STAYING FOCUSED

CONTENTS

This Annual Report 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 Annual Report including the correctness of any of the figures used, statements or opinions made.

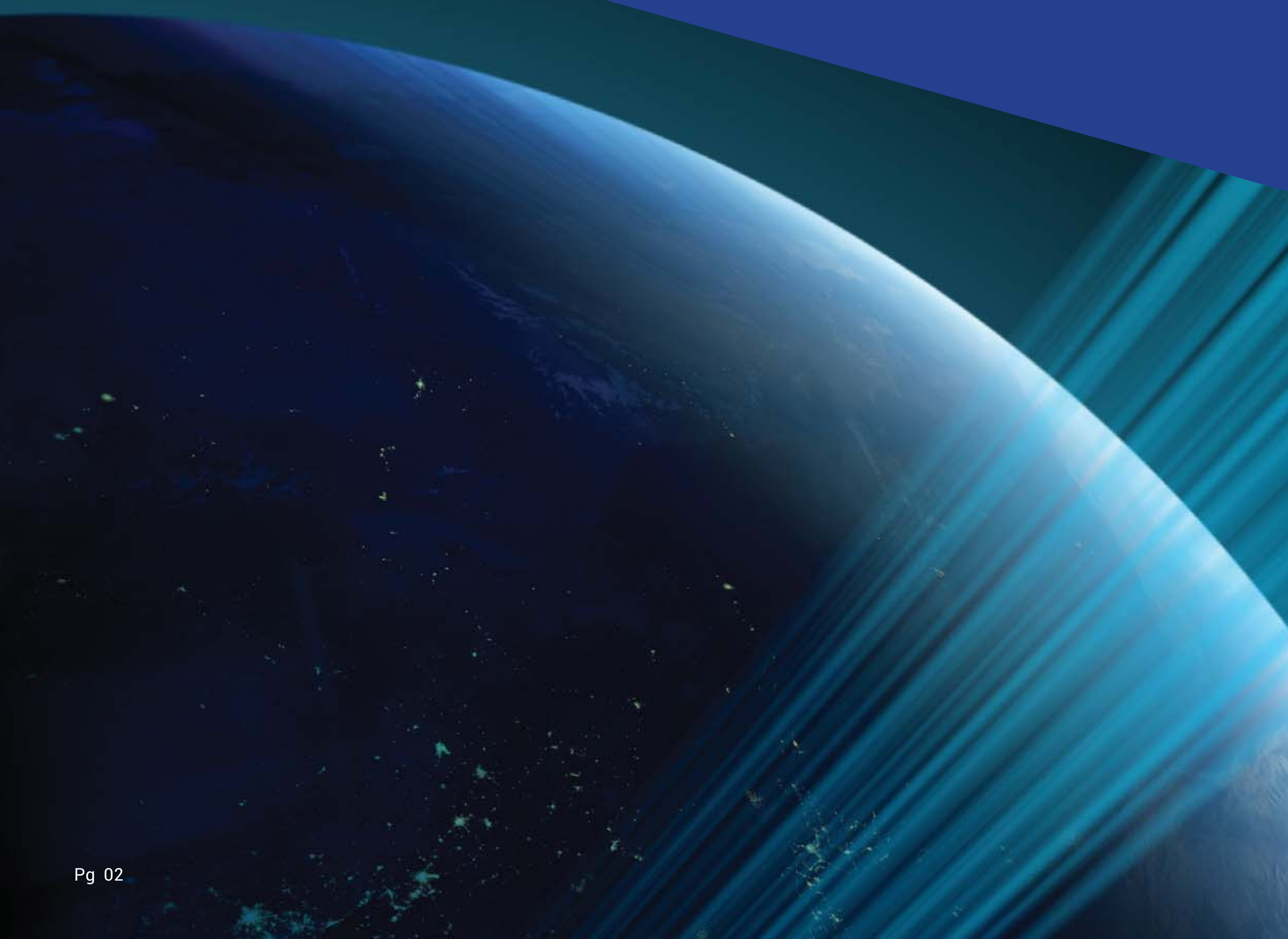
This Annual Report has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this Annual Report including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

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

ABOUT NTEGRATOR

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 (the largest Telco 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.

Headquartered in Singapore, Ntegrator has operations in the region, covering Singapore, Vietnam and Myanmar. Having established a strong foothold in Singapore and Vietnam, the Group is now making inroads into other Indo-China countries, expanding its regional footprint to new markets.

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;
- 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 also 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 MESSAGE

DEAR SHAREHOLDERS,

The financial year ended December 31, 2015 ("FY2015") has been a year of positive developments for Ntegrator International Limited ("Ntegrator" or the "Group"). Our strategy to refocus on the Group's Project Sales and Project Management and Maintenance Services enabled a successful turnaround to profitability in the year under review. We focused on business development efforts in our key markets of Singapore and the Indochina region, which helped strengthened our order book, even as the broad economic environment remained challenging.

The improvements we delivered in FY2015 were heartening. It is against this backdrop that I present to you our annual report, and share the Group's key developments over the past year and our strategies going forward.

2015 IN RETROSPECT

In 2015, the Group's overall revenue grew by 24.1% to S$51.5 million, compared to S$41.5 million a year ago. Our Project Sales business was the key growth driver, achieving a 42.5% jump in contributions to S$32.2 million in the year under review, compared to S$22.6 million in FY2014. The Project Management and Maintenance Services business, which provides recurring revenue for the Group, delivered solid results with contributions of S$19.3 million for the year, a marginal increase from S$18.9 million in FY2014.

The Group's higher revenue contributed to a 31.0% increase in gross profit to S$11.0 million, from S$8.4 million a year ago. Overall gross profit margin improved from 20.2% in FY2014 to 21.3% in FY2015, and would have been higher if not for margin compressions for the Project Sales business due to increased competition.

In line with the higher revenue recorded, equipment and consumables cost rose 25.1% to S$39.9 million in FY2015, from S$31.9 million a year ago.

Commission and consultancy charges were lower and recorded at S$246,000 in FY2015 as compared to S$308,000 in FY2014, mainly due to reduced requirements for the engagement of external consultants for the Group's overseas projects.

Backed by the above, the Group successfully reversed its net loss after tax of S$5.7 million in FY2014 to a net profit after tax of S$2.0 million in FY2015. The Group also improved its financial position in FY2015. As of December 31, 2015, the Group holds cash and cash equivalents of S$10.9 million, with total borrowings of S$11.1 million. Shareholder's equity as at December 31, 2015 was S$16.9 million, from S$13.5 million a year ago.

Han Meng Siew
Executive Chairman
March 30, 2016

LOOKING AHEAD: FY2016 AND BEYOND

Our strategy to refocus on our core businesses has enabled Ntegrator to maintain a robust performance in what has been a challenging year. Moving into 2016, our strategic approach remains unchanged. We will seek to build on current successes to ensure sustained profitability in the face of economic uncertainty and intensifying market competition.

Notwithstanding global economic uncertainty and a competitive environment, we believe that the regional network and telecommunication infrastructure sectors will continue to flourish. Investments in information communication technologies ("ICT") and related infrastructure are poised to increase in Singapore. Investment opportunities abound in our key markets of Vietnam and Myanmar in the Indochina region, as these emerging economies seek to upgrade and enhance their network and communications infrastructure.

To enable greater value creation and margin sustainability, the Group will also strive to keep pace with technological changes and requirements in an ever-evolving ICT space and at the same time maintain a keen focus on strengthening operational efficiency as well as productivity enhancements.

With our proven strategies and a strong order book of S$47.6 million as at December 31, 2015, I have full confidence that Ntegrator will continue to do well and reach greater heights in line with our vision of becoming a global, world-class provider of information technology and telecommunications solutions.

APPRECIATION

In closing, I would like to express my sincere appreciation to our partners, suppliers, customers and shareholders for their continued support and faith in Ntegrator. I would like to thank our Directors for their guidance and contributions, and to our Management and staff for their commitment and professionalism. Your dedication, expertise and efficiency have greatly contributed to the Group's performance and growth over the past few years.

I look forward to your continued support as we enter a new year of growth and exciting opportunities. Thank you!

The overall market environment remained challenging in 2015 amid an uncertain and volatile macro environment. Even so, Ntegrator achieved a year of strong performance backed by its strategy of refocusing on the Group's core businesses of Project Sales and Project Management and Maintenance Services. The Group's established presence in its home market of Singapore and in key Indochina markets allowed Ntegrator to remain resilient in the face of challenges to achieve higher revenue and a turnaround to profitability in FY2015.

OPERATIONS AND

As a testament to the long-standing relationships Ntegrator has nurtured with its clients, repeat orders continued to underpin its business development in FY2015. The Group successfully notched up 15 new contracts with a combined value of approximately S$68.0 million during the year under review.

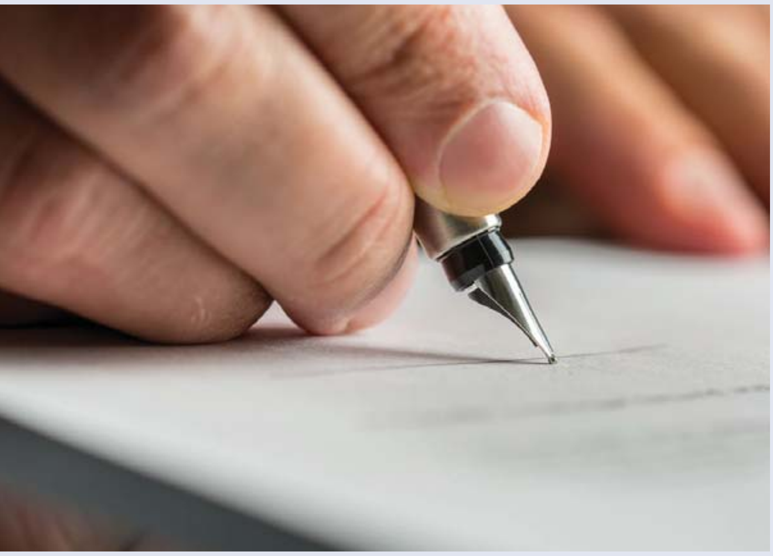
For the local market, Singapore's Intelligent Nation 2015 10-year masterplan supported opportunities for network and communications infrastructure works, with the Group successfully securing a series of contracts for the supply of services to the Next Generation Nationwide Broadband Network. The Group also secured new projects from major network and telecommunications companies – M1 and Huawei – during the year. M1 awarded Ntegrator with a purchase order in relation to upgrading works for its existing Carrier Ethernet Network, while a two-year contract was secured from Huawei for the pulling and installation of fiber optic cables in Singapore.

Ntegrator also won a contract from Singapore Technologies Electronics Limited for the supply, installation, testing and commissioning of the Communication Backbone Network at the Tuas West extension stations and integrated Operation Control Centre. During the year, the Group continued its involvement in pipeline installation and maintenance services work in Singapore.

The Group's strong working relationship with Viettel – Vietnam's largest mobile network operator – translated into new supply contracts for Dense Wavelength Multiplexing ("DWDM") and Synchronous Digital Hierarchy ("SDH") equipment during the year. It also won orders for battery products, which are supplied to Viettel under a framework agreement signed in late 2014, establishing Ntegrator as one of the main suppliers of the 'Narada' brand of batteries to Viettel on a continuing basis.

FINANCIAL REVIEW

Tapping opportunities in Myanmar's fast-growing market, Ntegrator further strengthened its business presence with new network and communications contracts. The Group was awarded two contracts by Myanmar's Directorate of Procurement to supply fiber optic cables and base transceiver stations. The Group's firm working relationship with repeat customer Myanmar Radio and Television ("MRTV"), Myanmar's state-owned broadcast radio and television network, also helped it to secure new orders for the supply of broadcast equipment such as Radio FM and DVB-T2 Transmitters. The review year was also marked by a new contract from Myanmar Economic Cooperation ("MEC"), a major Burmese conglomerate, for the supply of equipment, materials and services to support the microwave network integration in Myanmar.



ORDER BOOK

As at December 31, 2015, the Group has an outstanding order book of S$47.6 million, comprising repeat orders from customers in Singapore, Vietnam and Myanmar. The Group expects a significant portion of these contracts to be completed and contribute to Ntegrator's financial performance in the financial year ending December 31, 2016.

Moving forward, the Group will continue to overcome challenges and achieve successes by tapping opportunities in its primary markets of Singapore, Myanmar and Vietnam.

BOARD OF DIRECTORS

HAN MENG SIEW
Executive Chairman

JIMMY CHANG JOO WHUT
Managing Director and Executive Director

Mr Han was appointed as our Director in July 2004 and subsequently appointed as Chairman 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 telecoms 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.

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. 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 (a Hong Kong based private equity fund), Personal Broadband Australia Pty Limited, Capena Ltd (BVI), DOCOMO interTouch Pte Ltd. (NTT DOCOMO's wholly-owned subsidiary) 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 is currently the CEO of AltCap Management Pte Ltd, a special situation company focusing on technology companies.

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

LAI CHUN LOONG

Independent Director

Mr Lai was appointed as our Independent Director in September 2005 and was last re-appointed to the Board on April 27, 2015. He is a Corporate Advisor to Temasek International Advisors 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 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.

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 SGX-ST companies, including Vard Holdings Ltd and Santak Holdings Ltd. 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.

KEY MANAGEMENT

KENNETH SW CHAN KIT

Financial Controller

As the Financial Controller, Kenneth Sw is responsible for our Group's financial activities. As one of our 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 (Singapore) Ltd, 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.

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 (Singapore) Ltd in the same capacity. He was seconded to Plexus Technology Pte Ltd in 1999 as its Group Manager.

Vincent graduated from the National University of Singapore with a 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 since 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.

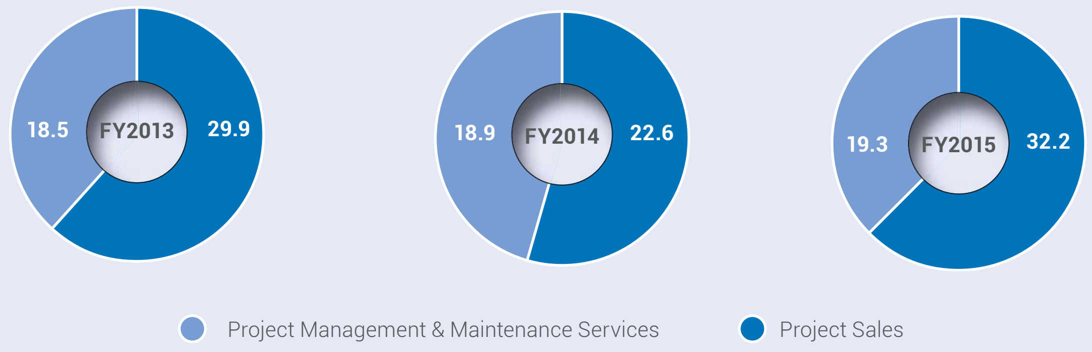
Prior to joining us, Diana held positions in both Administrative and Personnel departments of several public, private and government organisations, including Teledata (Singapore) Ltd, the Singapore General Hospital and SMRT Corporation Ltd.

Diana holds a Diploma in Human Resource Management.

FINANCIAL HIGHLIGHTS

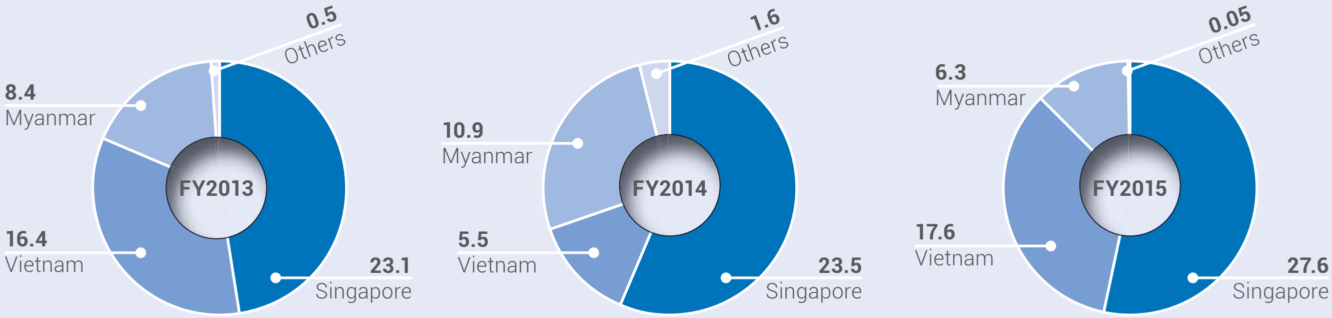
Revenue Breakdown by Activities

(S$ million)



Revenue breakdown by Geographical Markets

(S$ million)



Gross Profit & Net (Loss)/ Profit Before Income Tax

(S$ million)

	FY2013	FY2014	FY2015
Gross Profit	8.79	8.36	10.99
Net (Loss)/ Profit	(3.96)	(5.65)	2.03

(Loss)/ Earnings Per Share

(cents)

	FY2013	FY2014	FY2015
(Loss)/ Earnings Per Share	(0.52)	(0.64)	0.17

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 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 as set out 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. identify key stakeholder groups and recognize the importance of their perception on the Company's standing and reputation;
f. approving the nominations of Board of Directors and appointments of Key Management Personnel[1];
g. approving financial statements, half year and full year results and relevant announcements;
h. review management performance;
i. assuming responsibility for corporate governance and compliance with the Companies Act and the rules and requirements of regulatory bodies; and
j. consider sustainability issues, e.g. environmental and social factors as part of the Group's strategic foundation.

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

The Board has adopted internal guidelines on matters reserved for the Board's approval including, the following material transactions –

- Strategies and objectives of the Group;
- Investment and divestment;
- Major capital investment;
- Acceptance of term loans and lines of credit from banks and financial institutions;
- Announcement of half-year and full-year results;
- Chairman's statement, corporate governance report and issue of Annual Report;
- Issuance of shares; and
- Proposal of/declaration of dividends.

To assist the Board in discharging its duties and 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 AC assists the Board in its oversight of financial, risk, audit and compliance matters. The roles and responsibilities of the respective 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 Board conducts regular scheduled meetings during the year. Ad-hoc meetings are conducted to address significant issues or approve major transactions.

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

Board of Directors - continued

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

The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings in the Financial Year 2015 ("FY2015") are summarised in the table below:

Directors	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nominating Committee Meetings
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 2015	**2**	**2**	**1**	**1**

The Directors are 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, accounting, 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.

New Directors appointed to the Board would be briefed on the Group's business activities and its strategic directions as well as statutory and other responsibilities as a Director. Formal letters are issued upon appointment, to further explain their duties and obligations. There was no new Director appointed during the year.

Principle 2: Board Composition and Guidance

The Board comprises 5 Directors, more than half of whom are Independent Directors.

The composition of the Board is as follows:-

Executive Directors

Han Meng Siew (Executive Chairman)
Jimmy Chang Joo Whut (Managing Director)

Independent Non-Executive Directors

Charles George St. John Reed (Lead Independent Director)
Lai Chun Loong
Lee Keen Whye

Besides core competencies, such as business or management expertise, finance and strategic planning experience, customer and industry-based exposure and knowledge, the Board as a group, provides a balance and diversity of skills, experience and knowledge that are necessary and critical in meeting 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.

Mr Charles George St. John Reed and Mr Lai Chun Loong have served as Independent Directors since their appointments in 2003 and 2005, respectively.

Board of Directors - continued

Principle 2: Board Composition and Guidance - continued

The NC had assessed their respective independence as Board members and concurred that they have continued to demonstrate strong independence and objectivity of character and mind in discharging their responsibilities, notwithstanding the length of their tenure in office. They have continued to express their individual viewpoints, debate on issues, objectively scrutinize and challenge Management proposals, as well as participate actively in discussions on business activities and transactions involving conflicts of interests and other complexities.

In assessing their independence, the NC had taken into account each of the Independent Director's professionalism, integrity and objectivity, business and working experience and willingness to accord time in dealing with the Company's affairs. The NC is of the view that the Independent Directors have over time developed significant insights in the Group's business and operations and continue to make valuable contributions to the Board.

The NC had therefore determined that Mr Charles George St. John Reed's and Mr 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 that they have served on the Board for more than 9 years from the date of their first appointment. The Board had concurred with the NC's assessment and recommendation.

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.

Each member of the NC had abstained from deliberation in respect of assessment of his own independence and length of service.

Taking into account the nature and scope of the Group's operations and the requirements of its business, the Board is of the view that its current size and composition are appropriate to facilitate effective decision making.

The Independent Directors are encouraged to constructively challenge and assist with development of Management's business proposals and, to review and monitor Management's performance in meeting agreed goals and objectives.

Independent Directors communicate with each other without the presence of Management, as and when the need arises.

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 are both 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 Chairman:-

(a) leads the Board to ensure its effectiveness on all aspects of its role;
(b) sets the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
(c) promotes a culture of openness and debate at the Board;
(d) ensures that the directors receive complete, adequate and timely information;
(e) ensures effective communication with shareholders;
(f) encourages constructive relations within the Board and between the Board and Management;
(g) facilitates the effective contribution of independent directors in particular; and
(h) promotes high standards of corporate governance.

Board of Directors - continued

Principle 3: Chairman and Managing Director - continued

In line with the recommendation in Guideline 3.3 of the Code, Mr Charles George St. John Reed was appointed as Lead Independent Director with effect from 2 March 2015. As Lead Independent Director, Mr Charles George St. John Reed is available to address shareholders' concerns on 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 Executive Directors and Management, for the Lead Independent Director to provide feedback to the Chairman.

Nominating Committee

Principle 4: Board Membership

The NC comprises 3 Directors, all of whom are independent, namely -

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

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 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 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 Annual General Meeting ("AGM"). In considering the nominations, 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 efficiency with which they have discharged their responsibilities.

Other than the Managing Director, all Directors are subject to re-nomination and re-election at least once every three (3) years. Mr Charles George St. John Reed will retire by rotation at the AGM and has offered himself for re-election.

Mr Lai Chun Loong was re-appointed a Director at the last AGM held in 2015. As he was over 70 years of age, his re-appointment was effected under Section 153(6) of the Companies Act and, he would remain in office until the next AGM in 2016. As Section 153(6) of the Companies Act was repealed in January 2016, the NC has recommended that Mr Lai be re-appointed at the forthcoming AGM.

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 re-nomination as Director.

Although some of the Directors have multiple Board representations, the NC is satisfied that each Director had accorded sufficient time and effort in fulfilling their duties, responsibilities and obligations as a Board member. The NC and Board believe that setting a maximum of listed company representations is not meaningful as Directors should be assessed through qualitative factors such as competencies, contribution to discussions, attendance and time commitment in dealing with the Company's affairs.

Nominating Committee - continued

Principle 4: Board Membership - continued

None of the Directors have appointed any Alternate Director.

Key information regarding Directors and their profiles are set out on pages 10 and 11 of the Annual Report. The shareholdings and interests of each Director is set out in the Directors' Statement under "Directors of the Company" on page 26 to 29 of the Annual Report.

When required, the search for new Directors will first be initiated through contacts or, recommendations of Board members and/or business associates. The NC assesses the suitability of the candidate based on his/her character, skills, knowledge and experience and, his/her ability and willingness to commit time to the Company, before making a recommendation to the Board for appointment.

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.

Performance evaluation for FY2015 was conducted by having all Directors complete a questionnaire covering the following areas –

- Board structure
- Strategy and performance
- Governance – Board Risk Management & Internal Controls
- Board Function – Information to the Board, Board Procedures, CEO/Top Management and Standards of Conduct

No external facilitator was engaged by the Board for the evaluation.

In evaluating its performance, the Board also took into account the attendance, contribution and participation of each Director at Board Meetings.

The NC, having reviewed the performance of the Board, is of the view that the performance of the Board as a whole and, the contribution of each Director to the effectiveness of the Board has been satisfactory.

Separate assessments of performance of Board Committees were carried by the AC, RC and NC.

Principle 6: Access to Information

Reports on the Company's performance and business activities are provided to every Board member in a timely manner. Such information includes background information, copies of disclosure documents, management reports, budgets, forecasts, financial statements, variance analysis and related documents in respect of matters brought before the Board for discussion.

To keep the Board abreast with the Group's business, the Executive Chairman meets with the Independent Directors on a monthly basis to keep them updated and apprised of Group strategies, on-going projects, business environment and related developments that may impact the Group.

All Directors have direct and independent access to senior management and to the Company Secretary and are entitled to request from Management and are provided with such additional information as needed to make informed decisions, in a timely manner.

The appointment of the Company Secretary and any change thereof is a matter for the Board as a whole. The Company Secretary attends all Board and Board Committee meetings and ensures Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary ensure good information flows with the Board and its board committees and between Management and independent directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development as required.

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 (RC)

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

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

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

The role of the RC is to review and recommend to the Board a framework of remuneration for the Board of Directors and key executives 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 Performance Share Plan.

The Group's remuneration policy comprises a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is determined, after taking into consideration the performance of the Group and the individual employee, as well as the general economic climate.

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 FY2015.

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 share award and benefits are to align their interests with those of the shareholders and link rewards to corporate and individual performance.

Independent 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 is involved in determining his own remuneration.

The RC is of the view it is currently not necessary to include contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and Key Management personnel in exceptional circumstances of misstatement of financial statements or, misconducts resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

In view of confidentiality and sensitivity attached to remuneration matters, the Board is of the view that it is not in the interest of the Company to fully disclose the remuneration of each Director and Key Management personnel.

A breakdown (in percentage terms) of Directors' remuneration and that of the Group's top 3 Key Management Personnel who are not Directors, for the financial year ended 31 December 2015, falling within broad bands, are set out below –

(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				
Charles George St. John Reed	100			
Lai Chun Loong	100			
Lee Keen Whye	100			
Bernard Chen Tien Lap (3)	100			100

Remuneration Committee (RC) - continued

Principle 9: Disclosure on Remuneration - continued

(B) Remuneration of top 3 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		91.1	8.9	100
Below $250,000				
Vincent Vinu Edward		96.3	3.7	100
Diana Lee Meng Wah		100		100
Jason Leong Wee Siong [4]		100	-	100

Notes:
(1) Includes AWS and CPF
(2) Transport, medical, insurance.
(3) Resigned on 2 March 2015
(4) Resigned on 14 September 2015

Details of Directors' interests in Shares and the Company's Share Option Scheme are set out on page 26 to 29 of the Annual Report.

(C) Remuneration of immediate family members of Directors

There were no employees who were immediate family members of any Director or, the Managing Director, in FY2015.

Principle 10: Accountability

The Board is accountable to the shareholders while Management is accountable to the Board. Management presents to the Board half-year and full-year financial statements and such other reports, as may be required.

Management provides the Board with appropriate detailed management accounts together with explanation and information, in a timely manner and, as and when required by the Board, to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects.

To ensure that the Company complies with relevant regulatory requirements, the Board review legislative and regulatory updates, with the assistance from the Company Secretary. These updates may be supplemented with attendance at related seminars/courses, at the Company's expense.

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 Group's Risk Management Framework which identifies key risks within the Group's businesses, is aligned with the ISO 31000:2009 Risk Management framework. The Risk Management Framework is reviewed by the Audit Committee and approved by the Board.

The AC 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.

Remuneration Committee (RC) - continued

Principle 11: Risk Management & Internal Controls - continued

Annually, Management presents a 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 the Group's internal controls including financial, operational, compliance and information technology controls. Such assurance activities include control self-assessments performed by Management and, internal and external audits performed by the internal and external auditors.

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

(a) the 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) the Company's risk management and internal control systems are effective.

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 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. The AC also reviews the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcement relating to the company's financial performance. 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 met 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 provide regular updates and periodic briefing to the AC on changes or amendments to accounting standards to enable AC members keep abreast with such changes and their corresponding impact, if any, on financial statements.

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 FY2015.

The AC and the Board are satisfied that the appointment of a different auditor for a subsidiary in Myanmar would not compromise the standard and effectiveness of the audit of the Group. The Company has complied with Catalist Rules 712, 715 and 716 in respect of 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 and, reasonable resources to enable it to function properly.

Principle 12: Audit Committee - continued

Whistle-Blowing Policy

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. Internal control weaknesses identified during the internal audit reviews and the recommended remediation actions are reported to the AC periodically whilst, administrative matters fall within the purview of 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 IA has access to all the Company's documents, records, properties and personnel, including access to the AC.

The AC annually reviews the adequacy and effectiveness 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 in FY2015 in accordance with the internal control 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 remediation actions 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 strong emphasis on investor relations for the Company to maintain high standard of transparency so as to promote better investor communications. Shareholders are kept apprised of any changes in its business and information that would likely affect the value of the Company's shares are provided on a timely basis.

The Company disseminates material information simultaneously through press releases via SGXNet and electronic mail to the media. Press releases, interim and full-year financial results and annual reports which are posted on SGX's website are also available on the Company's website www.ntegrator.com.

All shareholders of the Company receive the Annual Report and Notice of AGM, within the statutory period. In order to gather views or inputs and address shareholders' concerns, shareholders are given the opportunity to voice their views and to direct questions regarding the Group to Senior Management and Directors, including the Chairman and Chairmen of Board Committees, at shareholders' meetings. 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 services to appoint more than 2 proxies so that shareholders who hold shares through such corporations can attend and participate in shareholders' meetings as proxies.

Principle 16: Conduct of Shareholder Meetings - continued

At general meetings, separate resolutions are proposed for each substantially separate issue to avoid bundling of resolutions unless the resolutions are inter-dependent and linked to form one significant proposal.

The Board will ensure that resolutions are voted on by poll and announcement of details results, including the number of votes cast for and against each resolution, for general meetings held after 1 August 2015.

Upon request, minutes of general meetings incorporating relevant substantial comments from shareholders, are made available to shareholders present at the relevant meeting.

The Company currently, does not have a formal dividend policy. Before proposing any dividend, the Board considers factors such as earnings, financial results and position, capital requirements, cash flows and business development plans. Having assessed these factors and the need to conserve cash to meet working capital requirements, no dividend has been proposed for FY2015.

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 to deal in the Company's shares or, securities, 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 FY2015 which are required to be disclosed under Catalist Rule 1204(8).

INTERESTED PERSON TRANSACTIONS

There were no transactions with Interested Persons in FY2015.

SPONSORS

There were no non-sponsor fees paid to the Sponsor, Asian Corporate Advisors Pte Ltd in FY2015.

FINANCIAL CONTENTS

The Directors present their statement to the members together with the audited financial statements of Ntegrator International Ltd. (the "Company") and its subsidiary corporations (the "Group") for the financial year ended 31 December 2015 and the statement of financial position of the Company as at 31 December 2015.

In the opinion of the Directors,

(a) the statements of financial position of the Company and the consolidated financial statements of the Group as set out on pages 32 to 72 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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.

Directors

The directors of the Company in office at the date of this statement are as follows:

Han Meng Siew	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, Charles George St. John Reed is due to retire at the forthcoming Annual General Meeting, being eligible, offer himself for re-election.

Pursuant to Section 153 (6) of the Companies Act, Lai Chun Loong is due to retire at the forthcoming Annual General Meeting, and being eligible, offer 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 29 of this statement.

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		Holdings in which Director is deemed to have an interest	
	At 31.12.2015	At 1.1.2015	At 31.12.2015	At 1.1.2015
Company				
(No. of ordinary shares)				
Han Meng Siew	5,000,000	2,000,000	28,390,640	31,390,640
Jimmy Chang Joo Whut	14,668,000	11,668,000	10,622,640	13,622,640
Charles George St. John Reed	6,765,000	525,000	-	6,240,000
Lai Chun Loong	5,385,000	4,590,000	-	-
Lee Keen Whye	9,455,750	9,455,750	-	-
(No. of warrants)				
Han Meng Siew	10,075,000	3,500,000	51,148,854	15,695,320
Jimmy Chang Joo Whut	25,302,300	7,334,000	20,499,054	6,811,320
Charles George St. John Reed	11,669,625	262,500	-	3,120,000
Lai Chun Loong	5,385,000	2,295,000	-	-
Lee Keen Whye	16,311,169	4,727,875	-	-

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 29 of this statement.

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 31.12.2015	At 1.1.2015
Han Meng Siew	5,000,000	5,000,000
Jimmy Chang Joo Whut	3,000,000	3,000,000

(c) The Directors' interest in the ordinary shares and convertible securities of the Company as at 21 January 2016 were the same as those as at 31 December 2015.

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 subsidiary corporations. 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 shall be in force up to a maximum period of ten years from the date on which the scheme was implemented. The Scheme may continue beyond the said stipulated period or terminated at any time with the approval of shareholders by way of an ordinary resolution passed at a general meeting and of relevant authorities which may then be required.

The Scheme is administered by the Remuneration Committee (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 (5) 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 twelve (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 twenty-four (24) months from the date of grant of that option. All options granted shall be exercised before the end of one hundred and twenty (120) months (or sixty (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:

Date of grant	Balance as at 1.1.2015	Granted during the financial year	Exercised during the financial year	Lapsed during the financial year	Balance as at 31.12.2015	Exercise price	Exercisable period
11.09.2006	816,000	-	-	(200,000)*	616,000	S$0.13	11.09.2007 to 10.09.2017
25.08.2008	12,662,000	-	-	(1,000,000)*	11,662,000	S$0.04	25.08.2009 to 25.08.2019
	13,478,000	-	-	(1,200,000)*	12,278,000		

* Lapsed due to resignation.

Share options - continued

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 31.12.2015	Aggregate granted since commencement of the Scheme to 31.12.2015	Aggregate exercised since commencement of the Scheme to 31.12.2015	Aggregate lapsed since commencement of the Scheme 31.12.2015	Aggregate outstanding as at 31.12.2015
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	-	-
	-	15,100,000	6,100,000	1,000,000	8,000,000
Name of Executive Officer					
Kenneth Sw Chan Kit [(1)]	-	6,000,000	6,000,000	-	-
Total	-	21,100,000	12,100,000	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.

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 subsidiary corporations.

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 subsidiary corporations.

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 subsidiary corporations, 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.

Performance share plan - continued

The PSP is administered by the RC which comprises three 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 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 31.12.2015
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.

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 31.12.2015
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 (2)	-	800,000
Diana Lee Meng Wah	-	800,000
	-	3,600,000
Total	-	9,150,000

(1) Resigned on 2 March 2015
(2) Resigned on 14 September 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 Han Meng Siew, Jimmy Chang Joo Whut, Kenneth Sw Chan Kit 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 2015.

Warrants

On November 2015, the Company allotted and issued additional 99,468,870 W160603 and 809,965,632 W181123 free warrants to existing shareholders on the basis of one warrant for every one existing ordinary shares pursuant to a general mandate for the bonus warrants issue approved by shareholders of the Company at a general meeting dated 27 April 2015. Each warrant carries the right to subscribe for one ordinary share in the capital of the Company at an exercise price of $0.014 and $0.01 and will expire on 3 June 2016 and 23 November 2018. During the financial year, 35,289,534 warrants under W160603 and 1,550,000 warrants under W181123 was exercised and converted into ordinary shares of the Company, respectively.

Audit committee

The members of the Audit Committee (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

All members of the Audit Committee (the "AC") comprises three members, all of whom are non-executive directors.

The AC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. 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;
- 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 Listing Manual of SGX-ST.

The AC has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the 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 2016

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 subsidiary corporations (the "Group") set out on pages 32 to 72, which comprise the consolidated financial position of the Group and statement of financial postion of the Company as at 31 December 2015, 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 financial statements 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 statement of financial position 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 financial position of the Group and of the Company as at 31 December 2015, and of the financial performance, 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 subsidiary corporations 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 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 S$'000	2014 S$'000
Revenue	4	51,547	41,478
Cost of sales			
- Equipment and consumables used		39,890	31,868
- Freight charges		221	220
- Commission and consultancy		246	308
- Changes in inventories and contract work-in-progress		205	724
		(40,562)	(33,120)
Gross profit		10,985	8,358
Other income			
- Interest income from bank deposits		6	35
Other gains – net	7	631	285
Expenses			
- Distribution and marketing		(250)	(178)
- Administrative		(9,254)	(14,024)
- Finance	8	(88)	(126)
Profit/ (loss) before income tax		2,030	(5,650)
Income tax expense	9	-	-
Net profit/ (loss)		2,030	(5,650)
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains		802	204
Total comprehensive income/ (loss)		2,832	(5,446)
Profit/ (loss) attributable to:			
Equity holders of the Company		1,299	(4,968)
Non-controlling interests		731	(682)
		2,030	(5,650)
Total comprehensive income/ (loss) attributable to:			
Equity holders of the Company		2,097	(4,766)
Non-controlling interests		735	(680)
		2,832	(5,446)
Earnings/ (loss) per share for profit/ (loss) attributable to equity holders of the Company			
(cents per share)			
- Basic	10(a)	0.17	(0.64)
- Diluted	10(b)	0.07	(0.64)

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	11	10,885	6,548	548	286
Trade and other receivables	12	25,316	20,799	4,234	5,107
Inventories	13	395	432	-	-
		36,596	27,779	4,782	5,393
Non-current assets					
Investments in subsidiary corporations	15	-	-	18,000	18,000
Property, plant and equipment	16	1,233	1,178	-	-
		1,233	1,178	18,000	18,000
Total assets		37,829	28,957	22,782	23,393
LIABILITIES					
Current liabilities					
Trade and other payables	17	9,853	10,821	431	558
Borrowings	18	10,903	4,415	-	-
		20,756	15,236	431	558
Non-current liabilities					
Borrowings	18	202	240	-	-
Total liabilities		20,958	15,476	431	558
NET ASSETS		16,871	13,481	22,351	22,835
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	21	23,559	23,001	23,559	23,001
Treasury shares	21	(11)	(11)	(11)	(11)
Other reserves	22	(27)	(825)	231	231
Accumulated losses		(6,943)	(8,204)	(1,428)	(386)
		16,578	13,961	22,351	22,835
Non-controlling interests	15	293	(480)	-	-
Total equity		16,871	13,481	22,351	22,835

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	Share capital S$'000	Treasury shares S$'000	Employee share option reserve [a] S$'000	Currency translation reserve [a] S$'000	Accumulated losses S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
		← Attributable to equity holders of the Company →							
2015									
Beginning of financial year		23,001	(11)	231	(1,056)	(8,204)	13,961	(480)	13,481
Total comprehensive income for the financial year		-	-	-	798	1,299	2,097	735	2,832
Share issue pursuant to:-									
- Exercise of warrants	21	709	-	-	-	-	709	-	709
Share issue expenses	21	(151)	-	-	-	-	(151)	-	(151)
Deemed acquisition of non-controlling interests		-	-	-	-	(38)	(38)	38	-
End of financial year		23,559	(11)	231	(258)	(6,943)	16,578	293	16,871
2014									
Beginning of financial year		22,665	(11)	248	(1,258)	(3,253)	18,391	200	18,591
Total comprehensive income/ (loss) for the financial year		-	-	-	202	(4,968)	(4,766)	(680)	(5,446)
Share issue pursuant to:-									
- Exercise of warrants	21	336	-	-	-	-	336	-	336
Employee share options scheme	22(b)(i)	-	-	(17)	-	17	-	-	-
End of financial year		23,001	(11)	231	(1,056)	(8,204)	13,961	(480)	13,481

[a] Not available for distribution.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 S$'000	2014 S$'000
Cash flows from operating activities			
Net profit/ (loss)		2,030	(5,650)
Adjustments for:			
- Depreciation	5	431	398
- Loss on disposal of property, plant and equipment	7	11	13
- Finance expenses	8	88	126
- Interest income		(6)	(35)
- Unrealised currency translation losses		1,355	318
		3,909	(4,830)
Change in working capital:			
- Inventories		37	187
- Trade and other receivables		(4,517)	10,715
- Trade and other payables		(968)	(3,029)
Cash (used in)/ generated from operations		(1,539)	3,043
Interest received		6	35
Net cash (used in)/ provided by operating activities		(1,533)	3,078
Cash flows from investing activities			
Additions to property, plant and equipment		(384)	(311)
Disposal of property, plant and equipment		16	-
Net cash used in investing activities		(368)	(311)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares, net of issuance costs	21	558	336
Proceeds from borrowings		8,579	1,309
Repayment of borrowings		(1,309)	(9,038)
Repayment of lease liabilities		(166)	(16)
Interest paid		(88)	(126)
Net cash provided by/ (used in) financing activities		7,574	(7,535)
Net increase/ (decrease) in cash and cash equivalents		5,673	(4,768)
Cash and cash equivalents			
Beginning of financial year		5,557	10,440
Effects of currency translation on cash and cash equivalents		(558)	(115)
End of financial year	11	10,672	5,557

The accompanying notes form an integral part of these financial statements

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 subsidiary corporations 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 2015

On 1 January 2015, 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.

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:

(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.

2. **Significant accounting policies** - continued

2.2 Revenue recognition - continued

(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 statement of financial position 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) *Subsidiary corporations*

(i) *Consolidation*

Subsidiary corporations 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. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

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 subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation'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 statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, 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 corporation 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 corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

2. **Significant accounting policies** - continued

2.4 Group accounting - continued

(a) *Subsidiary corporations* - continued

(ii) *Acquisitions - continued*

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.

(ii) *Disposals*

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation 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 subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation 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.

2. **Significant accounting policies** - continued

2.5 Property, plant and equipment - continued

(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 end of each reporting 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".

2.6 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 reporting 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 reporting 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 statement of financial position 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.

2. Significant accounting policies - continued

2.7 Contract work-in-progress - continued

At the reporting 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 subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's statement of financial position. 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
Investments in subsidiary corporations

Property, plant and equipment and investments in subsidiary corporations 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.

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 reporting date.

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

2. **Significant accounting policies** - continued

2.10 Financial assets - continued

(a) *Classification* - continued

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 reporting 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 statement of financial position.

(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.

(e) *Impairment*

The Group assesses at each reporting 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 statement of financial position 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. Significant accounting policies - continued

2.12 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiary corporations. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary corporations 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 statement of financial position.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiary corporations' 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 statement of financial position.

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 end of the reporting 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.

2.14 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

When the Group is the lessee:

The Group leases certain property, 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 statement of financial position 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.

2. **Significant accounting policies** - continued

2.16 Leases - continued

(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 Taxes

(a) *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 end of the reporting date.

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 subsidiary corporations, 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 reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting 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. Significant accounting policies - continued

2.18 Taxes - continued

(b) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of the receivables or payables in the statement of financial position.

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.

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.

(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 reporting 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.

2. **Significant accounting policies** - continued

2.20 Employee compensation - continued

(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 the 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 reporting 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.

(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 reporting 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.

2. Significant accounting policies - continued

2.21 Currency translation - continued

(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 statement of financial position.

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

3.1 Critical accounting estimates and assumptions

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.

(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 reporting date had been higher/ lower by 5% from management's estimates, the Group's revenue would have been higher/ lower by S$400,000 (2014: S$639,000).

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$25,000 (2014: S$33,000).

The carrying amount of contract work-in-progress at the end of the reporting date was S$447,000 (2014: S$583,000).

(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.

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 no allowance for impairment and write off (2014: allowance for impairment: S$Nil and write-off: S$8,000) are made in the financial statements for the financial year ended 31 December 2015.

The carrying amount of trade and bills receivables at the end of the reporting date was S$15,434,000 (2014: S$13,351,000) 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 a write-down 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 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 2015, management has written down approximately S$44,000 (2014: S$42,000) of its slow-moving inventories.

The carrying amount of inventories at the end of the reporting date was S$395,000 (2014: S$432,000).

3. Critical accounting estimates, assumptions and judgements - continued

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$11,689,000 (2014: S$12,550,941), capital allowances of S$NIL (2014: S$939,924) and donations of S$229,000 (2014: S$NIL) carried forward at the reporting 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	
	2015 S$'000	**2014 S$'000**
Project sales	32,209	22,574
Project management and maintenance services	19,338	18,904
	51,547	41,478

5. Expenses by nature

	Group	
	2015 S$'000	**2014 S$'000**
Auditors' remuneration		
Fees on audit services paid/ payable to:		
- Auditor of the Company	83	83
- Other auditors*	14	26
Fees on non-audit services paid/ payable to:		
- Other auditors	20	20
Bank charges	348	214
Depreciation of property, plant and equipment (Note 16)	431	398
Employee compensation (Note 6)	6,096	6,750
Entertainment	205	90
Feasibility, research and joint bidding expenses	-	4,387
Inventories written off (Note 13)	44	42
Other professional fees	425	330
Rental expense on operating leases	704	740
Distribution and marketing	250	178
Sponsorship	132	127
Telephone and internet	86	105
Trade receivables written off (Note 26(b)(ii))	-	8
Other	666	704
Total distribution and marketing and administrative expenses	9,504	14,202

* Includes the network of member firms of Nexia International

6. Employee compensation

	Group	
	2015 **S$'000**	**2014** **S$'000**
Wages and salaries	4,804	4,987
Employer's contribution to defined contribution plans including Central Provident Fund	376	412
Directors' fee	150	273
Other short-term benefits	766	1,078
	6,096	6,750

7. Other gains – net

	Group	
	2015 **S$'000**	**2014** **S$'000**
Bad debts recovered	5	-
Currency exchange gains – net	275	35
Government grant		
- PIC bonus [1]	157	134
- WCS [2]	149	109
- SEC [3]	28	-
- TEC [4]	8	-
Miscellaneous claims [5]	20	20
Loss on disposal of property, plant and equipment	(11)	(13)
	631	285

(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.

(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.

(3) As announced in Budget 2011, businesses whom provide continuing support to hire older Singaporean workers and Persons with Disabilities (PWDs) will received payouts under the Special Employment Credit (SEC) to support employers, and to raise the employability of older low-wage Singaporeans.

(4) As announced in Budget 2015, businesses will received a one-year offset of 0.5% of wages for its Singaporean and Singapore Permanent Resident (PR) employees in 2015 under the Temporary Employment Credit (TEC) as a Budget 2014 initiative to help business for adjustment of 1 percentage point increase in Medisave contribution rates, which took effect in January 2015.

The amount a company will receive depends on the fulfilment of certain qualifying conditions under the respective scheme.

(5) 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	
	2015 **S$'000**	**2014** **S$'000**
Interest expense		
- Bank borrowings	28	75
- Finance lease liabilities	60	51
Finance expenses recognised in profit or loss	88	126

9. Income tax expense

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

	Group 2015 S$'000	Group 2014 S$'000
Profit/ (loss) before income tax	2,030	(5,650)
Tax calculated at tax rate 17% (2014: 17%)	345	(960)
Effects of:		
- Different tax rates in other countries	(5)	(32)
- Tax incentives	(17)	(17)
- Expenses not deductible for tax purposes	92	88
- Income not subject to tax	(10)	-
- Utilisation of previously unrecognised		
• Tax losses	(417)	-
• Capital allowances	(181)	-
- Deferred tax assets not recognised	187	939
- Other	6	(18)
	-	-

10. Earnings/ (loss) per share

(a) Basic earnings/ (loss) per share

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

	2015	2014
Net profit/ (loss) attributable to equity holders of the Company (S$'000)	1,299	(4,968)
Weighted average number of ordinary shares outstanding for basic earnings/ (loss) per share ('000)	781,909	771,595
Basic earnings/ (loss) per share (cent per share)	0.17	(0.64)

(b) Diluted earnings/ (loss) per share

For the purpose of calculating diluted earnings/ (loss) per share, net profit/ (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 profit/ (loss).

10. Earnings/ (loss) per share - continued

(b) Diluted earnings/ (loss) per share - continued

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

	2015	2014
Net profit/ (loss) attributable to equity holders of the Company and used to determine diluted earnings per share (S$'000)	1,299	(4,968)
Weighted average number of ordinary shares outstanding for basic earnings/ (loss) per share ('000)	781,909	771,595
Adjustments for ('000)		
- Share options	12,278	13,478
- Warrants	1,126,926	254,331
	1,921,113	1,039,404
Diluted earnings/ (loss) per share (cent per share)	0.07	(0.64)*

* 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	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Cash at bank and on hand	7,365	4,185	548	286
Short-term bank deposits	3,520	2,363	-	-
	10,885	6,548	548	286

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

	Group	
	2015 S$'000	2014 S$'000
Cash and bank balances (as above)	10,885	6,548
Less: Bank overdraft (Note 18)	(213)	(991)
Cash and cash equivalents per consolidated statement of cash flows	10,672	5,557

12. Trade and other receivables

	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
Trade receivables				
- Non-related parties	6,366	5,972	-	-
Bills receivables	9,068	7,379	-	-
Trade and bills receivables	15,434	13,351	-	-
Contract work-in-progress				
- Due from customers (Note 14)	492	660	-	-
Advance payment for project costs	676	720	-	-
Unbilled contract revenue	7,492	4,992	-	-
Other receivables				
- Subsidiary corporations	-	-	4,205	5,088
- Staff advances	-	4	-	-
- Non-related parties	158	298	-	-
- Value added tax recoverable	136	138	-	-
- Withholding tax receivable	16	17	-	-
Less: Allowance for impairment of receivables – non-related parties (Note 26(b)(ii))	-	(138)	-	-
Other receivables – net	310	319	4,205	5,088
Deposits	429	290	-	-
Prepayments	483	467	29	19
	25,316	20,799	4,234	5,107

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

13. Inventories

	Group 2015 S$'000	Group 2014 S$'000
Voice, video and data communication equipment	395	432

The cost of inventories recognised as an expense and included as part of "Cost of sales – equipment and consumables used" amounts to S$40,095,000 (2014: S$32,592,000).

The Group has recognised a write-down of its slow-moving inventories amounting to S$44,000 (2014: S$42,000) (Note 5).

14. Contract work-in-progress

	Group 2015 S$'000	Group 2014 S$'000
Contract work-in-progress		
Aggregate costs incurred and profits recognised (less losses recognised) to date on uncompleted contracts	492	660
Less: Progress billings	(45)	(77)
	447	583
Presented as:		
Due from customers on contract work-in-progress (Note 12)	492	660
Due to customers on contract work-in-progress (Note 17)	(45)	(77)
	447	583

15. Investments in subsidiary corporations

	Company 2015 S$'000	Company 2014 S$'000
Equity investments at cost		
Beginning and end of financial year	18,000	18,000

The Group had the following subsidiary corporations as at 31 December 2014 and 2015:

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent* 2015 %	Proportion of ordinary shares directly held by parent* 2014 %	Proportion of ordinary shares directly held by the Group 2015 %	Proportion of ordinary shares directly held by the Group 2014 %	Proportion of ordinary shares directly held by non-controlling interests 2015 %	Proportion of ordinary shares directly held by non-controlling interests 2014 %
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] [4]	To provide building construction NEC (fiber patching, splicing, installation and maintenance)	Singapore	-	-	60	51	40	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) Reviewed by Nexia TS Public Accounting Corporation for consolidation purpose.

(3) Audited by Myat Lwin Moe, Certified Public Accountant, Myanmar

(4) On 7 September 2015, the Group's subsidiary corporation, Fiber Reach Pte Ltd ("FR"), issued 225,000 ordinary shares for a total cash consideration of S$225,000 to provide funds for the subsidiary corporation's operations. Consequently, the Group's equity interest in FR increased from 51% to 60% as at 31 December 2015. The carrying amount of the non-controlling interests in FR at the date of acquisition was S$38,000. The Group derecognised the non-controlling interests of S$38,000.

* Parent is referring to the Company

In accordance to Rule 716 of Section B of the Listing Manual of the SGX-ST: Rules of Catalist, the Audit Committee and the Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its overseas subsidiary corporations would not compromise the standard and effectiveness of the audit of the Group and the Company.

Carrying value of non-controlling interests

	2015 S$'000	2014 S$'000
Ntegrator (Thailand) Limited	(239)	(212)
Fiber Reach Pte Ltd	532	(268)
Total	293	(480)

15. Investments in subsidiary corporations - continued

Summarised financial information of subsidiary corporations with material non-controlling interests

Set out below are the summarised financial information for each subsidiary corporation 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 years ended 31 December 2015 and 2014.

Summarised statement of financial position

	Ntegrator (Thailand) Limited As at 31 December		Fiber Reach Pte. Ltd. As at 31 December	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Current				
Assets	1,923	2,028	2,908	1,739
Liabilities	(2,520)	(2,561)	(2,406)	(2,971)
Total current net (liabilities)/ assets	(597)	(533)	502	(1,232)
Non-current				
Assets	-	3	963	943
Liabilities	-	-	(136)	(257)
Total non-current net assets	-	3	827	686
Net (liabilities)/ assets	(597)	(530)	1,329	(546)

Summarised income statement

	Ntegrator (Thailand) Limited For the year ended 31 December		Fiber Reach Pte. Ltd. For the year ended 31 December	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Revenue	-	-	14,729	12,373
(Loss)/ profit before income tax	(67)	(273)	1,650	(1,165)
Income tax expense	-	-	-	-
Total comprehensive (loss)/ income	(67)	(273)	1,650	(1,165)
Total comprehensive (loss)/ income allocated to non-controlling interests	(27)	(109)	800	(571)

Summarised cash flows

	Ntegrator (Thailand) Limited As at 31 December 2015 S$'000	Fiber Reach Pte. Ltd. As at 31 December 2015 S$'000
Cash flows from operating activities		
Cash (used in)/ generated from operations	(64)	31
Interest paid	-	-
Net cash (used in)/ generated from operating activities	(64)	31
Net cash used in investing activities	-	(308)
Net cash used in financing activities	-	(78)
Net decrease in cash and cash equivalents	(64)	(355)
Cash and cash equivalents at beginning of the financial year	150	925
Cash and cash equivalents at financial year end	86	570

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									
2015									
Cost									
Beginning of financial year	323	671	11	258	110	1,843	123	203	3,542
Currency translation differences	19	43	1	18	(7)	59	8	14	155
Additions	64	13	-	37	150	233	-	11	508
Disposal	(20)	(36)	-	(8)	(21)	(11)	(12)	-	(108)
End of financial year	386	691	12	305	232	2,124	119	228	4,097
Accumulated depreciation									
Beginning of financial year	248	555	11	231	41	977	105	196	2,364
Currency translation differences	16	39	1	17	3	53	7	14	150
Depreciation charge (Note 5)	36	82	-	23	18	261	4	7	431
Disposal	(18)	(35)	-	(7)	(3)	(6)	(12)	-	(81)
End of financial year	282	641	12	264	59	1,285	104	217	2,864
Net book value									
End of financial year	104	50	-	41	173	839	15	11	1,233
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

Included within additions in the consolidated financial statements are property, plant and equipment acquired under finance leases amounting to S$124,000 (2014: S$120,000).

The carrying amounts of property, plant and equipment held under finance leases (Note 18) are S$423,000 (2014: S$431,000) at the reporting date.

17. Trade and other payables

	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
Trade payables to				
- Non-related parties	3,393	3,189	-	-
Deposits				
- Non-related parties	722	-	-	-
	4,115	3,189	-	-
Bills payables	1,482	2,636	-	-
Contract work-in-progress				
- Due to customers (Note 14)	45	77	-	-
Accrued project costs	1,385	1,613	-	-
Deferred revenue	226	326	-	-
Other payables				
- Non-related parties	980	1,315	211	235
Accruals for operating expenses	1,620	1,665	220	323
	9,853	10,821	431	558

Bills payables

These payables have an average maturity of 120 – 180 (2014: 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 2015 S$'000	Group 2014 S$'000
Current		
Bank overdraft (Note 11)	213	991
Bank borrowings	8,718	1,962
Trust receipts	1,823	1,309
Finance lease liabilities (Note 19)	149	153
	10,903	4,415
Non-current		
Finance lease liabilities (Note 19)	202	240
Total borrowings	11,105	4,655

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

	Group 2015 S$'000	Group 2014 S$'000
6 months or less	10,828	4,339
6 – 12 months	75	76
1 – 5 years	202	240
	11,105	4,655

18. **Borrowings** - continued

(a) *Securities granted*

Bank overdraft, bank borrowings and trust receipts drawn by the respective subsidiary corporations 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	
	2015 S$'000	**2014 S$'000**
Finance lease liabilities	131	175

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

	Group	
	2015 %	**2014 %**
Finance lease liabilities	2.08 – 2.99	2.08 – 2.98

(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.

Financial year 2015

There is no non-adherence of covenant clauses noted during the financial year ended 31 December 2015.

Financial year 2014

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 reporting date to obtain the approval of the relevant bank to waive the above.

As of the date when the financial statements for the financial year ended 31 December 2014 were approved by the Board of Directors on 30 March 2015, the bank had issued a waiver letter on the non-adherence of the financial ratios and had not requested early repayment of the loan.

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	
	2015 S$'000	2014 S$'000
Minimum lease payments due		
- Not later than one year	162	165
- Between one and five years	220	257
	382	422
Less: Future finance charges	(31)	(29)
Present value of finance lease liabilities	351	393

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

	Group	
	2015 S$'000	2014 S$'000
Not later than one year (Note 18)	149	153
Later than one year (Note 18)		
- Between one and five years	202	240
Total	351	393

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$11,689,000 (2014: S$12,550,941), capital allowances of S$NIL (2014: S$939,924) and donations of S$229,000 (2014: S$NIL) at the reporting 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				
2015				
Beginning of financial year	776,676,098	(251,000)	23,001	(11)
Shares issued pursuant to:-				
- Exercise of warrants	36,839,534	-	709	-
Share issue expenses	-	-	(151)	-
End of financial year	813,515,632	(251,000)	23,559	(11)
2014				
Beginning of financial year	759,853,069	(251,000)	22,665	(11)
Shares issued pursuant to:-				
- Exercise of warrants	16,823,029	-	336	-
End of financial year	776,676,098	(251,000)	23,001	(11)

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

21. Share capital and treasury shares - continued

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 36,839,534 shares were issued due to:
(i) exercise of 35,289,534 warrants under W160603. On 25 November 2015 pursuant to the bonus issue and adjustments on warrants, the exercise price of the unexercised and additional warrants under W160603 is adjusted from S$0.02 to S$0.014. Therefore 33,289,534 warrants were exercised at S$0.02 per share and 2,000,000 warrants were exercised at S$0.014 per share; and
(ii) exercise of 1,550,000 warrants at S$0.01 per share under W181123.

During the financial year ended 31 December 2014, a total of 16,823,029 shares were issued due to exercise of 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 2014 and 2015.

(b) *Share warrants*

Share warrants outstanding at the end of the reporting year totalled 1,126,926,297 (2014: 254,331,329). 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 1.1.2015	Awarded during the year	Exercised during the year	Lapsed during the year	Balance as at 31.12.2015	Exercise price	Exercisable period
2015							
W160603	254,331,329	99,468,870	35,289,534	-	318,510,665	S$0.020[(1)]	07.06.2013 to 03.06.2016
W181123	-	809,965,632	1,550,000	-	808,415,632	S$0.010	27.11.2015 to 23.11.2018
	254,331,329	909,434,502	36,839,534	-	1,126,926,297		
2014							
W160603	271,154,358	-	16,823,029	-	254,331,329	S$0.020	07.06.2013 to 03.06.2016
	271,154,358	-	16,823,029	-	254,331,329		

(1) On 25 November 2015 pursuant to the bonus issue and adjustments on warrants, the exercise price of the unexercised and additional warrants under W160603 is adjusted from S$0.02 to S$0.014.

(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 subsidiary corporations. 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.

21. Share capital and treasury shares - continued

(c) *Share options* - continued

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 (5) 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 twelve (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 twenty-four (24) months from the date of grant of that option. All options granted shall be exercised before the end of one hundred and twenty (120) months (or sixty (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 1.1.2015	Granted during the financial year	Exercised during the financial year	Lapsed during the financial year	Balance as at 31.12.2015	Exercise price	Exercisable period
2015							
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	-	-	(1,000,000)	2,000,000	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	-	-	(200,000)	616,000	S$0.13	11.09.2007 to 10.09.2017(1)
	13,478,000	-	-	(1,200,000)	12,278,000		

	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

(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.

Out of the unexercised options for 12,278,000 (2014: 13,478,000) shares, options for all shares are exercisable at the reporting date.

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 subsidiary corporations, 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 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.

21. Share capital and treasury shares - continued

(d) Performance share plan - continued

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 2015	Aggregate shares awarded since the commencement of the PSP to 31.12.2015	Shares awarded during the financial year 2014	Aggregate shares awarded since the commencement of the PSP to 31.12.2014
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
Name of executive officer				
Kenneth Sw Chan Kit	-	2,000,000	-	2,000,000
Jason Leong Wee Siong [(2)]	-	800,000	-	800,000
Diana Lee Meng Wah	-	800,000	-	800,000
	-	3,600,000	-	3,600,000
Employees	-	1,314,214	-	1,598,553
Total	-	10,464,214	-	10,748,553

(1) Resigned on 2 March 2015
(2) Resigned on 14 September 2015

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 Han Meng Siew, Jimmy Chang Joo Whut, Kenneth Sw Chan Kit 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 2015.

22. Other reserves

	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
(a) Composition:				
Share option reserve	231	231	231	231
Currency translation reserve	(258)	(1,056)	-	-
	(27)	(825)	231	231
(b) Movements:				
(i) Share option reserve				
Beginning of financial year	231	248	231	231
- Share options lapsed	-	(17)	-	-
End of financial year	231	231	231	231
(ii) Currency translation reserve				
Beginning of financial year	(1,056)	(1,258)	-	-
Net currency translation differences of financial statements of foreign subsidiary corporations	802	204	-	-
Add: Non-controlling interests	(4)	(2)	-	-
End of financial year	(258)	(1,056)	-	-

Other reserves are non-distributable.

23. Accumulated losses

Movement in accumulated losses for the Company is as follows:

	Company 2015 S$'000	Company 2014 S$'000
Beginning of financial year	(386)	(307)
Employee share options scheme	-	17
Net loss	(1,042)	(96)
End of financial year	(1,428)	(386)

24. Contingencies

(a) Corporate guarantees

The Company has issued corporate guarantees amounting to S$14.0 million (2014: S$21.7 million) to banks for borrowings of its subsidiary corporations. These bank borrowings of the subsidiary corporations amounted to S$10.8 million (2014: S$4.3 million) at the reporting 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 subsidiary corporations are minimal. The subsidiary corporations for which the guarantees were provided are in favourable equity positions, with no default in the payment of borrowings and credit facilities.

(b) Contingent liabilities

On 3 July 2015, a summon has been filed against Ntegrator (Thailand) Co., Ltd ("NTL") in the Civil Court in Bangkok, Thailand, by Telewave Communication Co., Ltd. ("Telewave"), claiming for an amount of THB28,550,960 (equivalent to approximately S$1,142,000) for amounts owing under the contract related to installation, connection, testing and acceptance of the equipment delivered for use in fiber optic connection systems for 5 areas within the so called "CAT ASON Project". On 25 March 2016, a hearing took place in the Civil Court in Thailand and the management expect the official judgement to be issued within one month.

24. Contingencies - continued

(b) Contingent liabilities- continued

Management is also of the opinion that no contingent liabilities required to be recognised in respect for the financial year ended 31 December 2015 as management has made sufficient provision in the financial statements for the financial year as at 31 December 2015.

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 reporting date but not recognised as liabilities, are as follows:

	Group	
	2015 S$'000	**2014 S$'000**
Not later than one year	1,072	939
Between one and five years	472	539
	1,544	1,478

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.

(a) Market risk

(i) <u>Currency risk</u>

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.

26. Financial risk management - continued

(a) Market risk - continued

(i) Currency risk - continued

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

	2015 SGD S$'000	2015 USD S$'000	2015 BAHT S$'000	2015 OTHER S$'000	2015 TOTAL S$'000	2014 SGD S$'000	2014 USD S$'000	2014 BAHT S$'000	2014 OTHER S$'000	2014 TOTAL S$'000
Financial assets										
Cash and cash equivalents	2,892	7,894	87	12	10,885	1,347	5,047	150	4	6,548
Trade and other receivables	11,167	11,613	1,372	5	24,157	10,355	7,852	1,405	-	19,612
Receivables from subsidiary corporations	6,663	-	-	-	6,663	7,206	-	-	-	7,206
	20,722	19,507	1,459	17	41,705	18,908	12,899	1,555	4	33,366
Financial liabilities										
Trade and other payables	3,191	3,132	2,501	36	8,860	4,223	3,548	2,548	99	10,418
Borrowings	3,281	7,824	-	-	11,105	3,390	716	-	549	4,655
Payables to subsidiary corporations	6,992	-	-	-	6,992	6,743	-	-	-	6,743
	13,464	10,956	2,501	36	26,957	14,356	4,264	2,548	648	21,816
Net financial assets/ (liabilities)	**7,258**	**8,551**	**(1,042)**	**(19)**	**14,748**	**4,552**	**8,635**	**(993)**	**(644)**	**11,550**
Currency exposure of financial (liabilities)/ assets net of those denominated in the respective entities' functional currencies	**(8,160)**	**2**	**-**	**(19)**	**(8,177)**	**572**	**2**	**(4)**	**(644)**	**(74)**

The Company is not exposed to currency risk since all its financial assets and liabilities as at the financial years ended 31 December 2014 and 2015 are denominated in Singapore Dollar.

If the foreign currencies change against the SGD by 7.1% (2014: 4.1%) 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 are not significant.

(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 risks by keeping bank loans to the minimum required to sustain the operations of the Group.

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% (2014: 0.5%) with all other variables including tax rate being held constant, the profit after tax would have been lower/ higher by S$46,000 (2014: S$19,000) 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.

26. Financial risk management - continued

(b) *Credit risk* - continued

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 2015, the total amount of the irrevocable letters of credit issued in favour of the Group amounted to S$9,068,000 (2014: S$7,379,000), which are classified as bills receivables (Note 12), and represents 59% (2014: 55%) 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 statement of financial position, except as follows:

	Group	
	2015 S$'000	**2014 S$'000**
Corporate guarantees provided to banks on subsidiary corporation's loans (Note 24(a))	10,764	4,266

The trade and bills receivables of the Group comprise of three debtors (2014: three debtors) that individually represented 11% - 30% 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	
	2015 S$'000	**2014 S$'000**
By geographical areas		
Singapore	3,996	4,542
Myanmar	2,099	1,638
Vietnam	8,253	6,062
Other	1,086	1,109
	15,434	13,351
By types of customers		
Non-related parties		
- Government agencies	10,122	7,040
- Other companies	5,312	6,311
	15,434	13,351

(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$11,353,000 (2014: S$10,468,000). 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.

26. **Financial risk management** - continued

(b) *Credit risk* - continued

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

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

	Group	
	2015 **S$'000**	**2014** **S$'000**
Past due < 3 months	2,958	1,484
Past due 3 to 6 months	38	1,377
Past due > 6 months	1,085	22
	4,081	2,883

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

	Group	
	2015 **S$'000**	**2014** **S$'000**
Other receivables		
Gross amount	-	138
Less: Allowance for impairment	-	(138)
	-	-
Beginning of financial year	138	138
Allowance utilised	(138)	-
End of financial year (Note 12)	-	138

A write off of certain other receivables amounting to S$Nil (2014: S$8,000) 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. At the reporting 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.

26. Financial risk management - continued

(c) *Liquidity risk* - continued

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 reporting 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 2015			
Trade and other payables	8,860	-	-
Borrowings	10,903	111	109
At 31 December 2014			
Trade and other payables	10,418	-	-
Borrowings	4,415	140	117
Company			
At 31 December 2015			
Trade and other payables	431	-	-
Financial guarantee contracts	10,754	-	-
At 31 December 2014			
Trade and other payables	558	-	-
Financial guarantee contracts	4,300	-	-

(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 (2014: 3.0 times).

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

	Group		Company	
	2015	2014	2015	2014
Total liabilities (S$'000)	20,958	15,476	431	558
Net tangible assets (S$'000)	16,871	13,481	22,351	22,835
Debt-equity ratio	**1.24 times**	**1.15 times**	**0.02 times**	**0.02 times**

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2014 and 2015 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.

26. Financial risk management - continued

(f) Financial instruments by category

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

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Loans and receivables	35,042	26,160	4,753	5,374
Financial liabilities at amortised cost	19,965	15,073	431	558

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 2015, arising from sales/ purchase of goods and services, are unsecured and receivable within 12 months from the reporting date and disclosed in Note 12 to the financial statements.

(b) Key management personnel compensation

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

	Group	
	2015 S$'000	2014 S$'000
Salaries and bonuses	1,717	1,949
Employer's contribution to defined contribution plan, including Central Provident Fund	51	62
Directors' fees	150	273
	1,918	2,284
Comprised amounts paid to :		
Directors of the Company	1,085	1,259
Directors of subsidiary corporations	21	189
Other key management personnel	812	836
	1,918	2,284

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.

28. Segment information - continued

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.

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

	Project sales		Project management and maintenance services		Consolidated	
	2015 S$'000	**2014 S$'000**	**2015 S$'000**	**2014 S$'000**	**2015 S$'000**	**2014 S$'000**
Segment revenue						
Revenue to external parties	32,209	22,574	19,338	18,904	51,547	41,478
Segment result	3,580	4,117	7,405	4,241	10,985	8,358
Other income						
- Interest income from bank deposits					6	35
Other gains - net					631	285
Unallocated expenses						
- Distribution and marketing					(250)	(178)
- Administrative					(9,254)	(14,024)
- Finance					(88)	(126)
Profit/ (loss) before income tax					2,030	(5,650)
Income tax expenses					-	-
Net profit/ (loss)					2,030	(5,650)
Segment assets	23,828	19,905	1,135	606	24,963	20,511
Unallocated assets					12,866	8,446
Total assets					37,829	28,957
Segment liabilities	7,838	7,793	677	544	8,515	8,337
Unallocated liabilities					12,443	7,139
Total liabilities					20,958	15,476

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.

28. Segment information - continued

Geographical information

	Singapore 2015 S$'000	Singapore 2014 S$'000	Myanmar 2015 S$'000	Myanmar 2014 S$'000	Vietnam 2015 S$'000	Vietnam 2014 S$'000	Other 2015 S$'000	Other 2014 S$'000	Consolidated 2015 S$'000	Consolidated 2014 S$'000
Segment revenue										
Sales to external parties	27,593	23,510	6,291	10,875	17,605	5,498	58	1,595	51,547	41,478

Other geographical information:

	Singapore 2015 S$'000	Singapore 2014 S$'000	Myanmar 2015 S$'000	Myanmar 2014 S$'000	Vietnam 2015 S$'000	Vietnam 2014 S$'000	Other 2015 S$'000	Other 2014 S$'000	Consolidated 2015 S$'000	Consolidated 2014 S$'000
Non-current assets	1,228	1,142	5	33	-	-	-	3	1,233	1,178

Revenue of approximately S$17,605,000 (2014: S$17,542,000) 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 2015 S$'000	Group 2014 S$'000
Segment assets for reporting segments	24,963	20,511
Unallocated:		
- Cash and cash equivalents	10,885	6,548
- Other receivables	748	720
- Property, plant and equipment	1,233	1,178
	37,829	28,957

(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 2015 S$'000	Group 2014 S$'000
Segment liabilities for reporting segments	8,515	8,337
Unallocated:		
- Other payables	1,414	2,484
- Borrowings	11,029	4,655
	20,958	15,476

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 2016 or later periods and which the Group has not early adopted:

- Effective for annual periods beginning on or after 1 January 2016
  - > FRS 114 Regulatory Deferral Accounts
  - > Amendments to FRS 1: Disclosure Initiative
  - > Amendments to FRS 27: Equity Method in Separate Financial Statements
  - > Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
  - > Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants
  - > Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations
  - > Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception
  - > Improvements to FRSs (November 2014)
    - * Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*
    - * Amendments to FRS 107 Financial Instruments: Disclosures
    - * Amendment to FRS 19 Employee Benefits
    - * Amendment to FRS 34 Interim Financial Reporting

- Effective for annual period beginning on or after 1 January 2018
  - > FRS 109 Financial Instruments
    - * Illustrative Examples
    - * Implementation Guidance
    - * Amendments to Guidance on Other Standards
  - > FRS 115 Revenue from Contracts with Customers
    (The effective date of FRS 115 *Revenue from contracts with customers* has been deferred from 1 January 2017 to 1 January 2018)

- Effective date of this Amendments had been revised from 1 January 2016 to a date to be determined by ASC
  - > Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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 2016.

STATISTICS OF SHAREHOLDINGS

AS AT 16 MARCH 2016

CLASS OF SHARES	:	Ordinary shares
Issued and fully paid-up capital (including Treasury Shares)	:	S$23,712,423.38
Issued and fully paid-up capital (excluding Treasury Shares)	:	S$23,701,128.38
Number of Shares issued (excluding Treasury Shares)	:	813,444,632 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	2	0.09	156	0.00
100	-	1,000	100	4.39	78,593	0.01
1,001	-	10,000	172	7.54	1,048,680	0.13
10,001	-	1,000,000	1,890	82.89	350,312,240	43.06
1,000,001	and	above	116	5.09	462,004,963	56.80
Total			**2,280**	**100.00**	**813,444,632**	**100.00**

As at 16 March 2016, there is no substantial shareholder in the register of the Company.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	MAYBANK KIM ENG SECURITIES PTE. LTD.	39,826,513	4.90
2	OCBC SECURITIES PRIVATE LIMITED	35,802,333	4.40
3	GOH SIOK KUAN	22,000,000	2.70
4	KOH KOW TEE MICHAEL	21,016,155	2.58
5	SW CHAN KIT	18,225,400	2.24
6	LOW CHIN YEE	15,800,000	1.94
7	CHANG JOO WHUT	14,668,000	1.80
8	PHILLIP SECURITIES PTE LTD	13,983,816	1.72
9	DBS NOMINEES (PRIVATE) LIMITED	10,957,860	1.35
10	LOI SIEW HOONG	9,761,000	1.20
11	LEE KEEN WHYE	9,455,750	1.16
12	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMTED	8,491,422	1.04
13	CHEE LING CHUN LOUISA	7,635,000	0.94
14	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	7,206,816	0.89
15	HARRY HALIM @ LIM ENG LIAN	6,800,000	0.84
16	CHARLES GEORGE ST JOHN REED	6,765,000	0.83
17	NEO TIONG WOON (LIANG ZHANG'EN)	6,576,280	0.81
18	RAFFLES NOMINEES (PTE) LIMITED	6,506,900	0.80
19	THNG JOO MOI	6,171,150	0.76
20	BANK OF SINGAPORE NOMINEES PTE. LTD.	6,056,000	0.74
	TOTAL	**273,705,395**	**33.64**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

86.05% 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.

WARRANTS (W160603)
STATISTICS OF WARRANTHOLDINGS

AS AT 16 MARCH 2016

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS			NO. OF WARRANTHOLDERS	%	NO. OF WARRANTHOLDINGS	%
1	-	99	9	0.72	486	0.00
100	-	1,000	124	9.86	79,383	0.03
1,001	-	10,000	176	13.98	865,233	0.27
10,001	-	1,000,000	901	71.62	111,544,521	35.02
1,000,001	and	above	48	3.82	206,021,042	64.68
Total			**1,258**	**100.00**	**318,510,665**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	MAYBANK KIM ENG SECURITIES PTE. LTD.	23,575,319	7.40
2	SW CHAN KIT	17,778,740	5.58
3	GOH SIOK KUAN	15,950,000	5.01
4	KOH KOW TEE MICHAEL	15,236,712	4.78
5	OCBC SECURITIES PRIVATE LIMITED	12,422,380	3.90
6	CHANG JOO WHUT	10,634,300	3.34
7	TAN YEW BOCK	10,150,000	3.19
8	LEE KEEN WHYE	6,855,419	2.15
9	TAN HOCK HEE	6,629,110	2.08
10	HAN MENG SIEW	5,075,000	1.59
11	HARRY HALIM @ LIM ENG LIAN	4,930,000	1.55
12	CHARLES GEORGE ST JOHN REED	4,904,625	1.54
13	THNG JOO MOI	4,474,084	1.40
14	CHEE LING CHUN LOUISA	4,085,375	1.28
15	LEONG WEE SIONG	3,479,892	1.09
16	CHUA YUE PENG	3,355,300	1.05
17	CHAN LAI FONG ANITA	3,335,000	1.05
18	LIM KIAN TECK	2,940,600	0.92
19	NEO LAM TIEN	2,543,440	0.80
20	LOONG SWEE PENG	2,526,625	0.79
	Total	**160,881,921**	**50.49**

WARRANTS (W181123)
STATISTICS OF WARRANTHOLDINGS

AS AT 16 MARCH 2016

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS			NO. OF WARRANTHOLDERS	%	NO. OF WARRANTHOLDINGS	%
1	-	99	2	0.10	72	0.00
100	-	1,000	100	4.84	79,328	0.01
1,001	-	10,000	169	8.18	1,036,624	0.13
10,001	-	1,000,000	1,676	81.12	303,579,278	37.57
1,000,001	and	above	119	5.76	503,289,330	62.29
Total			**2,066**	**100.00**	**807,984,632**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	MAYBANK KIM ENG SECURITIES PTE. LTD.	32,045,513	3.97
2	OCBC SECURITIES PRIVATE LIMITED	27,277,498	3.38
3	SW CHAN KIT	23,623,400	2.92
4	GOH SIOK KUAN	22,000,000	2.72
5	KOH KOW TEE MICHAEL	21,016,155	2.60
6	PHILLIP SECURITIES PTE LTD	19,871,616	2.46
7	CHANG JOO WHUT	14,668,000	1.82
8	LECK HANG WEI	13,000,000	1.61
9	LOW CHIN YEE	11,200,000	1.39
10	NEO LAM TIEN	10,500,000	1.30
11	LOI SIEW HOONG	9,761,000	1.21
12	LEE KEEN WHYE	9,455,750	1.17
13	LAM WING HONG	9,210,000	1.14
14	DBS NOMINEES (PRIVATE) LIMITED	8,275,860	1.02
15	ANG KIM LENG	8,000,000	0.99
16	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	7,819,422	0.97
17	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	6,811,816	0.84
18	HARRY HALIM @ LIM ENG LIAN	6,800,000	0.84
19	CHARLES GEORGE ST JOHN REED	6,765,000	0.84
20	NEO TIONG WOON (LIANG ZHANG'EN)	6,576,280	0.81
	Total	**274,677,310**	**34.00**

USE OF PROCEEDS - WARRANTS CONVERSION

As at 31 December 2015, approximately S$1.8 million of the proceeds from issuance of shares arising from conversion of warrants has been utilized, in accordance to its intended use as stated in the OIS dated 31 May 2013 and 20 November 2015, a summary of which is set out below:-

Items	Amount (S$)	
Conversion of W160603	2,313,284.36	
Conversion of W181123	15,500.00	
Total Net Conversion of Warrants		**2,328,784.36**
Application of Proceeds		
Professional Fees	194,063.99	
Issuance of Warrants	219,994.33	
Repayment of bank loans	1,366,772.78	
Total Application of Proceeds		**1,780,831.10**
Balance of Conversion of Warrants		**547,953.26**

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, 25 April 2016 at 11.30 am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the year ended 31 December 2015 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Charles George St John Reed as Director of the Company.
[See Explanatory Note (i)] **(Resolution 2)**

3. To re-appoint Mr Lai Chun Loong as Director of the Company.
[See Explanatory Note (ii)] **(Resolution 3)**

4. To approve the payment of Directors' fees of S$174,000 for the year ended 31 December 2015 (FY2014: S$250,000). **(Resolution 4)**

5. To re-appoint Nexia TS Accounting Corporation as the Company's Auditors and to authorise the Directors 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 Allot and Issue Shares**

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

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company 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;

AS SPECIAL BUSINESS - continued

7. **Authority to Allot and Issue Shares** - continued

(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 convertible securities;

(b) new shares arising from exercising 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 of the SGX-ST 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 (iii)] **(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 Scheme 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 (iv)] **(Resolution 7)**

By Order of the Board

Shirley Lim Keng San
Kenneth Sw Chan Kit
Company Secretaries
Singapore, 8 April 2016

Explanatory Notes on Resolutions to be passed:

(i) Mr Charles George St John Reed will, upon re-election as Director of the Company, remain as Lead Independent Director, Chairman Audit Committee and a Member of the Nominating and Remuneration Committees and, will be considered independent for the purposes of Rule 704(7) of the Catalist Rules of the SGX-ST.

(ii) Mr Lai Chun Loong, who is over the age of 70 was re-appointed a Director pursuant to Section 153(6) of the Companies Act, Cap. 50 (the "Act"), to hold office from the date of the last Annual General Meeting ("AGM") until this AGM. Section 153(6) of the Act was repealed on 3 January 2016 when the Companies (Amendment) Act 2014 came into force. With his re-appointment at this AGM, Mr Lai will no longer be subject to re-appointment under the Act but will be subject to rotation and re-election under the provisions of the Company's Articles of Association.

Mr Lai, will upon re-appointment, remain Chairman of the Remuneration Committee and a Member of the Audit and Nominating Committees and, will be considered independent for the purposes of Rule 704(7) of the Catalist Rules of the SGX-ST.

(iii) Ordinary Resolution 6 proposed in item 7 above, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding 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.

(iv) Ordinary Resolution 7 proposed in item 8 above, if passed, will empower the Directors of the Company, to allot and issue shares in the Company of up to a number not exceeding in total 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time pursuant to the exercise of the options and/or vesting of performance shares under the Schemes.

Notes –

1. (a) A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote in his/her stead.

   (b) A Relevant Intermediary* may appoint more than two proxies but each proxy must be appointed to exercise the rights attached to a different share or shares held by him.

   * *"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50.*

2. A proxy need not be a Member of the Company.

3. 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.

4. 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 Meeting.

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.

This Notice has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. ("Sponsor"), for compliance with the relevant rules of the SGX-ST. 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 SGX-ST and the SGX-ST 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: 6221 0271.

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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 25 April 2016 at 11.30 am 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' Statement and Audited Financial Statements for the year ended 31 December 2015		
2	Re-election of Charles George St John Reed as a Director		
3	Re-appointment of Lai Chun Loong as a Director		
4	Approval of Directors' fees amounting to S$174,000		
5	Re-appointment of Nexia TS Accounting Corporation as Auditors		
6	Authority to allot and issue new shares		
7	Authority to allot and issue shares under the Ntegrator Share Option Scheme and Ntegrator Performance Share Plan		

* Delete where applicable.

Dated this _______ day of April 2016

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. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

6. 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 48 hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her 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.

8. 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 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

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 Notice of Annual General Meeting dated 8 April 2016.

CORPORATE INFORMATION

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
Shirley Lim Keng San

REGISTERED OFFICE
4 Leng Kee Road
#06-04 SIS Building
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
Certified Public 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
#06-04 SIS Building
Singapore 159088
Tel: (65) 6479 6033
Fax: (65) 6472 2966
ir@ntegrator.com

Citigate Dewe Rogerson, i.MAGE
Ng Chung Keat/Renee Goh
55 Market Street
#02-01
Singapore 048941
Tel: (65) 6534 5122
Fax: (65) 6534 4171
chungkeat.ng@citigatedrimage.com
renee.goh@citigatedrimage.com

BOARD OF DIRECTORS
Han Meng Siew
Executive Chairman

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

4 Leng Kee Road
#06-04 SIS Building
Singapore 159088

Tel: (65) 6479 6033
Fax: (65) 6472 2966

Website: www.ntegrator.com