA includes the operations in North, South and Central America.

| | Turnover | | Assets | | Capital Expenditure | |
|--------------|------------------|------------------|------------------|------------------|---------------------|------------------|
| | 2009 US\$'000 | 2008 US\$'000 | 2009 US\$'000 | 2008 US\$'000 | 2009 US\$'000 | 2008 US\$'000 |
| Asia | 114,182 | 139,109 | 138,390 | 125,016 | 2,957 | 2,823 |
| USA | 781 | 1,715 | 324 | 553 | 84 | 151 |
| Total | 114,963 | 140,824 | 138,714 | 125,569 | 3,041 | 2,974 |

14. 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.

15. A breakdown of sales.

| | Group | | |
|--------------------------------------|----------|--------|--------|
| | US\$'000 | | % |
| | 2009 | 2008 | Change |
| Sales reported for first half-year | 57,570 | 68,803 | -16.3% |
| Profit reported for first half-year | 410 | 465 | -11.8% |
| Sales reported for second half-year | 57,393 | 72,021 | -20.3% |
| Profit reported for second half-year | 1,331 | 212 | 527.8% |

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

| | Year ended 31 Dec | |
|---|-------------------|------|
| | SGD '000 | |
| | 2009 | 2008 |
| Ordinary shares (include proposed final dividend) | 1,268 | - |

BY ORDER OF THE BOARD

**Ashok Kumar Goyal
Executive Director & CEO**

26 February 2010