ANNUAL REPORT 2014

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NTEGRATOR

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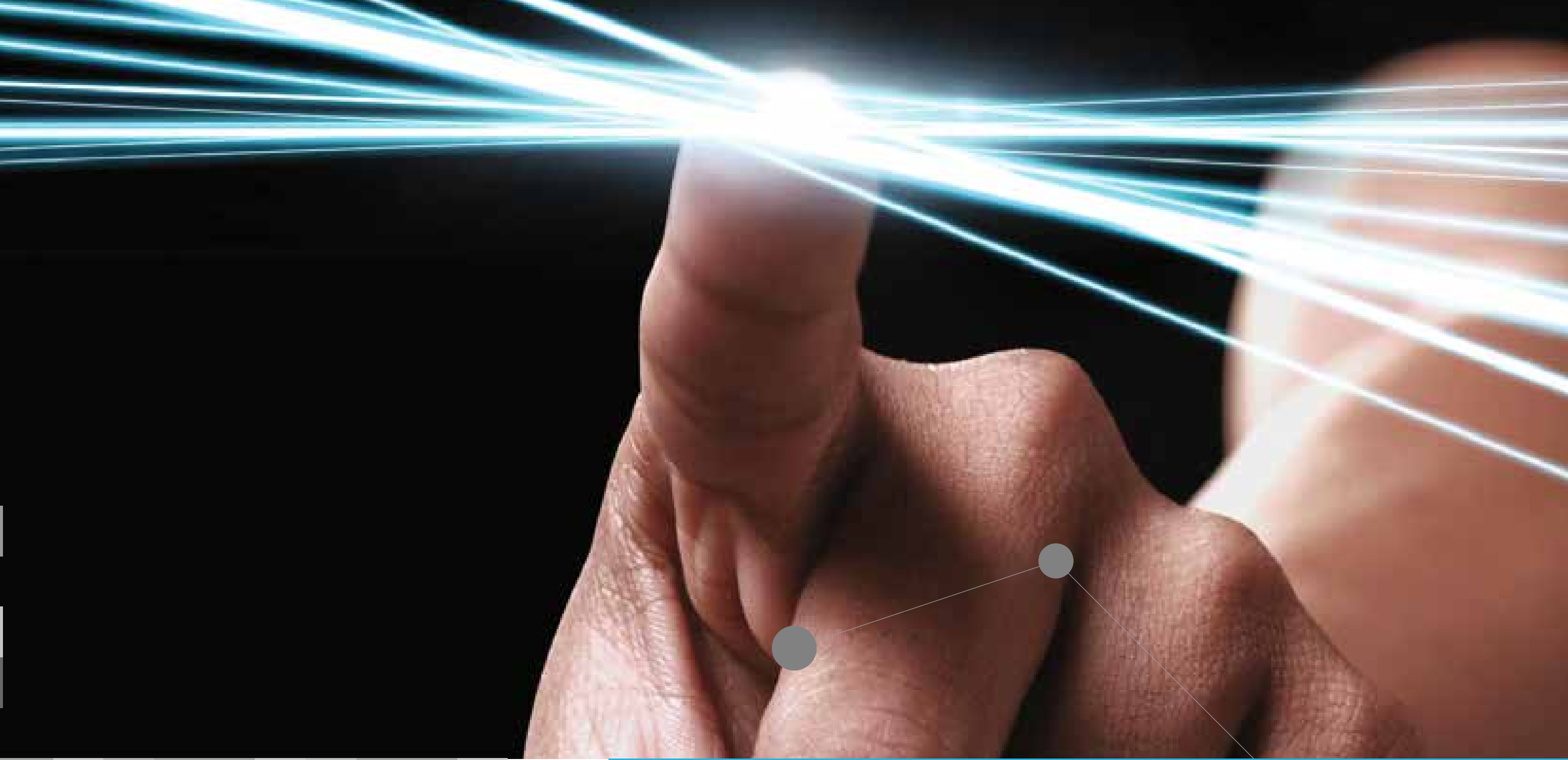
The contact person for the Sponsor is Ms Foo Quee Yin. Telephone number: 6221 0271

TO BE A GLOBAL, WORLD-CLASS PROVIDER OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS SOLUTIONS, OFFERING HIGH-TECH NETWORK INFRASTRUCTURE AND VOICE COMMUNICATION SYSTEMS



Established in 2002 and listed on Catalist (formerly known as SESDAQ) in 2005, Ntegrator is one of the leading players in the IT and telecommunications industries in the region, backed by an established track record. Ntegrator's core businesses include the design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure as well as voice communication systems. The Group also provides project management services as well as maintenance and support services.

The Group counts companies such as Viettel Group (the largest telecom operator in Vietnam), SingTel, M1 and the Government of Myanmar amongst its well-established customer base. In addition, the Group is supported by its loyal key suppliers, including Alcatel and ECI Telecom - all leading players in their respective fields.

ABOUT NTEGRATOR

WITH ITS HEADQUARTERS IN SINGAPORE,

Ntegrator has well-established operations in the region, covering Singapore, Vietnam, Myanmar and Thailand.

OUR BUSINESS

PROJECT SALES

OUR PROJECT SALES DIVISION CONSISTS OF NETWORK INFRASTRUCTURE AND VOICE COMMUNICATION SYSTEMS.

NETWORK INFRASTRUCTURE

We integrate network infrastructure which enables end-users to communicate electronically within an organisation or with another organisation, either within the same country or globally.

We provide total end-to-end infrastructural business solutions, such as:

- Network integration services, from fixed-line, e.g. Optical DWDM, SDH, IPDSLAM and ADSL, to wireless solutions, e.g. Microwave, VSAT and WIMAX;
- Design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure; and
- Customised solutions according to customers' needs.

VOICE COMMUNICATION SYSTEMS

We are able to seamlessly integrate voice and data signals used in large organisations' telephone network, which include:

- PABX;
- Video conferencing systems;
- Voice messaging, recording or logging systems; and
- VoIP applications.

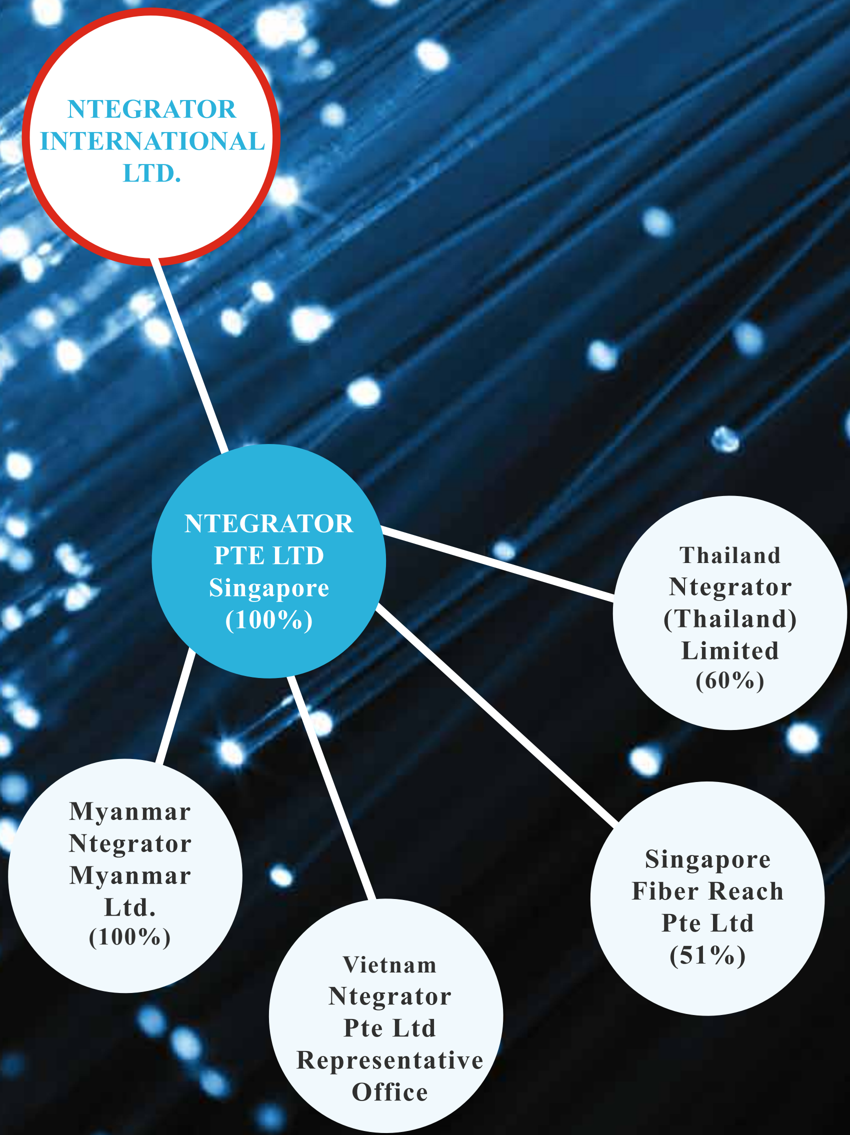
We offer flexible and user-configurable systems for exact customisation to our customers' needs, ensuring the delivery of total end-to-end enterprise business solutions.

PROJECT MANAGEMENT AND MAINTENANCE SERVICES

Our Project Management Services include the provision of installation and implementation services for our network infrastructure and voice communication systems.

We also offer onsite and online maintenance and support services. These services are supported by our 24-hour fault control hotline, hardware and software repair services, online CRM system services, 24-hour onsite support services and 24-hour remote modem dial-in services.

GROUP STRUCTURE



CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

This is the first time I am writing to you as the Executive Chairman of Ntegrator International Ltd ("Ntegrator" or the "Group"). On behalf of the Board of Directors, I thank you for your continued support and faith in us over the years and present to you the Group's annual report for the financial year ended December 31, 2014 ("FY2014").

THE YEAR IN REVIEW

The Group reported revenue of S$41.5 million in FY2014, a decrease of 14.3% from S$48.4 million a year ago ("FY2013"), which was due mainly to lower contributions from our Project Sales segment.

On a segmental basis, the Group's Project Sales segment recorded revenue of S$22.6 million in FY2014, compared to S$29.9 million a year ago. While the Group saw smooth operational progress and timely delivery of projects in two of our key operating markets – Singapore and Myanmar – the slower completion progress for some of our projects in Vietnam impacted our ability to generate revenue growth during the year. Our other core business – Project Management and Maintenance Services – continues to serve as a stable recurring income driver for the Group, achieving a 2.4% gain in turnover to S$18.9 million in FY2014, from S$18.5 million in FY2013.

We remained operationally profitable in FY2014, with a gross profit of S$8.4 million, compared to S$8.8 million in FY2013.

The review year also marked the continuation of our strategic decision to pursue new opportunities that was aimed at bringing about diversification and new growth for Ntegrator. However, such efforts did not ultimately materialise, and together with cost overruns in one of our subsidiaries, resulted in the Group ending the year with a net loss of S$5.7 million.

Despite challenges in growing our business, the Group continues to enjoy positive cash flow during the year under review. Our balance sheet remains healthy, with S$6.5 million in cash and cash equivalents as at December 31, 2014, and total borrowings amounting to S$4.7 million.

FOCUSING ON OUR CORE CAPABILITIES

Since our establishment in 2002, Ntegrator has grown to be a leading player in the IT and telecommunications industries, with a strong presence in the Indo-China region. Our value proposition is derived from our strong technical expertise, product quality and service excellence, which has enabled the Group to maintain long-term relationships with our customers – many of which are market leaders in the telecommunications and network field or established government bodies and agencies.

On the business front, 2014 was a good year backed by a steady flow of orders from across our three key markets of Vietnam, Myanmar and Singapore. Our competitive advantage in Vietnam is underpinned by the close partnership we have forged with Vietnam's largest telecom operator – Viettel Group. We clinched a total of four new contracts from the Vietnam market during the review year, all of which were awarded by the Viettel Group.

For Myanmar, the ongoing development of its under-provided telecommunication and network infrastructure continues to bring growth impetus for industry players. Leveraging our years of close working relationships with major players such as Myanmar's Ministry of Defence

("MOD Myanmar") and the country's state-owned broadcast radio and television network – Myanmar Radio and Television ("MRTV"), we made good headway in 2014, wining a total of eight supply contracts for various transmission and communication equipment.

For our home market in Singapore, the development of the Next Gen Nationwide Broadband Network (Next Gen NBN) under the Infocomm Development Authority of Singapore's (IDA) Smart Nation vision also underpins the prospects for the domestic Information and Communications Technology (ICT) industry. In 2014, our work for the Singapore market included a two-year contract for the supply of services for the installation of fiber cable to provide broadband services for commercial customers, cable recovery project from yet another repeat customer – Sino Huawei Technologies Pte Ltd ("Sino Huawei") – and a supply contract from Mitsubishi Electric Asia Pte Ltd ("Mitsubishi Electric") for telecommunications equipment.

Despite the recent losses, our core businesses are healthy and growing, and Ntegrator continues to make excellent progress in key markets. We remain actively involved in regional project opportunities, evidenced by a slew of new contracts secured in just the first few weeks of 2015, which boosted our order book by a further S$25.2 million.

As such, our key thrust going forward will be on the growth and development of our core businesses. Accordingly, the Group will embark on a two-fold strategy: focus on our core business segments and pursue more opportunities in the fast-growing emerging markets of Myanmar and Vietnam; and grow our recurring revenue stream generated from the Project Management and Maintenance Services segment. Concurrently, we will also maintain a lookout for diversification opportunities.

With our industry experience and return in focus to our core businesses, the Group believes there will be an improvement in financial returns. Barring any unforeseen circumstances, the Group is confident that FY2015 will be more favorable compared to FY2014.

Han Meng Siew
Executive Chairman
March 30, 2015

APPRECIATION

On behalf of the Board, I would like to extend my sincere thanks to every member of our management and staff – your efforts and dedication are what contributed to Ntegrator's growth and achievements over the years. I also wish to thank my fellow Board members for their wise counsel and continuous support.

At the same time, on behalf of all of us at Ntegrator, I would like to take this opportunity to express our deepest appreciation to Mr Bernard Chen Tien Lap, for his friendship, guidance and extraordinary leadership of the Group all these years. Mr Bernard Chen has helmed the Group as Non-Executive Chairman since we were first listed in 2005 and has recently stepped down in March 2015 due to health reasons.

Finally, to our customers, business partners and shareholders, my sincere thanks for your continued confidence and support in Ntegrator. Thank you!

During the year, the Group's two core business divisions – Project Sales and Project Management and Maintenance Services – remained profitable. However, our profitability was eroded from cost arising from the continuation of our strategic decision to pursue new opportunities aimed at bringing about diversification and new growth for the Group, which did not ultimately materialise. This, together with cost overruns from a subsidiary of the Group – Fiber Reach Pte Ltd – resulted in a net loss after tax of S$5.7 million in FY2014 for the Group.

OPERATIONS AND FINANCIAL REVIEW

Operationally, the Group's business environment remained competitive in 2014. Nonetheless, the Group was able to leverage our capabilities as an established network and systems integrator to capture a healthy share of market opportunities across our key markets of Singapore, Vietnam and Myanmar.

In February 2014, our wholly-owned Myanmar subsidiary – Ntegrator Myanmar Ltd. – received a permanent certificate of registration from the Myanmar Ministry of National Planning and Economic Development. This marked a firm step towards strengthening the Group's presence in the fast-growing Myanmar market.

In FY2014, the Group secured a total of 16 new contracts with a combined value of S$27.0 million from our repeat customers for projects in Southeast Asia. This is testament to our established track record and strong technical expertise in providing customised solutions for network infrastructure and telecommunication systems.

Ntegrator's participation in network and communication project opportunities in Myanmar was backed by contract wins from MOD Myanmar and its state-owned broadcast radio and television network – MRTV. The orders placed by MOD Myanmar comprised mainly the supply of transmission equipment and accessories and communications network equipment for expansion of network capacity. Contracts from MRTV included the supply of communications equipment that included TV and FM transmitters, Ku-Band uplink system equipment and services and an antenna system.

Orders placed by long-time customer Viettel Group – Vietnam's largest telecom network operator – included supply contracts for new laboratory and other equipment, as well as orders for the upgrade of equipment for its global operations.

For Ntegrator's home market in Singapore, the Group made progress with new contracts for the provision of manpower and resources for the drawing-in/recovery of optical fiber cables, as well as the installation of fiber cables to provide broadband services for commercial customers. The Group also secured a cable recovery contract in Singapore from another repeat customer – Sino Huawei – and a contract from Mitsubishi Electric for the supply of telecommunications equipment for an Optic Fiber Distribution Frame with monitoring modules.

ORDER BOOK

As at December 31, 2014, the Group's order book remains robust at S$69.4 million, majority of which is expected to be recognised in the financial year ending December 31, 2015. This is the second year in a row that the Group has achieved a record order book. The secured contracts are from the Group's primary markets of Singapore, Vietnam and Myanmar.

Going forward, we will focus on our core businesses and continue to seek growth opportunities in regional markets to achieve long-term growth and create value for our shareholders.

BOARD OF DIRECTORS

HAN MENG SIEW
EXECUTIVE CHAIRMAN

JIMMY CHANG JOO WHUT
MANAGING DIRECTOR AND
EXECUTIVE DIRECTOR

CHARLES GEORGE ST. JOHN REED
LEAD INDEPENDENT DIRECTOR

LAI CHUN LOONG
INDEPENDENT DIRECTOR

LEE KEEN WHYE
INDEPENDENT DIRECTOR

HAN MENG SIEW
EXECUTIVE CHAIRMAN

Mr Han was appointed as a Director of Ntegrator in July 2004 and was last re-elected to the Board on April 30, 2012. He was appointed as Chairman of Ntegrator in March 2015. Mr Han brings to the Board over 30 years of experience in the telecommunications industry.

Mr Han started his career in the telecommunications industry with Singapore Telecommunications Limited in 1981, following which he moved to Teledata (Singapore) Ltd ("Teledata") in 1987, serving as General Manager and subsequently, Managing Director. He was instrumental in the turnaround of Teledata, guiding it to its SGX-ST listing in 1994.

Mr Han holds a Bachelor of Engineering degree from the National University of Singapore and a Graduate Diploma in Business Administration from the Singapore Institute of Management.

JIMMY CHANG JOO WHUT
MANAGING DIRECTOR AND
EXECUTIVE DIRECTOR

Mr Chang was appointed as our Director in July 2002. He has been our Managing Director since the establishment of the Group in 2002, responsible for managing the day-to-day business operations and overseeing the business, development and engineering support of our network infrastructure team.

Mr Chang began his career in the telecommunications industry at Singapore Telecommunications Limited in 1980. After a five-year stint at Wandel & Goltermann Ltd as a consultant and subsequently, regional manager, Mr Chang joined Teledata in 1993, moving on to be an executive director cum General Manager of Plexus Technology Pte Ltd, a subsidiary of Teledata, in 1996.

Mr Chang has an Industrial Technician Certificate in Electrical Engineering from the Singapore Technical Institute and a Diploma in Telecommunications from City & Guild in London.

He also serves as a School Advisory Committee Member of Bishan Park Secondary School.

CHARLES GEORGE ST. JOHN REED
LEAD INDEPENDENT DIRECTOR

Mr Reed was first appointed as our Independent Director in June 2003 and was last re-elected to the Board on April 26, 2013. He was further appointed as the Lead Independent Director in March 2015. Currently the CEO of DoCoMo interTouch Pte Ltd, an NTT DoCoMo Group company, Mr Reed began his career as a Senior Associate at Coopers & Lybrand/Deloitte, and subsequently joined PT Excelcomindo Pratama as General Manager where he was responsible for financial restructuring, corporate governance, capital projects and re-engineering process improvement projects. He left to join British Telecom (Hong Kong) as Director of Programme Management and was responsible for the business development and infrastructure for British Telecom Cellnet's Global Mobile Internet offering, Genie.

Mr Reed also held senior management positions at Telecom Venture Group, Personal Broadband Australia Pty Limited, Capena Ltd (BVI) and was an audit committee member of Mobile Telecom Network (Holdings) Limited, which is listed on the Hong Kong Stock Exchange's Growth Enterprise Market.

Mr Reed holds a Bachelor of Science degree in Engineering Mathematics from Bristol University, United Kingdom.

Mr Lai was appointed as our Independent Director in September 2005 and was last re-elected to the Board on April 24, 2014. He is a Corporate Advisor to Temasek Holdings (Pte) Ltd, and Advisor to Vietnam Investment to Singapore Technologies Pte Ltd.

Mr Lai was the founding and Executive Chairman of the Vietnam Singapore Industrial Park. He assisted to bring in foreign investments to Vietnam from 1996. For his contributions to Vietnam, Mr Lai was awarded the Friendship Medal by the President of Vietnam in 2006.

Currently, he is Senior Advisor to Hexagon Development Advisors Pte Ltd, and also the Executive Director of Prominent Consulting Pte Ltd, which has a representative office in Ho Chi Minh City, Vietnam.

He started his career at the Chartered Industries of Singapore ("CIS") in 1968 and rose to the position of Managing Director in 1983. Mr Lai was later appointed as President of CIS in 1989. He moved to head Sembawang Industrial Pte Ltd as its Deputy Chairman and President in 1993.

Mr Lai graduated with a Bachelor in Engineering (Mechanical) from the University of Auckland, New Zealand, under a Colombo Plan Scholarship in 1967. He holds an MBA degree from the University of California, Los Angeles in 1980, and completed the Harvard Advanced Management Program in fall 1987.

Mr Lai was awarded a Public Service Medal (PBM) in 1992.

LAI CHUN LOONG
INDEPENDENT DIRECTOR

LEE KEEN WHYE
INDEPENDENT DIRECTOR

Mr Lee was appointed as our Independent Director in August 2008 and was last re-elected to the Board on April 24, 2014. He is the Managing Director of Strategic Alliance Capital Pte Ltd ("SAC"), a venture capital and investment management advisory company. Before founding SAC, Mr Lee was the founder and Managing Director of Rothschild Ventures Asia Pte Ltd and a member of the N M Rothschild & Sons global merchant banking group from 1990 to 1997. Prior to that, he was an Associate Director with Kay Hian James Capel Pte Ltd, which he joined in 1987 as Head of Research for Singapore and Malaysia.

Between 1985 and 1987, Mr Lee was based in California and worked with venture capital companies seeking investments in emerging growth companies. Prior to that, he was an Investment Manager with the Government of Singapore Investment Corporation.

Mr Lee currently sits on the Boards of several companies, including Vard Holdings Ltd and Santak Holdings Ltd which are listed on the SGX-ST as well as Yujin International Ltd which is listed on the Alternative Investment Market of London Stock Exchange. Mr Lee holds a Master's degree in Business Administration from Harvard Business School and a Bachelor's degree in Business Administration from the University of Singapore.

KENNETH SW CHAN KIT
FINANCIAL CONTROLLER

JASON LEONG WEE SIONG
GENERAL MANAGER, NETWORK INFRASTRUCTURE (REGIONAL)

VINCENT VINU EDWARD
GENERAL MANAGER, NETWORK INFRASTRUCTURE (SINGAPORE)

DIANA LEE MENG WAH
DIRECTOR, HUMAN RESOURCE

KEY MANAGEMENT

KENNETH SW CHAN KIT
FINANCIAL CONTROLLER

As the Financial Controller, Kenneth Sw is responsible for our Group's financial activities. A pioneer staff who joined Ntegrator since our inception in 2002, he has developed, built and implemented the region-wide financial framework, support, processes and procedures necessary to support the Group's operations.

Kenneth started his career with Matsushita Electronics (S) Pte Ltd and has, in the course of more than 30 years in the financial field, moved up to positions of higher responsibilities, both at HQ and region-wide levels. He has held positions as Finance Manager and CFO in various organisations, including Sembawang Engineering Pte Ltd, Teledata, e-Cop Pte Ltd and Intrawave Pte Ltd.

Kenneth is a Fellow of the Association of Chartered Certified Accountants, a non-practising fellow member of the Institute of Singapore Chartered Accountants and a member of CPA Australia.

JASON LEONG WEE SIONG
GENERAL MANAGER, NETWORK INFRASTRUCTURE (REGIONAL)

Jason Leong is another pioneer staff who joined Ntegrator since our inception in 2002 and currently oversees the sales and marketing activities for our Group's network infrastructure products and services in the region.

Jason's career started at Singapore Telecommunications Limited in 1995, where he handled International Transmission Maintenance & Operations and was responsible for European and USA carriers. He later joined Plexus Technology Pte Ltd as Sales Manager, overseeing various government and overseas accounts.

He holds a Bachelor's degree in Electronics & Electrical Engineering (First Class Honours) from Loughborough University of Technology.

VINCENT VINU EDWARD
GENERAL MANAGER, NETWORK INFRASTRUCTURE (SINGAPORE)

Another pioneer staff, Vincent Edward also joined Ntegrator since we started in 2002 and he currently oversees the sales and marketing activities of our Group's network infrastructure products and services in Singapore. Previously a Project Engineer with Sembawang Corporation Limited, Vincent joined Teledata in the same capacity. He was seconded to Plexus Technology Pte Ltd in 1999 as its Group Manager.

Vincent graduated from National University of Singapore with Master of Science in System Design and Management and Aberdeen University with a Bachelor's degree in Engineering (Honours).

DIANA LEE MENG WAH
DIRECTOR, HUMAN RESOURCE

Diana Lee joined our Group on its inception in 2002 and oversees all human resource and administration matters.

She has developed our Group's HR policies and practices for Singapore as well as our regional operations and has responsibility for all human resource policies, procedures, regulatory filings and compliance.

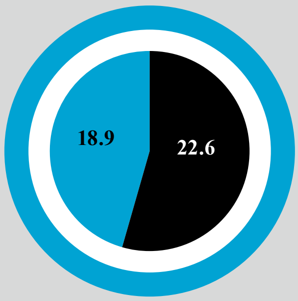
Prior to joining us, Diana held positions in both Administrative and Personnel departments of several public, private and government organisations, including Teledata, the Singapore General Hospital and SMRT Corporation Ltd.

Diana holds a Diploma in Human Resource Management.

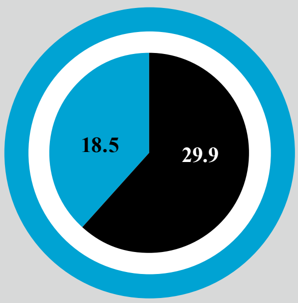
FINANCIAL HIGHLIGHTS

Revenue Breakdown by Activities

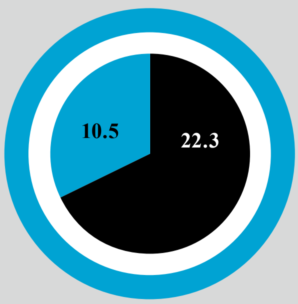
(S$ million)



2014



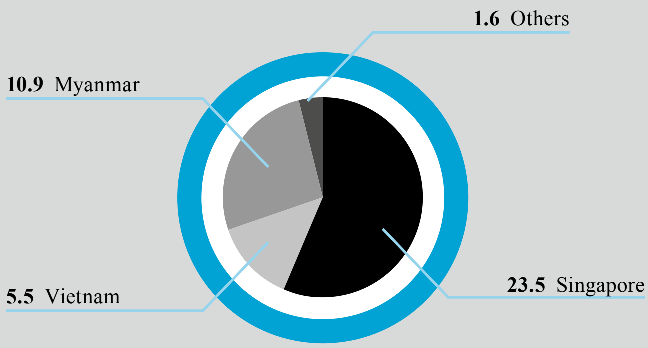
2013



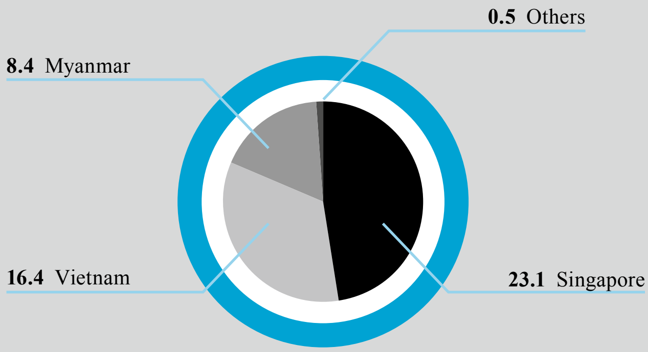
2012

Revenue Breakdown by Geographical Markets

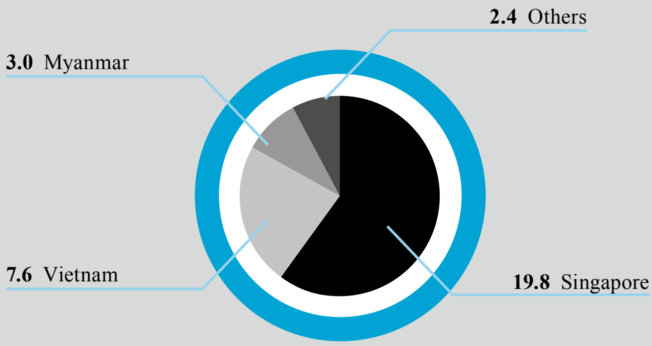
(S$ million)



2014



2013



2012

Project Sales

Project Management & Maintenance Services

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "Board") of Ntegrator International Ltd (the "Company") is committed to maintaining a high standard of corporate governance. The Board and Management have taken steps to align the governance framework with the recommendations of the 2012 Code of Corporate Governance (the "Code").

As required by Rules of Catalist 710 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "Catalist Rules"), the Company is pleased to disclose below a description of its corporate governance processes and activities with specific reference to the Code. Other than the specific deviations or alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code are explained in this report, the Company has complied with the principles and guidelines of the Code.

Board of Directors

Principle 1: The Board's Conduct of Affairs

The principal functions of the Board are:

a. Provide entrepreneurial leadership, set strategic objectives and approving the Group's key business strategies, human resources and financial objectives;
b. approving the annual budget, major investments and divestments, and funding proposals;
c. overseeing the processes for evaluating the adequacy of internal controls and risk management covering financial reporting risks, operational risks, information technology risks and compliance risks annually;
d. to set the Company's values and standards to ensure obligations to shareholders and other stakeholders are met including safeguarding of shareholders' interests and the Company's assets;
e. approving the nominations of Board of Directors and appointments of Key Management Personnel;
f. approving half year and full year results and announcements;
g. approving annual results and financial statements;
h. review management performance; and
i. assuming responsibility for corporate governance and compliance with the Companies Act and the rules and requirements of regulatory bodies.

The Board has adopted internal guidelines on matters reserved for the Board's decision and approval, including appointment of Directors, major funding and, investment proposals as well as material capital expenditures.

To assist the Board in discharging its responsibilities, the Board delegates specific authority to its Board Committees including the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). The roles and responsibilities of the Board Committees are set out separately in this Report.

All Board Committees have been constituted with clear written terms of reference ("TOR") which set out the duties, authority and accountabilities of each. The TORs are reviewed on a regular basis to ensure their continued relevance. The TORs of the respective Board Committees had also been updated to be in line with the Code.

The Board conducts regular scheduled meetings during the year. Ad-hoc meetings are conducted to address significant issues or approve major transactions, as appropriate.

The Company's Articles of Association allow Board Meetings to be conducted by way of telephone conferencing or any other electronic means of communications.

The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings in FY2014 are summarised in the table below:

Directors	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nominating Committee Meetings
Bernard Chen Tien Lap #	2	-	1	1
Han Meng Siew	2	-	-	-
Chang Joo Whut	2	-	-	-
Lai Chun Loong	2	2	1	-
Charles George St. John Reed	2	2	1	1
Lee Keen Whye	2	2	-	1
No. of Meetings Held in 2014	**2**	**2**	**1**	**1**

Board of Directors *continued*

Principle 1: The Board's Conduct of Affairs *continued*

[1] Key Management Personnel means the MD and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

Resigned as a Director of the Company on 2 March 2015

The Board of Directors is familiar with the Group's business and governance practices and has been briefed on their responsibilities as Directors of a listed company.

To keep abreast with developments in corporate, financial, legal, industry-specific knowledge and other compliance requirements, Directors and first-time Directors are encouraged to attend relevant training courses funded by the Company.

Newly appointed Directors would be briefed on the Group's business activities and its strategic directions. They would also be recommended by the NC to attend training in respect of the roles and responsibilities of a listed company director if they do not have prior experience as a director of a listed company. Formal letters would be issued to newly appointed Directors to further explain their duties and obligations. During the year in review, there was no appointment of any new Director.

Principle 2: Board Composition and Guidance

For FY2014, the Board comprises six (6) Directors, more than half of whom are Independent Directors. The Board consists of Directors, who as a group, provide core competencies, such as business or management experience, industry knowledge, finance, strategic planning experience, customer-based experience and knowledge that are necessary and critical to meet the Group's objectives. Details of the Directors' academic, professional qualification and other appointments are set out on pages 10 and 11 of the Annual Report.

The NC on an annual basis determines whether or not a Director is independent, taking into account the definition as set out in the Code.

Independence is taken to mean that Directors have no relationship with the Company, or its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement.

Further, the NC ensures that no individual or group of individuals dominate the Board's decision-making process.

In addition, the NC had assessed the independence of Directors whose tenure had exceeded 9 years from the date of their first appointment. In this regard, the NC noted that the following Directors would be deemed non-independent under the guidelines of the Code:

- Mr Charles George St John Reed (first appointed on 16 June 2003)
- Mr Bernard Chen Tien Lap[#] (first appointed on 4 January 2005)
- Mr Lai Chun Loong (first appointed on 14 September 2005)

Resigned as a Director of the Company on 2 March 2015

The NC is of the view that in assessing the independence of the Independent Directors, one should consider the substance of their professionalism, integrity and objectivity and not merely based on the number of years which they have served on the Board. The rationale being that Independent Directors may over time develop significant insights in the Group's business and operations and can continue to provide noteworthy and valuable contribution to the Board.

The NC noted that Messrs Charles George St John Reed, Bernard Chen Tien Lap and Lai Chun Loong have demonstrated strong independence in character and judgement over the years in discharging their duties and responsibilities as Independent Directors.

They continue to express their individual viewpoints, debate on issues, objectively scrutinize and challenge Management's proposals as well as participate actively in discussions on business activities and transactions involving conflicts of interests and other complexities.

Board of Directors *continued*

Principle 2: Board Composition and Guidance *continued*

Having considered the above and weighing the need for progressive refreshing of the Board, the NC had determined that Messrs Charles George St John Reed, Bernard Chen Tien Lap and Lai Chun Loong's tenure had not affected their independence or ability to bring about independent and considered judgement to bear in the discharge of their duties as members of the Board.

Accordingly, the NC had recommended to the Board that they continue to be considered independent notwithstanding they have served on the Board for more than 9 years from the date of their first appointment.

None of the aforesaid Independent Directors are related to and do not have any relationship with the Company, its related corporations, its 10% shareholders, or its officers or are in any circumstances that could interfere or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Company. The Board had concurred with the NC's assessment.

Each member of the NC had abstained from deliberations in respect of assessment of his own independence.

Non-Executive Directors met twice yearly together with the Internal Auditor and External Auditors without the presence of the Management.

Non-Executive Directors:

(a) constructively challenge and help develop proposals on strategy; and
(b) review the performance of Management in meeting agreed goals and objectives

and monitor the reporting of performance.

For FY2014, the Board composition is as follows:-

Executive Director

Han Meng Siew ##
Jimmy Chang Joo Whut (Managing Director)

Independent Non-Executive Director

Bernard Chen Tien Lap (Chairman)#
Charles George St. John Reed
Lai Chun Loong
Lee Keen Whye

Resigned as a Director of the Company and Chairman of the Board on 2 March 2015.
Consequent to Mr Bernard Chen's resignation, Mr Han Meng Siew was appointed Chairman of the Board.

Principle 3: Chairman and Managing Director

The functions of Chairman and the Managing Director are assumed by two individuals. The Chairman, Mr. Han Meng Siew and the Managing Director, Mr. Jimmy Chang, both of whom are Executive Directors.

There are distinct divisions of responsibilities between the Chairman and the Managing Director, who are not related to one another. The Chairman and the Managing Director are the most senior executives in the Company. The Managing Director assume executive responsibilities for the Company's business while the Chairman assumes responsibility for the management of the Board. As the Chairman and the Managing Director perform separate functions, authority and accountability are not compromised.

The duties of the Chairman includes:-

(a) leading the Board to ensure its effectiveness on all aspects of its role;
(b) setting the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;

Board of Directors *continued*

Principle 3: Chairman and Managing Director *continued*

(c) promoting a culture of openness and debate at the Board;
(d) ensuring that the Directors receive complete, adequate and timely information;
(e) ensuring effective communication with shareholders;
(f) encouraging constructive relations within the Board and between the Board and Management;
(g) facilitating the effective contribution of non-executive directors in particular; and
(h) promoting high standards of corporate governance.

In line with the recommendation in Guideline 3.3 of the Code, Mr Charles George St. John Reed was appointed Lead Independent Director of the Company with effect from 2 March 2015. As Lead Independent Director, Mr Reed is available to shareholders should they have concerns or issues for which communication with the Executive Chairman or Financial Controller has failed to resolve, or where such communication is inappropriate.

Where appropriate and necessary, the Independent Directors would meet without the presence of the other Executive Directors and Management, for the Lead Independent Director to provide any feedback to the Chairman.

Nominating Committee

Principle 4: Board Membership

For FY2014, the NC comprises three (3) Directors, all of whom are Independent Directors, namely -

Bernard Chen Tien Lap (Chairman)#
Charles George St. John Reed
Lee Keen Whye

Resigned as a Director and Chairman of the NC on 2 March 2015. Consequent to Mr Bernard Chen's resignation, Mr Lee Keen Whye was appointed Chairman of the NC and Mr Lai Chun Loong was appointed as a member of the NC to fill the vacancy created by Mr Bernard Chen.

The key objectives of the NC are to ensure that there is a formal and transparent process in the nomination, appointment and re-appointment of Directors to the Board and in the assessment of the effectiveness and contribution of the Board and its members to the welfare, strategic growth and development of the Company.

The duties of the NC are as follows:

(1) To review the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;

(2) To review annually the independence of each Director with reference to the criteria set out in the Code;

(3) To review all nominations for new appointments and re-appointments of Directors (including Directors who are over the age of 70) and put forth their recommendations for approval by the Board;

(4) To determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple Board representations;

(5) To review Board succession plans, in particular, the Chairman and Managing Director;

(6) To assess and evaluate the effectiveness of the Board as a whole and its Board Committees and Directors; and

(7) To review training and professional development programmes for the Board.

The NC has recommended the nominations of the Directors retiring by rotation for re-election at the forthcoming AGM. In considering the nomination, the NC took into account the contribution of the Directors with reference to their attendance and participation at Board and other Board Committee meetings as well as the proficiency with which they have discharged their responsibilities.

Nominating Committee *continued*

Principle 4: Board Membership *continued*

All Directors would subject themselves to re-nomination and re-election at least once every three (3) years. Pursuant to the Article 99(2) of the Company's Articles of Association, Mr Han Meng Siew will retire by rotation at the Company's forthcoming Annual General Meeting ("AGM"). The retiring Directors may offer themselves for re-election.

Pursuant to Section 153(6) of the Companies Act, Mr Bernard Chen Tien Lap and Mr Lai Chun Loong are due to retire at the Company's forthcoming AGM. Mr Bernard Chen has resigned as a Director of the Company with effect from 2 March 2015, and Mr. Lai Chun Loong being eligible for re-election, offered himself for re-appointment.

Each member of the NC had abstained from voting on any resolutions and making any recommendations/participating in any deliberations of the NC in respect of his own re-nomination as Director.

Having regard to the attendance of the Directors, their contributions at meetings of the Board and Board Committees, and their time commitment to the affairs of the Company, the Board, with the concurrence of the NC, has agreed that the Company shall not impose a maximum number of listed company board representations and other principal commitments on each Director.

In determining whether each Director is able to devote sufficient time to discharge their duties as Directors of the Company, the NC has taken cognizance of the Code's requirement, but is of the view that its assessment should not be restricted to the number of board representations of each Director and their respective principle commitments per se. The contributions by Directors to and during meetings of the Board and Board Committees as well as their attendance at such meetings should also be taken into account.

The NC would however continue to review Directors' board representations and other principal commitments to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

None of the Directors have appointed any alternate Director(s).

Principle 5: Board Performance

The NC has in place a Board performance evaluation process where the effectiveness of the Board as a whole is assessed. This annual evaluation exercise provides an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes allowed Directors to discharge their duties effectively and to propose changes which may be made to enhance Board effectiveness as a whole.

The performance evaluation of the operation and effectiveness of the Board as a whole was conducted using a questionnaire. The areas reviewed comprised -

- board composition;
- information to the Board;
- Board procedures;
- Board accountability;
- MD/Key Management Personnel; and
- Standards of conduct.

The Board has carried out an assessment of its performance as a whole for the financial year under review.

Given the current size of the Board, the NC was of the view that the performance evaluation of the Board as a whole would suffice and that performance evaluation of the AC, NC and RC and individual performance evaluation of each Director is not necessary at this juncture. The NC would consider carrying out the aforesaid performance evaluations, in the future, should the need arises.

Principle 6: Access to Information

To ensure that the Board is able to fulfil its responsibilities, reports on the Company's performance and business activities are provided to every Board member. The Board also receives regular updates of on-going projects and other business matters.

Nominating Committee *continued*

Principle 6: Access to Information *continued*

All Directors have direct and independent access to senior management and to the Company Secretary and are entitled to request from Management and should be provided with such additional information as needed to make informed decisions in a timely manner by the Management. The Company Secretary attends Board meetings, and Board Committee meetings, where required. The Company Secretary ensures that Board procedures are followed and that applicable rules and regulations are complied with and to ensure good information flows within the Board and its board committees and between Management and Non-Executive Directors. The appointment and removal of the Company Secretary are subject to the Board's approval.

The background and explanatory information relating to matters were brought before the Board, copies of disclosure documents, management reports, budgets and forecast and material variance between the projections and actual results were also disclosed and explained to the Board.

The Directors, whether individually or collectively, may in furtherance of their duties, seek and obtain independent professional advice as and when the need arises, at the expense of the Company.

Remuneration Committee

Principle 7: Procedures for Developing Remuneration Policies
Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

For FY2014, the RC comprises three (3) members, all of whom are Independent Directors. The composition of the RC is as follows:-

Bernard Chen Tien Lap (Chairman) #
Charles George St. John Reed
Lai Chun Loong

Resigned as a Director and Chairman of the RC on 2 March 2015. Consequent to Mr Bernard Chen's resignation, Mr Lai Chun Loong was appointed Chairman of the RC and Mr Lee Keen Whye was appointed as a member of the RC to fill the vacancy created by Mr Bernard Chen.

The role of the RC is to review and recommend to the Board a framework of remuneration for the Board of Directors and Key Management Personnel of the Group. It determines specific remuneration packages and reviews the terms of service for each Executive Director and Key Management Personnel of the Company. It also approves guidelines on salary, bonus, and other terms and conditions for senior management, as well as the granting of share options and performance share plan in accordance with the rules of the Company's Share Option Scheme and Ntegrator Performance Share Plan.

In setting remuneration packages for Executive Directors and Key Management Personnel of the Group, the pay and employment conditions within the industry and in comparable companies are taken into account to maintain an appropriate and competitive level of remuneration that will attract, retain and motivate Key Management Personnel. The RC may seek external professional advice on compensation and other employment-related matters, as and when required. No external consultant was engaged in FY2014.

Executive Directors are on service contracts, which are subject to annual review. The RC is of the view that the Executive Directors' service contracts are not excessively long or include onerous removal clauses.

The Chairman and the Managing Director who are on service contracts do not receive Directors' fees. Their remuneration packages comprise of salaries, annual wage supplement, options, performance shares and a share of profits based on the Group's performance. The performance-related award is to align their interests with those of the shareholders and link rewards to corporate and individual performance.

Independent and Non-Executive Directors receive Directors' fees, which take into account their level of contribution and responsibilities. These fees are subject to shareholders' approval at the AGM.

No Director was involved in determining his own remuneration.

Remuneration Committee *continued*

The following tables show a breakdown (in percentage terms) of Directors' remuneration and that of the Group's top four (4) Key Management Personnel who are not Directors, for the financial year ended 31 December 2014, falling within broad bands.

In view of confidentiality and sensitivity attached to remuneration matters, the remuneration of each Director and Key Management Personnel will be disclosed in bands of $250,000/- instead.

(A) Directors' Remuneration

Name	Fees %	Salary[1] %	Other Benefits[2] %	Total %
Between $500,000 to $750,000				
Han Meng Siew		94.2	5.8	100
Between $250,000 to $500,000				
Jimmy Chang Joo Whut		93.6	6.4	100
Below $250,000				
Bernard Chen Tien Lap #	100			
Charles George St. John Reed	100			
Loudon Frank McLean Owen ##	100			
Lai Chun Loong	100			
Lee Keen Whye	100			

Resigned as a Director of the Company on 2 March 2015

Retired at the Annual General Meeting of the Company on 24 April 2014

(B) Remuneration of Top Four (4) Key Management Personnel who are not Directors

The Company noted that under the Code, the remuneration details of the top five (5) Key Management Personnel are to be disclosed. However, the current size of Management team comprised only four (4) Key Management Personnel (who are not Directors).

Name	Fees %	Salary[1] %	Other Benefits[2] %	Total %
Between $250,000 to $500,000				
Kenneth Sw Chan Kit		91	9	100
Below $250,000				
Vincent Vinu Edward		96.3	3.7	100
Jason Leong Wee Siong		97	3	100
Diana Lee Meng Wah		100		100

Notes:

(1) Includes AWS and CPF

(2) Transport, medical, insurance

Details of Directors' interests in Shares and the Company's Share Option Scheme are set out on page 26 to 30.

(C) Remuneration of immediate family members of Directors

There were no employees who are immediate family members of a Director or the Managing Director and whose remuneration exceeds S$50,000/-, for the financial year ended 31 December 2014.

Principle 10: Accountability

The Board is accountable to the shareholders while Management is accountable to the Board. Management presents half-year and full-year financial statements to the Audit Committee and the Board for review and approval. The Board approves the results and authorises the release of results to SGX-ST and the public via SGXNET with the aim to provide shareholders with a balanced and understandable assessment of the Group's performance, position and prospect.

The Board takes adequate steps to ensure compliance with legislative and regulatory requirements, where appropriate.

Management provides the Board with management accounts and such explanation and information relating to the Group's performance on a regular basis and as the Board may require from time to time, to enable the Board in understanding and making a balanced and informed assessment of the Group's performance, position and prospects.

Principle 11: Risk Management & Internal Controls

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of risk.

The Board approves the key risk management policies and ensures a sound system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk focused culture throughout the Group for effective risk governance.

The Board has approved a Group Risk Management Framework for the identification of key risks within the business which is aligned with the ISO 31000:2009 Risk Management framework.

The Audit Committee oversees risk governance which includes the following roles and responsibilities:
- proposes the risk governance approach and risk policies for the Group to the Board;
- reviews the risk management methodology adopted by the Group;
- reviews the strategic, financial, operational, regulatory, compliance, information technology and other emerging risks relevant to the Group identified by management; and
- reviews management's assessment of risks and management's action plans to mitigate such risks

Management presented an annual report to the AC and the Board on the Group's risk profile, the risk mitigation action plans and the results of various assurance activities carried out on the adequacy and effectiveness of Group's internal controls including financial, operational, compliance and information technology controls. Such assurance activities include control self-assessments performed by Management, internal and external audits performed by internal and external auditors.

The Board has received assurance from the Managing Director and the Financial Controller:

(a) that financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
(b) regarding the effectiveness of the Company's risk management and internal control systems.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by management, various Board Committees and the Board, the Board (with concurrence of the AC) are of the opinion that the Group's risk management and internal control systems addressing financial, operational, compliance and information technology controls, are adequate and effective.

The Board notes that system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 12: Audit Committee

The AC comprises three (3) Directors, all of whom are independent Directors. The composition of the AC is as follows:-

Charles George St. John Reed (Chairman)
Lai Chun Loong
Lee Keen Whye

All AC members possess extensive business and financial management experience at both senior management and Board levels.

The AC reviews the scope of work and the effectiveness, as set out in section 201B(5) of the Companies Act, Cap 50, of both Internal Auditor and External Auditors and the assistance given by the Company's officers to the External Auditors. It met with the Company's Internal Auditor and External Auditors to review their audit plans and discuss the results of their respective examinations and their evaluation of the Group's operations and system of internal accounting controls.

The AC had met with the Internal Auditor and External Auditors twice a year without the presence of Management. The AC also reviews transactions with interested persons and related parties. It recommends the appointment or re-appointment of External Auditors, reviews audit fees and non-audit services performed by the External Auditors.

The External Auditors provides regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the members of the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

The AC has full access to and co-operation of Management and full discretion to invite any Director or executive officer to attend its meetings and reasonable resources to enable it to discharge its functions properly.

The AC performed independent reviews of the financial statements of the Company and the Group and any announcement relating to Company's performance. The AC also undertook a review of the nature and extent of all non-audit services performed by the External Auditors to establish whether their independence had in any way been compromised. The External Auditors had not provided any non-audit services in FY2014.

In relation to Catalist Rules 712, 715 and 716, the Company had complied with the appointment and re-appointment of External Auditors.

The AC has explicit authority to investigate any matter within its TOR, full access to and co-operation by Management and full discretion to invite any personnel to attend its meetings.

The Company has a Whistle-Blowing Policy which serves to encourage and to provide a channel for staff of the Group to report and to raise in good faith and in confidence, any concerns about possible improprieties in matters of financial reporting or other matters. This Policy is to ensure that arrangements in place, for the independent investigation of such matters and concerns raised on financial or other improprieties, and for appropriate follow-up action.

The objectives of the Whistle-Blowing policy are:

- To communicate the Company's expectation of employees of the Group in detecting fraudulent activities or malpractices;
- To guide employees on the course of action when addressing their concerns or suspicions of fraudulent activities or malpractices;
- To provide a process for investigations and management reporting; and
- To establish the policies for protecting whistle-blowers against reprisal by any person internal or external of the Group.

Principle 13: Internal Audit

The Company outsources its internal audit function to Yang Lee & Associates. The internal auditors ("IA") report directly to the AC and internal control weaknesses identified during the internal audit reviews and the recommended corrective actions are reported to the AC periodically and report administrative matters to the Managing Director.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that Management provides the necessary co-operation to enable the IA to perform its function.

The IA is guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors.

The AC annually reviews the adequacy of the internal audit function to ensure that the internal audits are performed effectively. The AC is satisfied that the IA is staffed by qualified and experienced personnel.

The IA completed one review during the financial year ended 31 December 2014 in accordance with the internal control testing plan developed and approved by the Board under the Group Risk Management Framework. The findings and recommendations of the IA, management's responses, and management's implementation of the recommendations have been reviewed and approved by the AC.

Principle 14: Shareholder Rights
Principle 15: Communications with Shareholders
Principle 16: Conduct of Shareholder Meetings

The Board places great emphasis on investor relations with the Company to maintain a high standard of transparency so as to promote better investor communications. Shareholders would be kept apprised of any changes in its business and information that would likely affect the value of the Company's shares would be provided on a timely basis.

Price-sensitive information relating to the Group is released through SGXNET and is available to public on the SGX website. The interim and full year financial results and annual reports issued within the prescribed period are also released to the public via the SGXNET. The Company's Annual Report is available at its website www.ntegrator.com.

All shareholders of the Group receive the Annual Report and Notice of AGM, within the statutory period. At AGMs, in order to gather views or inputs and address shareholders' concerns, shareholders are given the opportunity to participate effectively and to raise their views/concerns and to direct questions regarding the Group to the Key Management Personnel, Board Chairman, Directors, including the Chairman of each of the Board Committees. The External Auditors will also be present at AGMs to assist the Board in addressing shareholders' queries.

All Directors are encouraged to be present at all general meetings of the Company. The Company allow corporations which provide nominee to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies.

The Company currently does not have a formal dividend policy. Generally, the Board looks into factors such as the Group's earnings, financial position, operations result, capital requirements, cash flows, development plans and other factors before determining whether any dividend is to be declared and/or paid. For FY2014, the Board resolved that no dividend shall be payable as the Company reported losses for FY2014.

The Company allows for absentia voting at general meeting of shareholders.

The Company ensures that there are separate resolutions at general meetings on each distinct issue.

The Company is aware and will adhere to the requirements of the Rules of Catalist where all resolutions are to be voted by poll for general meetings held on or after 1 August 2015.

CORPORATE GOVERNANCE REPORT

SECURITIES TRANSACTIONS

The Group has adopted a Code of Best Practices for Dealings in Securities (the "Code of Best Practices") which defines the Group's policy on dealings in securities of the Company and implications of Insider Trading. To comply with Rule 1204 (19)(b) and in line with our Code of Best Practices, Directors and Key Management Personnel of the Group who have access to price-sensitive and confidential information are not permitted to deal in securities of the Company during the periods commencing one month before the announcement of the Group's annual or half-year results and ending on the date of the announcement of such results, or when they are in possession of unpublished price-sensitive information on the Group. In addition, Directors and Key Management Personnel of the Group are not allowed in dealing in the Company's shares on short-term considerations.

Directors and Key Management Personnel are required to confirm annually that they have complied with the Code of Best Practices with regards to their securities transactions.

ENTERPRISE RISK MANAGEMENT POLICIES AND PROCESSES

The Company's Enterprise Risk Management policies are summarised as follows:-

Technological Changes

We are dependent on principals to improve and innovate products to meet the changing market trends. We will study the market trends and assess customers' changing needs and obtain new technology-based products to meet their demands. We will also keep abreast of the developments in our industry and the technical know-how.

Political, Regulatory and Economic

The unexpected changes in the regulatory requirements, political instability and economic uncertainties in the countries in which we have a presence may affect our revenue and margin. We will assess this inherent risk on a regular basis.

Credit Risk

We are exposed to credit risk and such risk is managed through assessment of customer credit-worthiness. Special payment arrangements are reviewed on a case-by-case basis and will be secured by export letters of credits.

Key Management Personnel

Our business performance depends on the business strategy developed by Management. The inability to retain qualified personnel may affect our business performance given that we are a service provider. We offer competitive remuneration packages, employee's share option scheme and performance share plan to our staff as well as a challenging working environment.

MATERIAL CONTRACTS

Other than the Service Agreements with each of our Executive Directors, Messrs Han Meng Siew and Jimmy Chang Joo Whut, there were no material contracts in the financial year 2014 which are required to be disclosed under Catalist Rule 1204(8).

INTERESTED PERSON TRANSACTIONS

There were no transactions with Interested Persons in financial year ended 31 December 2014.

SPONSORS

There were no non-sponsor fees paid to the Sponsor, Asian Corporate Advisors Pte. Ltd. in the financial year 2014.

FINANCIAL CONTENTS

DIRECTORS' REPORT

For the financial year ended 31 December 2014

The Directors present their report to the members together with the audited financial statements of Ntegrator International Ltd. (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 December 2014 and the balance sheet of the Company as at 31 December 2014.

Directors

The Directors of the Company in office at the date of this report are as follows:

Han Meng Siew	Executive Chairman
Jimmy Chang Joo Whut	Managing Director
Charles George St. John Reed	
Lai Chun Loong	
Lee Keen Whye	

In accordance with Article 99 (2) of the Company's Articles of Association, Han Meng Siew is due to retire at the Company's forthcoming Annual General Meeting, being eligible, offer himself for re-election.

Pursuant to Section 153 (6) of the Companies Act Cap. 50, Bernard Chen Tien Lap and Lai Chun Loong are due to retire at the forthcoming Annual General Meeting.

Bernard Chen Tien Lap had on 2 March 2015 resigned as Non-Executive Chairman of the Comapny and will relinquish his position as Chairman of the Nominating and Remuneration Committees.

Lai Chun Loong being eligible for re-election, offered himself for re-appointment.

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Warrants", "Share options" and "Performance share plan" on pages 27 to 30 of this report.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2014	At 1.1.2014	At 31.12.2014	At 1.1.2014
Company				
(No. of ordinary shares)				
Han Meng Siew	2,000,000	2,000,000	31,390,640	31,390,640
Jimmy Chang Joo Whut	11,668,000	11,668,000	13,622,640	13,622,640
Charles George St. John Reed	525,000	525,000	6,240,000	6,240,000
Lai Chun Loong	4,590,000	4,590,000	-	-
Lee Keen Whye	9,455,750	9,455,750	-	-
Bernard Chen Tien Lap [(1)]	7,635,000	7,635,000	-	-
(No. of warrants)				
Han Meng Siew	3,500,000	3,500,000	15,695,320	15,695,320
Jimmy Chang Joo Whut	7,334,000	7,334,000	6,811,320	6,811,320
Charles George St. John Reed	262,500	262,500	3,120,000	3,120,000
Lai Chun Loong	2,295,000	2,295,000	-	-
Lee Keen Whye	4,727,875	4,727,875	-	-
Bernard Chen Tien Lap [(1)]	3,817,500	3,817,500	-	-

[(1)] Resigned as a Director of the Company on 2 March 2015

Directors' interests in shares or debentures *continued*

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Ntegrator Share Option Scheme (the "Scheme") and Ntegrator Performance Share Plan (the "PSP") as set out below and under "Share options" and "Performance share plan" on pages 27 to 30 of this report.

Options to subscribe for ordinary shares at an exercise price of S$0.04 per share pursuant to the Scheme were as follows:-

	Number of options to subscribe	
	At 31.12.2014	At 1.1.2014
Han Meng Siew	5,000,000	5,000,000
Jimmy Chang Joo Whut	3,000,000	3,000,000
Charles George St. John Reed (2)	-	1,000,000

(2) Option lapsed on 25 August 2014

(c) The directors' (direct and deemed) interest in the ordinary shares and convertible securities of the Company as at 21 January 2015 were the same as those as at 31 December 2014.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that certain directors have an employment relationship with the Company, and have received remuneration in that capacity.

Share options

The Company implemented the Ntegrator Share Option Scheme (the "Scheme") in 2005 for granting of options to full-time employees and directors of the Company and its subsidiaries. The total number of ordinary shares over which the Company may grant under the Scheme shall not exceed 15% of the issued share capital of the Company on the day preceding the date of grant.

The Scheme is administered by the Remuneration Committee (the "RC") which comprises three (3) Directors, namely Lai Chun Loong, Charles George St. John Reed and Lee Keen Whye.

The exercise price for each ordinary share in respect of which an option is exercisable shall be determined by the RC as follows:

(i) at a price equal to the prevailing market price of the ordinary shares of the Company based on the last dealt price per share as indicated in the daily official list or any publication published by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five consecutive trading days immediately preceding the date of grant of that option (the "Market Price"); or

(ii) at a price which is set at a discount to the Market Price provided that the maximum discount shall not exceed 20% of the Market Price.

Options granted with the exercise price set at Market Price shall only be exercisable after 12 months from the date of grant of that option. Options granted with exercise price set at a discount to Market Price shall only be exercisable after 24 months from the date of grant of that option. All options granted shall be exercised before the end of 120 months (or 60 months where the participant is a non-executive director) of the date of grant of that option and subject to such other conditions as may be introduced by the RC from time to time.

Share options *continued*

Details of the options to subscribe for ordinary shares of the Company granted to directors, executive officers and employees of the Group pursuant to the Scheme described above are as follows:

Date of grant	Balance as at 1.1.2014	Granted during the financial year	Exercised during the financial year	Lapsed during the financial year	Balance as at 31.12.2014	Exercise price	Exercisable period
11.09.2006	816,000	-	-	-	816,000	S$0.13	11.09.2007 to 10.09.2017
25.08.2008	12,662,000	-	-	-	12,662,000	S$0.04	25.08.2009 to 25.08.2019
25.08.2008	1,000,000	-	-	1,000,000	-	S$0.04	25.08.2009 to 25.08.2014
	14,478,000	-	-	1,000,000	13,478,000		

Details of the options to subscribe for ordinary shares of the Company granted to directors and executive officer of the Company pursuant to the Scheme were as follows:

		No. of unissued ordinary shares of the Company under option			
Name of director	Granted in financial year ended 31.12.2014	Aggregate granted since commencement of the Scheme to 31.12.2014	Aggregate exercised since commencement of the Scheme to 31.12.2014	Aggregate lapsed since commencement of the Scheme 31.12.2014	Aggregate outstanding as at 31.12.2014
Han Meng Siew (1)	-	6,000,000	1,000,000	-	5,000,000
Jimmy Chang Joo Whut (1)	-	6,000,000	3,000,000	-	3,000,000
Charles George St. John Reed (2)	-	1,250,000	250,000	1,000,000	-
Lai Chun Loong (2)	-	1,050,000	1,050,000	-	-
Lee Keen Whye (2)	-	800,000	800,000	-	-
Bernard Chen Tien Lap (2,3)	-	1,750,000	1,750,000	-	-
	-	16,850,000	7,850,000	1,000,000	8,000,000
Name of executive officer					
Kenneth Sw Chan Kit (1)	-	6,000,000	6,000,000	-	-
Total	-	22,850,000	13,850,000	1,000,000	8,000,000

(1) The options granted to these directors and executive officer are exercisable from 25 August 2009 to 25 August 2019 at the exercise price of S$0.04.

(2) The options granted to these directors are exercisable from 25 August 2009 to 25 August 2014 at the exercise price of S$0.04.

(3) Resigned as a Director of the Company on 2 March 2015.

Since the commencement of the Scheme till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company or their associates (as defined in the Listing Manual of SGX-ST);
- No participant other than Han Meng Siew, Jimmy Chang Joo Whut and Kenneth Sw Chan Kit as mentioned above has received 5% or more of the total options available under the Scheme;
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and
- No options have been granted at a discount.

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

Performance share plan

The Company implemented the Ntegrator Performance Share Plan (the "PSP") in 2010 which was approved at the Extraordinary General Meeting ("EGM") held on 12 February 2010. The PSP provides for the award of fully paid-up ordinary shares in the share capital of the Company, free of charge to selected employees of the Company and/or its subsidiaries, including the directors of the Company, and other selected participants when and after pre-determined performance target(s) have been accomplished within the performance period.

The PSP is a share incentive scheme which will allow the Company, *inter alia*, to target specific performance objectives and to provide an incentive for participants to achieve these targets. The directors believe that the PSP will help to achieve the following positive objectives:

(a) incentivise employees to excel in their performance and encourage greater dedication and loyalty to the Group;

(b) attract and retain employees whose contributions are important to the long-term growth and profitability of the Group;

(c) recognise and reward past contributions and services and motivate employees to continue to strive for the Group's long-term prosperity; and

(d) develop a participatory style of management which instils loyalty and a stronger sense of identification with the long-term goals of the Group.

The PSP is administered by the RC which comprises three (3) Directors, namely Lai Chun Loong, Charles George St. John Reed and Lee Keen Whye.

The PSP shall continue in force at the discretion of the RC, subject to a maximum period of ten (10) years commencing on the date on which the PSP was adopted by the Company in EGM, provided always that the PSP may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting, and of any relevant authorities which may then be required.

The Company may deliver shares pursuant to awards granted under the PSP by way of:-

(i) issuance of new shares; and/or

(ii) delivery of existing shares purchased from the market or shares held in treasury.

The total number of ordinary shares over which the Company may grant under the PSP shall not exceed 15% of the issued share capital of the Company on the day preceding the date of grant.

In 2010, a share award under the PSP was granted to employees and directors of the Group on 22 March 2010 in accordance with the approval by Shareholders at the Company's EGM on 12 February 2010.

Details of the shares awarded under the PSP were as follows:

Date of grant	Categories	Number of person	Shares awarded during the financial year	Aggregate shares awarded since the commencement of the PSP to 31.12.2014
22.03.2010	Employees	36	-	5,198,553
22.03.2010	Directors	9	-	6,150,000
		45	-	11,348,553*

* Total issuance including resigned directors and employees.

Performance share plan *continued*

Details of the shares awarded to directors and executive officers of the Group pursuant to the PSP were as follows:

Name of director	Shares awarded during the financial year	Aggregate shares awarded since the commencement of the PSP to 31.12.2014
Han Meng Siew	-	2,000,000
Jimmy Chang Joo Whut	-	2,000,000
Charles George St. John Reed	-	350,000
Lai Chun Loong	-	200,000
Lee Keen Whye	-	200,000
Bernard Chen Tien Lap [(1)]	-	800,000
	-	5,550,000
Name of executive officer		
Kenneth Sw Chan Kit	-	2,000,000
Jason Leong Wee Siong	-	800,000
Diana Lee Meng Wah	-	800,000
	-	3,600,000
Total	-	9,150,000

(1) Resigned as a Director of the Company on 2 March 2015

Since the commencement of the PSP till the end of the financial year:

- No shares were awarded to the controlling shareholders of the Company and their associates; and
- No participant other than Bernard Chen Tien Lap, Han Meng Siew, Jimmy Chang Joo Whut, Kenneth Sw Chan Kit, Jason Leong Wee Siong and Diana Lee Meng Wah as mentioned above has received 5% or more of the total shares available under the PSP.

The Company has not granted any awards under the PSP since the financial year ended 31 December 2011 till 31 December 2014.

Audit Committee

The Audit Committee (the "AC") comprises three (3) members, all of whom are Non-Executive Directors. The members of the AC at the end of the financial year and at the date of the report were as follows:

Charles George St. John Reed	Chairman, Independent
Lai Chun Loong	Independent
Lee Keen Whye	Independent

The AC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. Cap 50. In performing those functions, the AC:-

- reviews the audit plans of the internal and independent auditors of the Company and ensures the adequacy of the Company's system of accounting controls and the co-operation given by the Company's management to the internal and independent auditors;
- reviews the annual financial statements and the independent auditor's report on the annual financial statements of the Company before their submission to the Board of Directors;
- reviews the effectiveness of the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;

Audit Committee *continued*

- reviews the assistance given by management to the independent auditor, and discusses problems and concerns, if any, arising from statutory audit, with the management;

- meets with the internal and independent auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

- reviews legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

- reviews the cost effectiveness, independence and objectivity of the independent auditor;

- reviews the nature and extent of non-audit services provided by the independent auditor;

- recommends to the Board of Directors the independent auditor to be nominated, approves the compensation of the independent auditor, and reviews the scope and results of the audit;

- reports actions and minutes of the AC to the Board of Directors with such recommendations as the AC considers appropriate; and

- reviews interested person transactions in accordance with the requirements of the SGX-ST's Listing Manual.

The AC has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the Company's forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Han Meng Siew
Director

Jimmy Chang Joo Whut
Director

30 March 2015

STATEMENT BY DIRECTORS

For the financial year ended 31 December 2014

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 34 to 76 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Han Meng Siew
Director

Jimmy Chang Joo Whut
Director

30 March 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NTEGRATOR INTERNATIONAL LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of Ntegrator International Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 34 to 76, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 31 December 2014, the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2014, and of the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director-in-charge: Loh Hui Nee
(Appointed since financial year ended 31 December 2011)

Singapore

30 March 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2014

	Note	2014 S$'000	2013 S$'000
Revenue	4	41,478	48,403
Cost of sales			
- Equipment and consumables used		31,868	32,993
- Freight charges		220	363
- Commission and consultancy		308	2,529
- Changes in inventories and contract work-in-progress		724	3,728
		(33,120)	(39,613)
Gross profit		8,358	8,790
Other income			
- Interest income from bank deposits		35	64
Other gains – net	7	285	387
Expenses			
- Distribution and marketing		(178)	(162)
- Administrative		(14,024)	(12,875)
- Finance	8	(126)	(163)
Loss before income tax		(5,650)	(3,959)
Income tax expense	9	-	-
Net loss		(5,650)	(3,959)
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains		204	525
Total comprehensive loss		(5,446)	(3,434)
Loss attributable to:			
Equity holders of the Company		(4,968)	(3,579)
Non-controlling interests		(682)	(380)
		(5,650)	(3,959)
Total comprehensive loss attributable to:			
Equity holders of the Company		(4,766)	(3,057)
Non-controlling interests		(680)	(377)
		(5,446)	(3,434)
Loss per share for loss attributable to equity holders of the Company (cents per share)			
- Basic	10(a)	(0.64)	(0.52)
- Diluted	10(b)	(0.64)	(0.52)

BALANCE SHEETS

As at 31 December 2014

	Note	Group 2014 S$'000	Group 2013 S$'000	Company 2014 S$'000	Company 2013 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	11	6,548	11,463	286	585
Trade and other receivables	12	20,799	31,514	5,107	4,583
Inventories	13	432	619	-	-
		27,779	43,596	5,393	5,168
Non-current assets					
Investments in subsidiaries	15	-	-	18,000	18,000
Property, plant and equipment	16	1,178	1,157	-	-
		1,178	1,157	18,000	18,000
Total assets		28,957	44,753	23,393	23,168
LIABILITIES					
Current liabilities					
Trade and other payables	17	10,821	13,850	558	573
Borrowings	18	4,415	12,136	-	-
		15,236	25,986	558	573
Non-current liabilities					
Borrowings	18	240	176	-	-
Total liabilities		15,476	26,162	558	573
NET ASSETS		13,481	18,591	22,835	22,595
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	21	23,001	22,665	23,001	22,665
Treasury shares	21	(11)	(11)	(11)	(11)
Other reserves	22	(825)	(1,010)	231	248
Accumulated losses		(8,204)	(3,253)	(386)	(307)
		13,961	18,391	22,835	22,595
Non-controlling interests	15	(480)	200	-	-
Total equity		13,481	18,591	22,835	22,595

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2014

	Note	← Attributable to equity holders of the Company					→		
		Share capital S$'000	Treasury shares S$'000	Employee share option reserve [(a)] S$'000	Currency translation reserve [(a)] S$'000	(Accumulated losses)/ retained profits S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
2014									
Beginning of financial year		22,665	(11)	248	(1,258)	(3,253)	18,391	200	18,591
Share issue pursuant to:-									
- Exercise of warrants	21	336	-	-	-	-	336	-	336
Employee share options scheme	22(b)(i)	-	-	(17)	-	17	-	-	-
Total comprehensive income/ (loss) for the year		-	-	-	202	(4,968)	(4,766)	(680)	(5,446)
End of financial year		**23,001**	**(11)**	**231**	**(1,056)**	**(8,204)**	**13,961**	**(480)**	**13,481**
2013									
Beginning of financial year		18,663	(11)	355	(1,780)	326	17,553	87	17,640
Share issue pursuant to:-									
- Exercise of share options	21	252	-	-	-	-	252	-	252
- Exercise of warrants	21	3,643	-	-	-	-	3,643	-	3,643
Employee share options scheme	22(b)(i)	107	-	(107)	-	-	-	-	-
Total comprehensive income/ (loss) for the year		-	-	-	522	(3,579)	(3,057)	(377)	(3,434)
Non-controlling interests' contributions		-	-	-	-	-	-	490	490
End of financial year		**22,665**	**(11)**	**248**	**(1,258)**	**(3,253)**	**18,391**	**200**	**18,591**

[(a)] Not available for distribution.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2014

	Note	2014 S$'000	2013 S$'000
Cash flows from operating activities			
Net loss		(5,650)	(3,959)
Adjustments for:			
- Depreciation	5	398	230
- Loss on disposal of property, plant and equipment	7	13	-
- Amortisation of bills receivables	7	-	(7)
- Interest expense	8	126	163
- Interest income		(35)	(64)
- Unrealised currency translation losses		318	863
		(4,830)	(2,774)
Change in working capital:			
- Inventories		187	(242)
- Trade and other receivables		10,715	(2,580)
- Trade and other payables		(3,029)	(2,256)
Cash generated from/ (used in) operations		3,043	(7,852)
Interest received		35	64
Net cash provided by/ (used in) operating activities		3,078	(7,788)
Cash flows from investing activities			
Additions to property, plant and equipment		(311)	(858)
Net cash used in investing activities		(311)	(858)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		336	3,895
Proceeds from borrowings		1,309	10,221
Repayment of borrowings		(9,038)	(3,523)
Repayment of lease liabilities		(16)	(61)
Capital contributions from non-controlling interests of a subsidiary		-	490
Interest paid		(126)	(163)
Net cash (used in)/ provided by financing activities		(7,535)	10,859
Net (decrease)/ increase in cash and cash equivalents		(4,768)	2,213
Cash and cash equivalents			
Beginning of financial year		10,440	8,569
Effects of currency translation on cash and cash equivalents		(115)	(342)
End of financial year	11	5,557	10,440

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Ntegrator International Ltd. (the "Company") is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office is 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 15 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3 to the financial statements.

Interpretations and amendments to published standards effective in 2014

On 1 January 2014, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 112 Disclosures of Interests in Other Entities

The Group has adopted the above new FRS on 1 January 2014. The amendment is applicable for annual periods beginning on or after 1 January 2014. It sets out the required disclosures for entities reporting under the new FRS 110 *Consolidated Financial Statements* and FRS 111 *Joint Arrangements*, and replaces the disclosure requirements currently found in FRS 27 (revised 2011) *Separate Financial Statements* and FRS 28 (revised 2011) *Investments in Associates and Joint Ventures*.

The Group has applied FRS 112 retrospectively in accordance with the transitional provisions (as amended subsequent to the issuance of FRS 112 in September 2011) in FRS 112 and amended for consolidation exceptions for 'investment entity' from 1 January 2014. The Group has incorporated the additional disclosures into the financial statements.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for project sales and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

2. Significant accounting policies *continued*

2.2 Revenue recognition *continued*

(a) Project sales

(i) Revenue is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customers, which generally coincide with delivery and acceptance of the goods sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possibility of return of goods.

(ii) System integration services substantially involve the procurement, design, integration and installation of voice, video and data communication equipment and networks. Revenue is recognised upon successful installation and acceptance of the project by the customer. For a project which is to be completed in stages, revenue is recognised upon successful installation of each stage and acceptance of the project by the customer. An expected loss on the project is recognised as an expense immediately when it is probable that total project costs will exceed total project revenue.

Please refer to paragraph "Contract work-in-progress" for the accounting policy for revenue from contract works.

(b) Project management and maintenance revenue

Project management revenue is recognised upon rendering of the service to the customer and upon completion of the project.

Maintenance revenue is recognised upon rendering of the service to the customer over the duration of maintenance contracts. Maintenance revenue that is billed in advance of the services being rendered is deferred on the balance sheet as deferred revenue.

(c) Interest income

Interest income is recognised using the effective interest method.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

2. Significant accounting policies *continued*

2.4 Group accounting *continued*

(a) *Subsidiaries continued*

(i) *Consolidation continued*

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net assets of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

2. Significant accounting policies *continued*

2.4 Group accounting *continued*

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.5 Property, plant and equipment

(a) *Measurement*

(i) *Property, plant and equipment*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) *Components of costs*

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) *Depreciation*

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Office equipment	5 years
Computers	3 years
Telephones	5 years
Software	3 years
Motor vehicle	10 years
Demo and site equipment	5 years
Furniture	5 years
Fittings	2 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment still in use are retained in the consolidated financial statements.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other gains – net".

2. Significant accounting policies *continued*

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.7 Contract work-in-progress

Contract work-in-progress refers to system integration services that are not completed, delivered and accepted by customers as at the balance sheet date.

When the outcome of a contract work can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of the contract work cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the successful installation or completion and acceptance by customer. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as contract work-in-progress on the balance sheet unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

At the balance sheet date, the cumulative costs incurred plus recognised profits (less recognised losses) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on contract work-in-progress within "Trade and other receivables". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on contract work-in-progress within "Trade and other payables".

Progress billings not yet paid by customers and retentions by customers are included within "Trade and other receivables". Advances received are included within "Trade and other payables".

2.8 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.9 Impairment of non-financial assets

Property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss unless the assets is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2. Significant accounting policies *continued*

2.9 Impairment of non-financial assets *continued*

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.10 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at the initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each balance sheet date.

At the end of financial year, the Group does not hold any of the financial assets except for loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables" (Note 12) and "Cash and cash equivalents" (Note 11) on the balance sheet.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in the profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Interest income on financial assets is recognised separately in income.

2. Significant accounting policies *continued*

2.10 Financial assets *continued*

(e) *Impairment*

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company’s balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries’ borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company’s balance sheet.

Intra-group transactions are eliminated on consolidation.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2. Significant accounting policies *continued*

2.14 Trade and other payables

Trade and other payables represent liabilities of goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.15 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.16 Leases

(a) When the Group is the lessee:

The Group leases certain plant and equipment under finance leases and office equipment and commercial property such as offices and warehouses under operating leases from non-related parties.

(i) Lessee – Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

2.17 Inventories

Inventories comprise of materials and supplies to be consumed in the rendering of system integration services and project sales. Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of inventories comprise of materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in rendering of system integration services and project sales, less the applicable costs of conversion to complete the services and project sales, and applicable variable selling expenses.

2.18 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

2. Significant accounting policies *continued*

2.18 Income taxes *continued*

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.19 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.20 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

2. Significant accounting policies *continued*

2.20 Employee compensation *continued*

(b) *Share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "Treasury shares" account, when treasury shares are re-issued to the employees.

(c) *Performance shares*

Benefits to employees including the directors are provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The fair value of the employee services rendered is determined by reference to the fair value of the shares awarded or rights granted, excluding the impact of any non-market vesting conditions. These are fair valued based on the market price of entity's share on grant date. This fair value is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in profit or loss over the remainder of the vesting period to reflect expected and actual quantities vested, with the corresponding adjustment made in equity.

Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

(d) *Employees leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(e) *Bonus plan*

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

2.21 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

2. Significant accounting policies *continued*

2.21 Currency translation *continued*

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other gains – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors whose members are responsible for allocating resources and assessing performance of the operating segments.

2.23 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet.

2. Significant accounting policies *continued*

2.24 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.25 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(i) Contract work-in-progress

The Group uses the percentage-of-completion method to account for its contract revenue. The stage of completion is measured by reference to the successful installation or completion and acceptance by customer.

Significant assumptions are used to estimate the total contract costs and the recoverable variation works that affect the stage of completion and the contract revenue respectively. In making these estimates, management has relied on past experience and the work of specialists.

If the revenue on uncompleted contracts at the balance sheet date had been higher/ lower by 5% from management's estimates, the Group's revenue would have been higher/ lower by S$639,000 (2013: S$697,000).

If the contract costs of uncompleted contracts to be incurred had been higher/ lower by 5% from management's estimates, the Group's profit would have been lower/ higher by S$33,000 (2013: S$60,000).

The carrying amount of contract work-in-progress at the end of the financial year was S$583,000 (2013: S$1,197,000).

(ii) Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management has made judgements as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

3. Critical accounting estimates, assumptions and judgements *continued*

3.1 Critical accounting estimates and assumptions *continued*

(ii) Impairment of loans and receivables continued

Where there is objective evidence of impairment, management has made judgements as to whether an impairment loss should be recorded as an expense. In determining this, management has used estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. Management has assessed and an allowance for impairment and write off amounting to S$Nil (2013: S$138,000) and S$8,000 (2013: S$Nil) respectively have been made in the financial statements for the financial year ended 31 December 2014.

The carrying amount of trade and bills receivables at the end of the financial year was S$13,351,000 (2013: S$20,761,000) which might change within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of financial year.

(iii) Net realisable value of inventories

A review is made periodically on inventory for obsolete and excess inventory and declines in net realisable value below cost and an allowance is recorded against the carrying amount of the inventory balance for any such obsolescence, excess and declines. The review requires management to consider the future demand for the inventories. In any case, the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include expected usage analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and affects the carrying amount of inventories at the end of the reporting years. Possible changes in these estimates could result in revisions to the stated value of the inventories. As at 31 December 2014, management has written down approximately S$42,000 (2013: S$41,000) of its slow-moving inventories.

The carrying amount of inventories at the end of the financial year was S$432,000 (2013: S$619,000).

3.2 Critical judgements in applying the entity's accounting policies

(i) Deferred income tax assets

The Group recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised.

A deferred tax asset is recognised for tax losses and capital allowances carried forward if it is probable that the entities within the Group will generate sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations.

Due to their inherent nature, assessments of likelihood are judgmental and not subjected to precise determination. The Group has unrecognised tax losses of S$12,550,941 (2013: S$7,382,747) and capital allowances of S$939,924 (2013: S$Nil) carried forward at the balance sheet date.

If the tax authority regards the entities within the Group as not satisfying and/ or meeting certain statutory requirements in their respective countries of incorporation, the unrecognised tax losses and capital allowances will be forfeited.

4. Revenue

	Group 2014 S$'000	Group 2013 S$'000
Project sales	22,574	29,949
Project management and maintenance services	18,904	18,454
	41,478	48,403

5. Expenses by nature

	Group 2014 S$'000	Group 2013 S$'000
Auditors' remuneration		
Fees on audit services paid/ payable to:		
- Auditor of the Company	83	86
- Other auditors*	26	14
Fees on non-audit services paid/ payable to:		
- Other auditors	20	15
Allowance for impairment		
- Other receivables (Note 26(b)(ii))	-	138
Bank charges	214	157
Management service fee	-	475
Depreciation of property, plant and equipment (Note 16)	398	230
Employee compensation (Note 6)	6,750	6,692
Entertainment	90	130
Feasibility, research and joint bidding expenses	4,387	2,818
Inventories written off (Note 13)	42	41
Other professional fees	330	583
Rental expense on operating leases	740	607
Distribution and marketing	178	162
Sponsorship	127	107
Telephone and internet	105	114
Trade receivables written off (Note 26(b)(ii))	8	-
Other	704	668
Total distribution and marketing and administrative expenses	14,202	13,037

* Includes the network of member firms of Nexia International

6. Employee compensation

	Group 2014 S$'000	Group 2013 S$'000
Wages and salaries	4,987	5,082
Employer's contribution to defined contribution plans including Central Provident Fund	412	489
Directors' fee	273	328
Other short-term benefits	1,078	793
	6,750	6,692

7. Other gains – net

	Group 2014 S$'000	2013 S$'000
Amortisation of bills receivables	-	7
Bad debts recovered	-	169
Currency exchange gains – net	35	48
Government grant		
- PIC bonus [(1)]	134	92
- WCS [(2)]	109	-
Miscellaneous claims [(3)]	20	71
Loss on disposal of property, plant and equipment	(13)	-
	285	387

(1) As announced in Budget 2014, businesses that invest in qualifying activities under the Productivity and Innovation Credit (PIC) scheme will receive a PIC Bonus in order to help businesses defray rising operating costs such as wages and rentals and encourages businesses to undertake improvements in productivity and innovation. The amount a company will receive depends on the fulfilment of certain conditions under the scheme.

(2) As announced in Budget 2013, businesses will receive wage credit payouts under the Wage Credit Scheme (WCS) to free up resources to make investments in productivity and to share the productivity gains with their employees. The amount a company will receive depends on the fulfilment of certain qualifying conditions under the scheme.

(3) Miscellaneous claims refer to cash rebates from corporate credit cards, discount and rebate given by suppliers as well as late charges imposed on customers whom exceeded the credit terms given.

8. Finance expenses

	Group 2014 S$'000	2013 S$'000
Interest expense		
- Bank borrowings	75	10
- Finance lease liabilities	51	153
Finance expenses recognised in profit or loss	126	163

9. Income tax expense

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follows:

	Group 2014 S$'000	2013 S$'000
Loss before income tax	(5,633)	(3,959)
Tax calculated at tax rate 17% (2013: 17%)	(958)	(673)
Effects of:		
- Different tax rates in other countries	(32)	(6)
- Tax incentives	(17)	-
- Expenses not deductible for tax purposes	86	77
- Income not subject to tax	-	(1)
- Deferred tax assets not recognised	939	610
- Other	(18)	(7)
Tax benefits	-	-

10. Loss per share

(a) *Basic loss per share*

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2014	2013
Net loss attributable to equity holders of the Company (S$'000)	(4,951)	(3,579)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	771,595	681,963
Basic loss per share (cents per share)	(0.64)	(0.52)

(b) *Diluted loss per share*

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares in respect of share options and warrants.

For share options and warrants, the weighted average number of shares on issue has been adjusted as if all dilutive share options and warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options and warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

Diluted loss per share attributable to equity holders of the Company are calculated as follows:

	2014	2013
Net loss attributable to equity holders of the Company and used to determine diluted earnings per share (S$'000)	(4,951)	(3,579)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	776,425	759,602
Adjustments for ('000)		
- Share options	13,478	14,478
- Warrants	254,331	271,154
	1,044,234	1,045,234
Diluted loss per share (cents per share)	(0.64)*	(0.52)*

* As loss was recorded, the dilutive potential shares from share options and warrants are anti-dilutive and no change is made to the diluted loss per share.

11. Cash and cash equivalents

	Group		Company	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Cash at bank and on hand	4,185	7,971	286	585
Short-term bank deposits	2,363	3,492	-	-
	6,548	11,463	286	585

11. Cash and cash equivalents *continued*

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group 2014 S$'000	Group 2013 S$'000
Cash and bank balances (as above)	6,548	11,463
Less: Bank overdraft (Note 18)	(991)	(1,023)
Cash and cash equivalents per consolidated statement of cash flows	5,557	10,440

12. Trade and other receivables

	Group 2014 S$'000	Group 2013 S$'000	Company 2014 S$'000	Company 2013 S$'000
Trade receivables				
- Non-related parties	5,972	6,101	-	-
Bills receivables	7,379	14,660	-	-
Trade and bills receivables	13,351	20,761	-	-
Contract work-in-progress				
- Due from customers (Note 14)	660	1,198	-	-
Advance payment for project costs	720	1,174	-	-
Unbilled contract revenue	4,992	6,850	-	-
Other receivables				
- Subsidiary	-	-	5,088	4,560
- Staff advances	4	4	-	-
- Non-related parties	298	302	-	6
- Value added tax recoverable	138	138	-	-
- Withholding tax receivable	17	309	-	-
Less: Allowance for impairment of receivables				
- non-related parties (Note 26(b)(ii))	(138)	(138)	-	-
Other receivables – net	319	615	5,088	4,566
Deposits	290	525	-	-
Prepayments	467	391	19	17
	20,799	31,514	5,107	4,583

The amount due from subsidiary is non-trade in nature, unsecured, interest free and repayable on demand.

13. Inventories

	Group 2014 S$'000	Group 2013 S$'000
Voice, video and data communication equipment	432	619

The cost of inventories recognised as an expense and included as part of "Cost of sales – equipment and consumables used" amounts to S$31,696,000 (2013: S$32,878,000).

The Group has recognised a write-down of its slow-moving inventories amounting to S$42,000 (2013: S$41,000) (Note 5).

14. Contract work-in-progress

	Group 2014 S$'000	Group 2013 S$'000
Contract work-in-progress		
Aggregate costs incurred and profits recognised (less losses recognised) to date on uncompleted contracts	660	1,198
Less: Progress billings	(77)	(1)
	583	1,197
Presented as:		
Due from customers on contract work-in-progress (Note 12)	660	1,198
Due to customers on contract work-in-progress (Note 17)	(77)	(1)
	583	1,197

15. Investments in subsidiaries

	Company 2014 S$'000	Company 2013 S$'000
Equity investments at cost		
Beginning of financial year	18,000	16,000
Additions	-	2,000
End of financial year	18,000	18,000

The Group had the following subsidiaries as at 31 December 2013 and 2014:

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent*		Proportion of ordinary shares directly held by the Group		Proportion of ordinary shares directly held by non-controlling interests	
			2014 %	2013 %	2014 %	2013 %	2014 %	2013 %
Ntegrator Pte Ltd [1]	To provide system integration services of voice, video and data communication networks	Singapore	100	100	100	100	-	-
Ntegrator (Thailand) Limited [2]	To provide system integration services and sale of voice, video and data communication equipment and networks, maintenance and support services, and project management services for network infrastructure	Thailand	-	-	60	60	40	40
Fiber Reach Pte. Ltd. [1]	To provide building construction NEC (fiber patching, splicing, installation and maintenance)	Singapore	-	-	51	51	49	49
Ntegrator Myanmar Limited [3]	To provide system integration services, maintenance and support services in connection with network infrastructure in Myanmar	Myanmar	-	-	100	100	-	-

(1) Audited by Nexia TS Public Accounting Corporation, Singapore, a member firm of Nexia International

(2) Audited by V.A.T. Accounting, Thailand, a member firm of Nexia International

15. Investments in subsidiaries *continued*

(3) Audited by U Myang, Certified Public Accountant, Myanmar
As required by Rule 716 of the Section B of the Listing Manual of the SGX-ST: Rules of Catalist, the Audit Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditors for its overseas subsidiary companies would not compromise the standard and effectiveness of the audit of the Group.

* Parent is referring to the Company

Carrying value of non-controlling interests

	2014 S$'000	2013 S$'000
Ntegrator (Thailand) Limited	212	103
Fiber Reach Pte Ltd	268	(303)
Total	480	(200)

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no transactions with non-controlling interests for the financial year ended 31 December 2013 and 2014.

Summarised balance sheet

	Ntegrator (Thailand) Limited As at 31 December		Fiber Reach Pte. Ltd. As at 31 December	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Current				
Assets	2,028	3,039	1,739	3,379
Liabilities	(2,561)	(3,303)	(2,971)	(3,550)
Total current net liabilities	(533)	(264)	(1,232)	(171)
Non-current				
Assets	3	7	943	966
Liabilities	-	-	(257)	(176)
Total non-current net assets	3	7	686	790
Net liabilities/ assets	(530)	(257)	(546)	619

Summarised income statement

	Ntegrator (Thailand) Limited For the year ended 31 December		Fiber Reach Pte. Ltd. For the year ended 31 December	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Revenue	-	521	12,373	7,955
Loss before income tax/ total comprehensive loss	(273)	(482)	(1,165)	(382)
Total comprehensive loss allocated to non-controlling interests	(109)	(193)	(571)	(187)

15. Investments in subsidiaries *continued*

Summarised cash flows

	Ntegrator (Thailand) Limited As at 31 December S$'000	Fiber Reach Pte. Ltd. As at 31 December S$'000
Cash flows from operating activities		
Cash generated from operations	(272)	(728)
Interest paid	-	(139)
Net cash (used in)/ generated from operating activities	(18)	613
Net cash used in investing activities	(2)	(10)
Net (decrease)/ increase in cash and cash equivalents	(20)	304
Cash and cash equivalents at beginning of the year	170	621
Cash and cash equivalents at year end	150	925

16. Property, plant and equipment

	Office equipment S$'000	Computers S$'000	Telephones S$'000	Software S$'000	Motor vehicle S$'000	Demo and site equipment S$'000	Furniture S$'000	Fittings S$'000	Total S$'000
Group									
2014									
Cost									
Beginning of financial year	309	635	11	242	77	1,503	108	209	3,094
Currency translation differences	5	12	-	5	1	15	2	4	44
Additions	14	25	-	11	32	335	13	1	431
Disposal	(5)	(1)	-	-	-	(10)	-	(11)	(27)
End of financial year	323	671	11	258	110	1,843	123	203	3,542
Accumulated depreciation									
Beginning of financial year	207	463	11	208	32	732	101	183	1,937
Currency translation differences	5	11	-	5	1	15	2	4	43
Depreciation charge (Note 5)	38	82	-	18	8	232	2	18	398
Disposal	(2)	(1)	-	-	-	(2)	-	(9)	(14)
End of financial year	248	555	11	231	41	977	105	196	2,364
Net book value									
End of financial year	**75**	**116**	**-**	**27**	**69**	**866**	**18**	**7**	**1,178**
Group									
2013									
Cost									
Beginning of financial year	226	441	11	244	33	617	99	167	1,838
Currency translation differences	5	11	-*	8	1	22	2	6	55
Additions	78	148	-	25	43	864	7	36	1,201
Transfer from/(to)	-	35	-	(35)	-	-	-	-	-
End of financial year	309	635	11	242	77	1,503	108	209	3,094
Accumulated depreciation									
Beginning of financial year	163	392	11	183	26	617	97	167	1,656
Currency translation differences	5	9	-*	6	1	22	2	6	51
Depreciation charge (Note 5)	39	62	-	19	5	93	2	10	230
End of financial year	207	463	11	208	32	732	101	183	1,937
Net book value									
End of financial year	**102**	**172**	**-**	**34**	**45**	**771**	**7**	**26**	**1,157**

* Less than S$1,000.

16. Property, plant and equipment *continued*

Included within additions in the consolidated financial statements are plant and equipment acquired under financial leases amounting to S$120,000 (2013: S$343,000).

The carrying amounts of plant and equipment held under finance leases are S$431,000 (2013: S$290,000) at the balance sheet date.

17. Trade and other payables

	Group		Company	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Trade payables to				
- Non-related parties	3,189	4,419	-	-
Bills payables	2,636	3,829	-	-
Contract work-in-progress				
- Due to customers (Note 14)	77	1	-	-
Accrued project costs	1,613	1,782	-	-
Advances received for project costs	-	125	-	-
Deferred revenue	326	371	-	-
Other payables				
- Non-related parties	1,315	1,315	235	250
Accruals for operating expenses	1,665	2,008	323	323
	10,821	13,850	558	573

Bills payables

These payables have an average maturity of 120 – 180 (2013: 120 – 180) days. These payables are denominated in United States Dollar.

Deferred revenue

Deferred revenue represents maintenance revenue received in advance of services rendered.

18. Borrowings

	Group	
	2014 S$'000	2013 S$'000
Current		
Bank overdraft (Note 11)	991	1,023
Bank borrowings	1,962	4,167
Trust receipts	1,309	6,833
Finance lease liabilities (Note 19)	153	113
	4,415	12,136
Non-current		
Finance lease liabilities (Note 19)	240	176
Total borrowings	4,655	12,312

18. Borrowings *continued*

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:

	Group 2014 S$'000	Group 2013 S$'000
6 months or less	4,339	11,100
6 – 12 months	76	1,036
1 – 5 years	240	176
	4,655	12,312

(a) *Securities granted*

Bank overdraft, bank borrowings and trust receipts are guaranteed by the Company. Finance lease liabilities of the Group are effectively secured over the leased plant and equipment (Note 16), as the legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities.

(b) *Fair value of non-current borrowings*

	Group 2014 S$'000	Group 2013 S$'000
Finance lease liabilities	175	139

The fair values above are determined from the cash flow analysis, discounted at market borrowing rates of an equivalent instrument at the balance sheet date which the directors expect to be available to the Group as follows:

	Group 2014 %	Group 2013 %
Finance lease liabilities	2.08 – 2.98	1.34 – 2.08

(c) *Breach of loan covenants*

Some of the Group's loan arrangements are subject to covenant clauses, whereby the Group is required to meet certain key financial ratios.

During the financial year ended 31 December 2014, the Group did not fulfil its banks' key financial ratios, as follows:

- Tangible net worth of not less than S$13,000,000 and consolidated tangible net worth of not less than S$17,000,000
- Minimum consolidated Debt Service Coverage ratio of 1.50 times

Due to this breach of covenant clause, the bank is contractually entitled to request for immediate repayment of the outstanding loan amount of S$499,980. The outstanding balance is presented as a current liability as at 31 December 2014.

The management is cognisant of the above mentioned non-adherence of the financial ratios and has taken steps subsequent to balance sheet date to obtain the approval of the relevant bank to waive the above.

As of the date when these financial statements were approved by the Board of Directors, the bank had issued a waiver letter on the non-adherence of the financial ratios and had not requested early repayment of the loan.

There is no non-adherence of covenant clauses noted during the financial year ended 31 December 2013.

19. Finance lease liabilities

The Group leases certain plant and equipment from non-related parties under finance lease. The lease agreements do not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of the lease term.

	Group	
	2014 S$'000	2013 S$'000
Minimum lease payments due		
- Not later than one year	165	123
- Between one and five years	257	184
	422	307
Less: Future finance charges	(29)	(18)
Present value of finance lease liabilities	393	289

The present values of finance lease liabilities are analysed as follows:

	Group	
	2014 S$'000	2013 S$'000
Not later than one year (Note 18)	153	113
Later than one year (Note 18)		
- Between one and five years	240	176
Total	393	289

20. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Deferred income tax assets are recognised for tax losses and capital allowance carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of S$12,550,941 (2013: S$7,382,747) and capital allowances of S$939,924 (2013: S$Nil) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses and capital allowances have no expiry date.

21. Share capital and treasury shares

	← No. of ordinary shares →		← Amount →	
	Issued share capital	Treasury shares	Share capital S$'000	Treasury shares S$'000
Group and Company				
2014				
Beginning of financial year	759,853,069	(251,000)	22,665	(11)
Shares issued pursuant to:-				
- Exercise of warrants	16,823,049	-	336	-
End of financial year	776,676,118	(251,000)	23,001	(11)

21. Share capital and treasury shares *continued*

	No. of ordinary shares: Issued share capital	No. of ordinary shares: Treasury shares	Amount: Share capital S$'000	Amount: Treasury shares S$'000
Group and Company				
2013				
Beginning of financial year	565,191,007	(251,000)	18,663	(11)
Shares issued pursuant to:-				
- Exercise of share options	6,300,000	-	252	-
- Exercise of warrants	188,362,062	-	3,643	-
- Options exercised (Note 22(b)(i))	-	-	107	-
End of financial year	759,853,069	(251,000)	22,665	(11)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares (except for treasury shares) carry one vote per share and carry a right to dividends as and when declared by the Company.

During the financial year, a total of 16,823,049 shares were issued due to exercise of warrants at S$0.02 per share under W160603.

In the financial year ended 31 December 2013, a total of 194,662,062 shares were issued due to:

(i) exercise of 6,300,000 share options at S$0.04 per share under the Ntegrator Share Option Scheme;

(ii) exercise of 124,210,427 warrants under W131206. On 5 June 2013 pursuant to the bonus issue and adjustments on warrants, the exercise price of the unexercised and additional warrants under W131206 is adjusted from S$0.02 to S$0.015. Therefore 99,372,070 warrants were exercised at S$0.02 per share and 24,838,357 warrants were exercised at S$0.015 per share; and

(iii) exercise of 64,151,635 warrants at S$0.02 per share under W160603.

The newly issued shares rank pari passu in all respects with the previously issued shares.

(a) Treasury shares

The Company did not acquire any of its shares in the open market during the financial years ended 31 December 2013 and 2014.

(b) Share warrants

Share warrants outstanding at the end of the reporting year totalled 254,331,329 (2013: 271,154,378). These may be converted into shares at the conversion rate which are tabled below for each class of warrants for each ordinary shares of no par value before expiry date.

Warrants	Balance as at 1.1.2014	Awarded during the year	Exercised during the year	Lapsed during the year	Balance as at 31.12.2014	Exercise price	Exercisable period
2014							
W160603	271,154,378	-	16,823,049	-	254,331,329	S$0.020	07.06.2013 to 03.06.2016
	271,154,378	-	16,823,049	-	254,331,329		
2013							
W131206	120,861,787	8,166,031	124,210,427	4,817,391	-	S$0.020 [(1)]	13.12.2010 to 06.12.2013
W160603	-	335,306,013	64,151,635	-	271,154,378	S$0.020	07.06.2013 to 03.06.2016
	120,861,787	343,472,044	188,362,062	4,817,391	271,154,378		

(1) On 5 June 2013 pursuant to the bonus issue and adjustments on warrants, the exercise price of the unexercised and additional warrants under W131206 is adjusted from S$0.02 to S$0.015.

21. Share capital and treasury shares *continued*

(c) *Share options*

The Company implemented the Ntegrator Share Option Scheme (the "Scheme") in 2005 for granting of options to full-time employees and directors of the Company and its subsidiaries. The total number of ordinary shares over which the Company may grant under the Scheme shall not exceed 15% of the issued share capital of the Company on the day preceding the date of grant.

The Scheme is administered by the RC which comprises three directors, namely Lai Chun Loong, Charles George St. John Reed and Lee Keen Whye.

The exercise price for each ordinary share in respect of which an option is exercisable shall be determined by the RC as follows:

(i) at a price equal to the prevailing market price of the ordinary shares of the Company based on the last dealt price per share as indicated in the daily official list or any publication published by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five consecutive trading days immediately preceding the date of grant of that option (the "Market Price"); or

(ii) at a price which is set at a discount to the Market Price provided that the maximum discount shall not exceed 20% of the Market Price.

Options granted with the exercise price set at Market Price shall only be exercisable after 12 months from the date of grant of that option. Options granted with exercise price set at a discount to Market Price shall only be exercisable after 24 months from the date of grant of that option. All options granted shall be exercised before the end of 120 months (or 60 months where the participant is a non-executive director) of the date of grant of that option and subject to such other conditions as may be introduced by the RC from time to time.

Details of the options to subscribe for ordinary shares of the Company granted to directors, executive officers and employees of the Group pursuant to the Scheme described above are as follows:

	No. of ordinary shares under option						
	Balance as at 1.1.2014	**Granted during the financial year**	**Exercised during the financial year**	**Lapsed during the financial year**	**Balance as at 31.12.2014**	**Exercise price**	**Exercisable period**
2014							
Non-executive directors	1,000,000	-	-	1,000,000	-	S$0.04	25.08.2009 to 25.08.2014[2]
Executive directors	8,000,000	-	-	-	8,000,000	S$0.04	25.08.2009 to 25.08.2019[2]
Key management personnel	3,000,000	-	-	-	3,000,000	S$0.04	25.08.2009 to 25.08.2019[2]
Employees	1,662,000	-	-	-	1,662,000	S$0.04	25.08.2009 to 25.08.2019[2]
	816,000	-	-	-	816,000	S$0.13	11.09.2007 to 10.09.2017[1]
	14,478,000	-	-	1,000,000	13,478,000		

21. Share capital and treasury shares *continued*

(c) Share options continued

	No. of ordinary shares under option						
	Balance as at 1.1.2013	**Granted during the financial year**	**Exercised during the financial year**	**Cancelled during the financial year**	**Balance as at 31.12.2013**	**Exercise price**	**Exercisable period**
2013							
Non-executive directors	1,800,000	-	800,000	-	1,000,000	S$0.04	25.08.2009 to 25.08.2014[(2)]
Executive directors	10,000,000	-	2,000,000	-	8,000,000	S$0.04	25.08.2009 to 25.08.2019[(2)]
Key management personnel	6,500,000	-	3,500,000	-	3,000,000	S$0.04	25.08.2009 to 25.08.2019[(2)]
Employees	1,662,000	-	-	-	1,662,000	S$0.04	25.08.2009 to 25.08.2019[(2)]
	816,000	-	-	-	816,000	S$0.13	11.09.2007 to 10.09.2017[(1)]
	20,778,000	-	6,300,000	-	14,478,000		

(1) The fair value of equity share options as at the date of grant is estimated by an external valuer using a trinomial option pricing model in the Bloomberg Executive Option Valuation Module ("BEOVM"), taking into account the terms and conditions upon which options were granted.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

(2) The fair value of equity share options as at the date of grant is estimated by an external valuer using a trinomial option pricing model in the BEOVM to estimate the fair value of the options as at the date of grant, 25 August 2008.

BEOVM Parameters

The actual parameters applied in the BEOVM to estimate the fair values of the Options as at the date of grant are shown below:

Date of Grant	Vesting Date	Estimated Exercise Date	Subscription Price (S$)	Last Traded Price (S$)	Estimated Volatility (%)	Risk-free Rate (%)
25-Aug-08	25-Aug-09	25-Aug-10	0.04	0.04	100	1.145

(d) Performance share plan

The Company implemented the Ntegrator Performance Share Plan (the "PSP") in 2010 which was approved at the Extraordinary General Meeting ("EGM") held on 12 February 2010. The PSP provides for the award of fully paid-up ordinary shares in the share capital of the Company, free of charge to selected employees of the Company and/or its subsidiaries, including the directors of the Company, and other selected participants when and after pre-determined performance target(s) have been accomplished within the performance period.

21. Share capital and treasury shares *continued*

(d) *Performance share plan continued*

The PSP is a share incentive scheme which will allow the Company, inter alia, to target specific performance objectives and to provide an incentive for participants to achieve these targets. The directors believe that the PSP will help to achieve the following positive objectives:

(a) incentivise employees to excel in their performance and encourage greater dedication and loyalty to the Group;

(b) attract and retain employees whose contributions are important to the long-term growth and profitability of the Group;

(c) recognise and reward past contributions and services and motivate employees to continue to strive for the Group's long-term prosperity; and

(d) develop a participatory style of management which instils loyalty and a stronger sense of identification with the long-term goals of the Group.

The PSP is administered by the RC which comprises three (3) directors, namely Lai Chun Loong, Charles George St. John Reed and Lee Keen Whye.

The PSP shall continue in force at the discretion of the RC, subject to a maximum period of ten (10) years commencing on the date on which the PSP was adopted by the Company in EGM, provided always that the PSP may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting, and of any relevant authorities which may then be required.

The Company may deliver shares pursuant to awards granted under the PSP by way of:-

(i) issuance of new shares; and/or

(ii) delivery of existing shares purchased from the market or shares held in treasury.

The total number of ordinary shares over which the Company may grant under the PSP shall not exceed 15% of the issued share capital of the Company on the day preceding the date of grant.

In 2010, a share award under the PSP was granted to employees and directors of the Group on 22 March 2010 in accordance with the approval by Shareholders at the EGM on 12 February 2010.

Details of the shares awarded pursuant to the PSP were as follows:

Name of director	Shares awarded during the financial year	Aggregate shares awarded since the commencement of the PSP to 31.12.2014	Aggregate shares awarded since the commencement of the PSP to 31.12.2013
Han Meng Siew	-	2,000,000	2,000,000
Jimmy Chang Joo Whut	-	2,000,000	2,000,000
Charles George St. John Reed	-	350,000	350,000
Lai Chun Loong	-	200,000	200,000
Lee Keen Whye	-	200,000	200,000
Bernard Chen Tien Lap [1]		800,000	800,000
	-	5,550,000	5,550,000

[1] Resigned as a Director of the Company on 2 March 2015

21. Share capital and treasury shares *continued*

(d) Performance share plan continued

Name of executive officer	Shares awarded during the financial year	Aggregate shares awarded since the commencement of the PSP to 31.12.2014	Aggregate shares awarded since the commencement of the PSP to 31.12.2013
Kenneth Sw Chan Kit	-	2,000,000	2,000,000
Jason Leong Wee Siong	-	800,000	800,000
Diana Lee Meng Wah	-	800,000	800,000
	-	3,600,000	3,600,000
Employees	-	1,598,553	1,598,553
Total	-	10,748,553	10,748,553

Since the commencement of the PSP till the end of the financial year:

- No shares were granted to the controlling shareholders of the Company and their associates; and
- No participant other than Bernard Chen Tien Lap, Han Meng Siew, Jimmy Chang Joo Whut, Kenneth Sw Chan Kit, Jason Leong Wee Siong and Diana Lee Meng Wah as mentioned above has received 5% or more of the total shares available under the PSP.

The Company has not granted any awards under the PSP since the financial year ended 31 December 2011 till 31 December 2014.

22. Other reserves

	Group		Company	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
(a) Composition:				
Share option reserve	231	248	231	248
Currency translation reserve	(1,056)	(1,258)	-	-
	(825)	(1,010)	231	248
(b) Movements:				
(i) Share option reserve				
Beginning of financial year	248	355	248	355
- Share options lapsed	(17)	-	(17)	-
- Share options exercised (Note 21)	-	(107)	-	(107)
End of financial year	231	248	231	248
(ii) Currency translation reserve				
Beginning of financial year	(1,258)	(1,780)	-	-
Net currency translation differences of financial statements of foreign subsidiaries	204	525	-	-
Add: Non-controlling interests	(2)	(3)	-	-
End of financial year	(1,056)	(1,258)	-	-

Other reserves are non-distributable.

23. Accummulated losses

(a) Movement in accummulated losses for the Company is as follows:

	Company	
	2014 S$'000	2013 S$'000
Beginning of financial year	(307)	(48)
Employee share options scheme	17	-
Net loss	(96)	(259)
End of financial year	(386)	(307)

24. Contingencies

The Company has issued corporate guarantees amounting to S$21.7million (2013: S$15.0million) to banks for borrowings of its subsidiaries. These bank borrowings of the subsidiaries amounted to S$4.3million (2013: S$12.0million) at the balance sheet date.

The Company has evaluated the fair values of the corporate guarantees and is of the view that the consequential liabilities derived from its guarantees to the banks with regard to the subsidiaries are minimal. The subsidiaries for which the guarantees were provided are in favourable equity positions, with no default in the payment of borrowings and credit facilities.

25. Commitments

Operating lease commitments – where the Group is a lessee

The Group leases office equipment and commercial property such as offices and warehouses from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under the non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2014 S$'000	2013 S$'000
Not later than one year	939	1,063
Between one and five years	539	739
	1,478	1,802

26. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. It is, and has been throughout the financial year, the Group's policy that no trading in derivative financial instruments shall be undertaken.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Financial risk management is carried out by the finance department in accordance with the policies set. The finance personnel identifies and evaluates financial risks in close co-operation with the Group's operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Financial Controller. Regular reports are also submitted to the Board of Directors.

26. Financial risk management *continued*

(a) *Market risk*

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore, Vietnam, Myanmar and Thailand. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the United States Dollar ("USD") and Thai Baht ("BAHT").

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations has been monitored throughout the year and the impacts to the Group's financial statements are not significant.

The Group's currency exposure based on the information provided to key management is as follows:

	2014					2013				
	SGD S$'000	USD S$'000	BAHT S$'000	OTHER S$'000	TOTAL S$'000	SGD S$'000	USD S$'000	BAHT S$'000	OTHER S$'000	TOTAL S$'000
Financial assets										
Cash and cash equivalents	1,347	5,047	150	4	6,548	1,297	9,993	170	3	11,463
Trade and other receivables	10,355	7,852	1,405	-	19,612	13,180	15,043	1,700	26	29,949
Receivables from subsidiaries	7,206	-	-	-	7,206	9,715	-	-	-	9,715
	18,908	12,899	1,555	4	33,366	24,192	25,036	1,870	29	51,127
Financial liabilities										
Trade and other payables	4,223	3,548	2,548	99	10,418	5,755	4,284	3,287	27	13,353
Payables to subsidiaries	6,743	-	-	-	6,743	9,714	-	-	-	9,714
Borrowings	3,390	716	-	549	4,655	3,192	8,814	-	306	12,312
	14,356	4,264	2,548	648	21,816	18,661	13,098	3,287	333	35,379
Net financial assets/ (liabilities)	**4,552**	**8,635**	**(993)**	**(644)**	**11,550**	**5,531**	**11,938**	**(1,417)**	**(304)**	**15,748**
Currency exposure of financial assets/ (liabilities) net of those denominated in the respective entities' functional currencies	**572**	**2**	**(4)**	**(644)**	**(74)**	**(1,455)**	**2**	**-**	**(304)**	**(1,757)**

The Company is not exposed to currency risk since all its financial assets and liabilities as at the financial years ended 31 December 2013 and 2014 are denominated in Singapore Dollar.

If the USD and other foreign currencies change against the SGD by 4.1% (2013: 3.5%) and 1.8% (2013: 5.4%) respectively, with all other variables including tax rate being held constant, the effects arising from the net financial assets liabilities position on the Group's profit after tax increased/ decreased by S$19,000 (2013: S$43,000) and S$9,000 (2013: S$14,000) respectively.

(ii) Price risk

The Group does not have exposure to equity price risk as it does not hold equity financial assets.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk mainly arises from bank overdrafts and borrowings at floating interest rate. The Group manages its interest rate risk by keeping bank loans to the minimum required to sustain the operations of the Group.

26. Financial risk management *continued*

(a) *Market risk continued*

(iii) Cash flow and fair value interest rate risks *continued*

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in USD. If the USD interest rates had increased/ decreased by 0.5% (2013: 0.5%) with all other variables including tax rate being held constant, the profit after tax would have been lower/ higher by S$19,000 (2013: S$51,000) respectively as a result of higher/ lower interest expense on these borrowings.

(b) *Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables. For trade receivables, the Group adopts the policy of dealing with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk.

It is also the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Customers with high credit risks are required either to pay on cash term, make advance payments or issue letter of credits. The Group trades only with recognised, creditworthy and secured third parties, there is no requirement for collateral. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group has concentration of credit risk with customers, who are foreign government agencies, for whom it has completed several network infrastructure projects. These customers have made an arrangement with a financial institution in its own country to issue irrevocable letters of credit in favour of the Group for the settlement of these projects. As at 31 December 2014, the total amount of the irrevocable letters of credit issued in favour of the Group amounted to S$7,379,000 (2013: S$14,660,000), which are classified as bills receivables (Note 12), and represents 55% (2013: 71%) of the total trade and bills receivables of the Group as at that date.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet, except as follows:

	Company	
	2014 S$'000	**2013 S$'000**
Corporate guarantees provided to banks on subsidiary's loans	21,671	15,009

The trade and bills receivables of the Group comprise of three debtors (2013: three debtors) that individually represented 12% - 35% of trade and bills receivables.

The credit risk for trade and bills receivables based on the information provided to key management are as follows:

	Group	
	2014 S$'000	**2013 S$'000**
By geographical areas		
Singapore	4,542	4,954
Myanmar	1,638	1,561
Vietnam	6,062	13,138
Other	1,109	1,108
	13,351	20,761

26. Financial risk management *continued*

(b) *Credit risk continued*

	Group 2014 S$'000	Group 2013 S$'000
By types of customers		
Non-related parties		
- Government agencies	7,040	14,774
- Other companies	6,311	5,987
	13,351	20,761

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade and bills receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

The Group's trade and bills receivables that are not past due amount to S$10,468,000 (2013: S$17,486,000). The Group has no trade and bills receivables past due or impaired that were re-negotiated during the financial year.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade and bills receivables.

The age analysis of trade and bills receivables past due but not impaired is as follows:

	Group 2014 S$'000	Group 2013 S$'000
Past due < 3 months	1,484	2,314
Past due 3 to 6 months	1,377	961
Past due > 6 months	22	-
	2,883	3,275

The carrying amount of trade and other receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group 2014 S$'000	Group 2013 S$'000
Trade and bills receivables		
Gross amount	-	-
Less: Allowance for impairment	-	-
	-	-
Beginning of financial year	-	35
Allowance utilised	-	(35)
End of financial year	-	-
Other receivables		
Gross amount	138	138
Less: Allowance for impairment	(138)	(138)
	-	-
Beginning of financial year	138	-
Allowance made (Note 5)	-	138
End of financial year	138	138

26. Financial risk management *continued*

(b) Credit risk continued

(ii) Financial assets that are past due and/or impaired *continued*

An allowance for impairment for other receivables amounting to S$Nil (2013: S$138,000) respectively and a write off of certain trade receivables amounting to S$8,000 (2013: S$Nil) have been made to the profit or loss, as recoverability is determined to be low because the customers or debtors are in financial difficulties and payments are not forthcoming (Note 5).

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities (Note 18). At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits as disclosed in Note 11.

Management monitors rolling forecasts of the liquidity reserve, comprises of undrawn borrowing facility and cash and cash equivalents (Note 11) of the Group and the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000
Group			
At 31 December 2014			
Trade and other payables	10,418	-	-
Borrowings	4,415	140	117
	14,833	140	117
At 31 December 2013			
Trade and other payables	13,353	-	-
Borrowings	12,136	97	87
	25,489	97	87
Company			
At 31 December 2014			
Trade and other payables	558	-	-
Financial guarantee contracts	4,300	-	-
At 31 December 2013			
Trade and other payables	573	-	-
Financial guarantee contracts	12,000	-	-

26. Financial risk management *continued*

(d) *Capital risk*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a debt-equity ratio. Additionally, the Group is also required by the banks to maintain a debt-equity ratio of not exceeding 3.0 times (2013: 3.0 times).

The debt-equity ratio is calculated as total liabilities divided by total net tangible assets.

	Group		Company	
	2014	**2013**	**2014**	**2013**
Total liabilities (S$'000)	15,476	26,162	558	573
Net tangible assets (S$'000)	13,481	18,591	22,835	22,595
Debt-equity ratio	**1.15 times**	**1.41 times**	**0.02 times**	**0.03 times**

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2013 and 2014 except for the breach of loan covenants for the financial year ended 31 December 2014 which was disclosed in Note 18(c) to the financial statements.

(e) *Fair value measurements*

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated based on quoted market prices or dealer quotes for similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The carrying amounts of current borrowings approximates their fair values.

(f) *Financial instruments by category*

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet, except for the following:

	Group		Company	
	2014 S$'000	**2013 S$'000**	**2014 S$'000**	**2013 S$'000**
Loans and receivables	26,160	41,412	5,374	5,151
Financial liabilities at amortised cost	15,073	25,665	558	573

27. Related party disclosures

No transactions took place between the Group and related parties other than those disclosed elsewhere in the financial statements.

(a) Outstanding balances as at 31 December 2014, arising from sales/ purchase of goods and services, are unsecured and receivable within 12 months from the balance sheet date and disclosed in Note 12 to the financial statements.

27. Related party disclosures *continued*

(b) *Key management personnel compensation*

Key management personnel compensation representing directors and other key management personnel are as follows:

	Group 2014 S$'000	Group 2013 S$'000
Salaries and bonuses	1,949	1,913
Employer's contribution to defined contribution plan, including Central Provident Fund	62	51
Directors' fees	272	322
	2,283	2,286
Comprised amounts paid to :		
Directors of the Company	1,258	1,298
Directors of subsidiaries	189	171
Other key management personnel	836	817
	2,283	2,286

28. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors comprises of executive and non-executive directors.

The Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the three primary geographic areas namely, Singapore, Myanmar and Vietnam. All geographic locations are engaged in the project sales and project management and maintenance services.

The Group is organised into two operating segments – Project sales and Project management and maintenance services.

Project sales segment engages in integration of network infrastructure that enable the customers to communicate electronically within an organisation or with another organisation whether located in the same country or globally. It also provides the customers with seamless integration of a wide variety of voice and data signals used in large institutional telecom applications.

Project management and maintenance services segment provides installation and implementation services of the network infrastructure or voice communication systems that have been purchased by the customers from the Group's principals, and maintenance and support services mainly for the network infrastructure and voice communication systems.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on an agreed terms basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

No disclosure and presentation of capital expenditure and depreciation of property, plant and equipment by business segments are made as the assets of the Group are used interchangeably by different business segments and therefore, it is not practicable to segregate the assets for disclosure purpose. The Board of Directors of the Company do not consider this information to be meaningful and this information is not used when making operating decisions about allocating resources to the business segment and assessing its performance.

28. Segment information *continued*

The segment information provided to the Board of Directors for the reportable segments are as follows:

	Project sales		Project management and maintenance services		Consolidated	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Segment revenue						
Revenue to external parties	22,574	29,949	18,904	18,454	41,478	48,403
Segment result	4,117	4,570	4,241	4,220	8,358	8,790
Other income						
- Interest income from bank deposits					35	64
Other gains - net					285	387
Unallocated expenses						
- Distribution and marketing					(178)	(162)
- Administrative					(14,024)	(12,875)
- Finance					(126)	(163)
Loss before income tax					(5,650)	(3,959)
Income tax expenses					-	-
Net loss					(5,650)	(3,959)
Segment assets	19,963	30,121	627	968	20,590	31,089
Unallocated assets					8,367	13,664
Total assets					28,957	44,753
Segment liabilities	7,793	10,517	544	615	8,337	11,132
Unallocated liabilities					7,139	15,030
Total liabilities					15,476	26,162

The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the consolidated statement of comprehensive income.

The Board of Directors assesses the performance of the operating segments based on a measure of gross profit, profit before tax and segment results for the Group's operations. This measurement basis excludes the effects of expenditure from the operating segments such as restructuring costs, impairment loss and other administrative expenses including interest income and interest expenses that are either not expected to recur regularly in every period or allocated to the segments as these type of activities are separately analysed and driven by the finance department, which manages the financial position of the Group.

Geographical information

	Singapore		Myanmar		Vietnam		Other		Consolidated	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Segment revenue										
Sales to external parties	23,510	23,061	10,875	8,391	5,498	16,427	1,595	524	41,478	48,403

Other geographical information:

	Singapore		Myanmar		Vietnam		Other		Consolidated	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Non-current assets	1,142	1,151	33	-	-	-	3	6	1,178	1,157
Capital expenditure										
- property, plant and equipment	431	1,201	-	-	-	-	-	-*	431	1,201

* Less than S$1,000

28. Segment information *continued*

Revenue of approximately S$17,542,000 (2013: S$17,160,000) are derived from a single external customer. These revenues are attributable to the project sales and project management and maintenance services segment.

(a) Reconciliation

(i) Segment assets

The amounts provided to the Board of Directors with respect to total assets are measured in a manner consistent with that of the financial statements. For the purposes of monitoring segment performance and allocating resources between segments, the Board of Directors monitors the property, plant and equipment, inventories, certain trade and other receivables and operating cash attributable to each segment. All assets are allocated to reportable segments other than cash and cash equivalent, certain trade and other receivables and property, plant and equipment.

Segment assets are reconciled to total assets as follows:

	Group	
	2014 S$'000	**2013 S$'000**
Segment assets for reporting segments	20,590	31,089
Unallocated:		
- Cash and cash equivalents	6,548	11,463
- Other receivables	720	1,108
- Property, plant and equipment	1,099	1,093
	28,957	44,753

(ii) Segment liabilities

The amounts provided to the Board of Directors with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than certain trade and other payables, borrowings and current and deferred income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	Group	
	2014 S$'000	**2013 S$'000**
Segment liabilities for reporting segments	8,337	11,132
Unallocated:		
- Other payables	2,484	2,718
- Borrowings	4,655	12,312
	15,476	26,162

29. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2015 or later periods and which the Group has not early adopted:

- Amendments to FRS 19: Defined Benefit Plans: Employee Contributions (effective for annual periods beginning on or after 1 July 2014)
- Amendment to FRS 102: Share-based payment (effective for annual periods beginning on or after 1 July 2014)
- Amendments to FRS 103: Business Combinations (effective for annual periods beginning on or after 1 July 2014)
- Amendments to FRS 108: Operating Segments (effective for annual periods beginning on or after 1 July 2014)
- Amendment to FRS 16: Property, Plant and Equipment (effective for annual periods beginning on or after 1 July 2014)
- Amendment to FRS 24: Related Party Disclosures (effective for annual periods beginning on or after 1 July 2014)
- Amendment to FRS 38: Intangible Assets (effective for annual periods beginning on or after 1 July 2014)
- Amendments to FRS 113: Fair Value Measurement (effective for annual periods beginning on or after 1 July 2014)
- Amendment to FRS 40: Investment Property (effective for annual periods beginning on or after 1 July 2014)
- FRS 114: Regulatory Deferral Accounts (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 1: Disclosure Initiative (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 27: Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 105: Non-current Assets Held for Sale and Discontinued Operations (effective for annual periods beginning on or after 1 January 2016)
- Amendments to FRS 107: Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2016)
- Amendment to FRS 19: Employee Benefits (effective for annual periods beginning on or after 1 January 2016)
- Amendment to FRS 34: Interim Financial Reporting (effective for annual periods beginning on or after 1 January 2016)
- FRS 115: Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2017)
- FRS 109: Financial Instruments (effective for annual periods beginning on or after 1 January 2018)

29. New or revised accounting standards and interpretations *continued*

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

30. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Ntegrator International Ltd on 30 March 2015.

STATISTICS OF SHAREHOLDINGS

As at 13 March 2015

CLASS OF SHARES	:	Ordinary shares
Issued and fully paid-up capital (including Treasury Shares)	:	S$23,001,332.42
Issued and fully paid-up capital (excluding Treasury Shares)	:	S$22,990,037.42
Number of Shares issued (excluding Treasury Shares)	:	776,425,098 ordinary shares
Number (Percentage) of Treasury Shares	:	251,000 (0.03%)
Voting rights (excluding Treasury Shares)	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS			NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1	-	99	1	0.04	11	0.00
100	-	1,000	98	4.14	79,382	0.01
1,001	-	10,000	182	7.69	1,118,596	0.15
10,001	-	1,000,000	1,987	83.95	352,837,659	45.44
1,000,001	and	above	99	4.18	422,389,450	54.40
Total :			**2,367**	**100.00**	**776,425,098**	**100.00**

As at 13 March 2015, there is no substantial shareholder in the register of the Company.

STATISTICS OF SHAREHOLDINGS

As at 13 March 2015

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	OCBC SECURITIES PRIVATE LIMITED	39,431,333	5.08
2	MAYBANK NOMINEES (SINGAPORE) PRIVATE LIMITED	35,838,124	4.62
3	PHILLIP SECURITIES PTE LTD	23,910,916	3.08
4	GOH SIOK KUAN	22,000,000	2.83
5	KOH KOW TEE MICHAEL	21,016,155	2.71
6	MAYBANK KIM ENG SECURITIES PTE. LTD.	11,772,389	1.52
7	CHANG JOO WHUT	11,668,000	1.50
8	SW CHAN KIT	10,225,400	1.32
9	LEE KEEN WHYE	9,455,750	1.22
10	LOW CHIN YEE	8,400,000	1.08
11	DBS NOMINEES (PRIVATE) LIMITED	8,167,860	1.05
12	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	8,164,816	1.05
13	PHUA MONG LIAN	8,065,000	1.04
14	LOI SIEW HOONG	7,930,000	1.02
15	CHEN TIEN LAP BERNARD	7,635,000	0.98
16	HARRY HALIM @ LIM ENG LIAN	6,800,000	0.88
17	CHARLES GEORGE ST JOHN REED	6,765,000	0.87
18	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,738,622	0.87
19	THNG JOO MOI	6,171,150	0.79
20	NEO TIONG WOON (LIANG ZHANG'EN)	6,136,280	0.79
	TOTAL	**266,291,795**	**34.30**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

85.38% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Catalist Rule 723 of the Listing Manual of the SGX-ST.

STATISTICS OF WARRANTHOLDINGS

As at 13 March 2015

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS			NO. OF WARRANTHOLDERS	%	NO. OF WARRANTHOLDINGS	%
1	-	99	4	0.30	153	0.00
100	-	1,000	150	11.30	80,601	0.03
1,001	-	10,000	229	17.24	1,347,406	0.53
10,001	-	1,000,000	902	67.92	95,006,334	37.36
1,000,001	and	above	43	3.24	157,896,835	62.08
Total :			**1,328**	**100.00**	**254,331,329**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	SW CHAN KIT	16,261,200	6.39
2	MAYBANK NOMINEES (SINGAPORE) PRIVATE LIMITED	15,720,062	6.18
3	OCBC SECURITIES PRIVATE LIMITED	13,108,748	5.15
4	GOH SIOK KUAN	11,000,000	4.33
5	KOH KOW TEE MICHAEL	10,508,077	4.13
6	TAN YEW BOCK	10,000,000	3.93
7	CHANG JOO WHUT	7,334,000	2.88
8	LEE KEEN WHYE	4,727,875	1.86
9	CHEN TIEN LAP BERNARD	3,817,500	1.50
10	HAN MENG SIEW	3,500,000	1.38
11	NG TIE JIN (HUANG ZHIREN)	3,432,000	1.35
12	HARRY HALIM @ LIM ENG LIAN	3,400,000	1.34
13	CHARLES GEORGE ST JOHN REED	3,382,500	1.33
14	THNG JOO MOI	3,085,575	1.21
15	NEO TIONG WOON (LIANG ZHANG'EN)	3,038,140	1.19
16	YU CHEW KHAI BEN	3,000,000	1.18
17	GOH CHENG MIANG	2,542,000	1.00
18	LEONG WEE SIONG	2,500,225	0.98
19	CHUA YUE PENG	2,314,000	0.91
20	CHAN LAI FONG ANITA	2,300,000	0.90
	Total :	**124,971,902**	**49.12**

USE OF PROCEEDS - WARRANTS CONVERSION

As at 31 December 2014, approximately S$1.3 million of the proceeds from issuance of shares arising from conversion of warrants has been utilized, in accordance to its intended use, a summary of which is set out below:-

Items	Amount (S$)	
Conversion of W160603		1,619,493.68
Application of Proceeds		
Professional Fees	168,363.99	
Issuance of Warrants	61,799.83	
Repayment of bank loans	1,103,754.60	
Total Application of Proceeds		1,333,918.42
Balance of Conversion of Warrants		285,575.26

NOTICE OF ANNUAL GENERAL MEETING

NTEGRATOR INTERNATIONAL LTD.
(INCORPORATED IN SINGAPORE)
(CO. REG. NO: 199904281D)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ntegrator International Ltd. (the "Company") will be held at 4 Leng Kee Road #06-04, SIS Building, Singapore 159088 on Monday, 27 April 2015 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2014 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Director retiring pursuant to Article 99(2) of the Company's Articles of Association:

   Mr Han Meng Siew **(Resolution 2)**

   Mr Han Meng Siew will, upon re-election as Director of the Company, remain as Chairman of the Board and will be considered non-independent.

3. To re-appoint Mr Lai Chun Loong, who will retire and seek re-appointment under Section 153(6) of the Companies Act, Cap. 50, to hold office from the date of this Annual General Meeting until the next Annual General Meeting.
   [See Explanatory Note (i)] **(Resolution 3)**

   Mr Lai Chun Loong will, upon re-appointment as a Director of the Company, remain as Chairman of Remuneration Committee and a member of the Audit and Nominating Committees and will be considered independent.

4. To approve the payment of Directors' fees of S$250,000 for the year ended 31 December 2014 (FY2013: S$273,000). **(Resolution 4)**

5. To re-appoint Nexia TS Public Accounting Corporation as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business which may be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

7. **AUTHORITY TO ISSUE SHARES**

   That pursuant to Section 161 of the Companies Act, Chapter 50, and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Section B: Rules of Catalist (the "**Catalist Rules**"), the Directors of the Company be authorised and empowered to:

   (a)(i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

AS SPECIAL BUSINESS *continued*

7. **AUTHORITY TO ISSUE SHARES** *continued*

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (ii)] **(Resolution 6)**

8. **AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE NTEGRATOR SHARE OPTION SCHEME AND NTEGRATOR PERFORMANCE SHARE PLAN**

That pursuant to Section 161 of the Companies Act, Cap. 50, the Directors be authorised and empowered to allot and issue Shares in the capital of the Company to all the holders of options granted by the Company, whether granted during the subsistence of this authority or otherwise, under the Ntegrator Share Option Scheme and the Ntegrator Performance Share Plan (the "Schemes") upon the exercise of such options and in accordance with the terms and conditions of the Schemes, provided always that the aggregate number of additional ordinary Shares to be allotted and issued pursuant to the Schemes shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time.
[See Explanatory Note (iii)] **(Resolution 7)**

By Order of the Board

Kenneth Sw Chan Kit
Gwendolin Lee Soo Fern
Yeo Poh Noi Caroline
Company Secretaries

Singapore, 10 April 2015

Explanatory Notes on Resolutions to be passed:

(i) The effect of the Ordinary Resolution 3 proposed in item 3 above, is to re-appoint a director who is over 70 years of age.

(ii) The Ordinary Resolution 6 proposed in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of shares.

(iii) Ordinary Resolution 7 proposed in item 8 above, if passed, will empower the Directors of the Company, to allot and issue Shares pursuant to the exercise of options outstanding under the Ntegrator Share Option Scheme and/or the vesting of awards granted pursuant to the Ntegrator Performance Share Plan, provided that the aggregate number of Shares to be issued pursuant to the Ntegrator Share Option Scheme and the Ntegrator Performance Share Plan does not exceed fifteen per cent (15%) of the total number of Shares (excluding treasury shares) in the capital of the Company from time to time.

Notes –

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.

3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 4 Leng Kee Road #06-04, SIS Building, Singapore 159088 not less than forty-eight (48) hours before the time appointed for holding the Annual General Meeting.

This Notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this Notice including the correctness of any of the figures used, statements or opinions made.

This Notice has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this Notice including the correctness of any of the statements or opinions made or reports contained in this Notice.

The contact person for the Sponsor is Ms Foo Quee Yin
Telephone number: (65) 6221 0271

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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IMPORTANT:

CPF Investors
1. For investors who have used their CPF monies to buy the Company's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

Personal Data Privacy
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Company's Notice of Annual General Meeting.

PROXY FORM

NTEGRATOR INTERNATIONAL LTD.
(INCORPORATED IN SINGAPORE)
(CO. REG. NO: 199904281D)

(Please see notes overleaf before completing this Form)

*I/We, ______________________________

of ______________________________

being a *member/members of NTEGRATOR INTERNATIONAL LTD. (the "Company"), hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing *him/her, the Chairman of the Meeting as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at 4 Leng Kee Road #06-04, SIS Building, Singapore 159088 on Monday, 27 April 2015 at 11.00 a.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with a tick [√] within the box provided.)

No.	**Resolutions relating to:**	**For**	**Against**
1	Directors' Report and Audited Financial Statements for the year ended 31 December 2014		
2	Re-election of Mr Han Meng Siew as a Director		
3	Re-appointment of Mr Lai Chun Loong as a Director		
4	Approval of payment of Directors' fees amounting to S$250,000		
5	Re-appointment of Nexia TS Public Accounting Corporation as Auditors		
6	Authority to Issue Shares		
7	Authority to Allot and Issue Shares Under the Ntegrator Share Option Scheme and Ntegrator Performance Share Plan		

*Delete where inapplicable

Dated this _______ day of April 2015

Total number of Shares in:	**No. of Shares**
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
and, Common Seal of Corporate Shareholder

Notes

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 4 Leng Kee Road #06-04, SIS Building, Singapore 159088 not less than forty-eight (48) hours before the time appointed for the Meeting.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Han Meng Siew Executive Chairman & Executive Director

Jimmy Chang Joo Whut Managing Director & Executive Director

Charles George St. John Reed Lead Independent Director

Lai Chun Loong Independent Director

Lee Keen Whye Independent Director

NOMINATING COMMITTEE
Independent Directors
Lee Keen Whye (Chairman)
Charles George St. John Reed
Lai Chun Loong

REMUNERATION COMMITTEE
Independent Directors
Lai Chun Loong (Chairman)
Charles George St. John Reed
Lee Keen Whye

AUDIT COMMITTEE
Independent Directors
Charles George St. John Reed (Chairman)
Lai Chun Loong
Lee Keen Whye

COMPANY SECRETARIES
Kenneth Sw Chan Kit
Gwendolin Lee Soo Fern
Yeo Poh Noi Caroline

REGISTERED OFFICE
4 Leng Kee Road
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Singapore 159088
Tel: (65) 6479 6033
Fax: (65) 6472 2966
Website: www.ntegrator.com

SHARE REGISTRAR
Boardroom Corporate & Advisory
Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

AUDITORS
Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants
100 Beach Road
#30-00 Shaw Tower
Singapore 189702
Director-in-charge: Loh Hui Nee
(Appointed since 31 December 2011)

PRINCIPAL BANKERS
DBS Bank Ltd
United Overseas Bank Ltd

INVESTOR RELATIONS CONTACTS
Ntegrator International Ltd.
Jimmy Chang
4 Leng Kee Road
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Singapore 159088
Tel: (65) 6479 6033
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Citigate Dewe Rogerson, i.MAGE
Ng Chung Keat/Renee Goh
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Fax: (65) 6534 4171
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renee.goh@citigatedrimage.com

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