



**TODAY'S INTEGRATION  
TOMORROW'S SOLUTIONS**

***NTEGRATOR INTERNATIONAL LIMITED***

**CORPORATE PRESENTATION**

**BY**

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**21 JUNE 2008**

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# Who We Are

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## ***We are...***

- A regional communications network specialist and systems integrator offering high-tech, world-class systems and services
- A leading player in the telecommunication industries in the region.

## ***Our core businesses:***

- Network Infrastructure
- Voice Communication Systems
- Provision of Maintenance & Support Services and Project Management Services



# Network Infrastructure

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We integrate network infrastructures which

- Enables the end-users to communicate electronically within an organisation or with another organisation, either within the same country or globally

Total end-to-end infrastructural business solutions:

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



# Voice Communications Systems

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Seamless integration of voice and data signals used in large organisation's telephone network, including:

- PABX
- Video conferencing system
- Voice messaging, recording or logging system
- VoIP Applications

Total end-to-end enterprise business solutions:

- Flexible and user-configurable systems for exact customisation to our customers' needs



# Provision of Maintenance & Support Services and Project Management Services

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Onsite and online maintenance and support services:

- For warranty and post warranty period for our systems sold
- Customers range from finance institutions, airlines to defence and government ministries etc.

Project Management Services

- Provide installation and implementation services for the network infrastructure or voice communication systems that have been purchased by our suppliers' customers





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**KEY STRENGTHS**



# Key Strengths

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## **Strong Regional Presence**

- Growing presence in emerging economies such as Vietnam, Myanmar, Malaysia, Thailand and Cambodia
- Network of regional offices to provide customers with round-the-clock technical support

## **Accumulated Comprehensive Expertise & Competency (Average 10 yrs)**

- We have a strong management team with at least 20 years of working experience in this industry
- We have a strong engineering team to provide both pre and post warranty supports to our customers

## **Established Track Record**

- Supplied and installed the first-ever IP core router to be implemented in Vietnam for Viettel Corporation
- Won contracts from TV broadcasting groups in Myanmar – Myanmar Radio & Television, and Myanmar's only private cable TV operator, Forever Group





# Key Strengths

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## Key Suppliers

- Alcatel
- ECI
  - Both have been loyal suppliers for Ntegrator since we started in 2002
- Ceragon
- Juniper Network Inc.

## Key Customers

- MobileOne – Major telco operator in Singapore
- Viettel Corporation – 2<sup>nd</sup> largest telco operator in Vietnam
- Viettel Cambodia
- MOD, MPT & MRTV of Myanmar
- Vietnam Telecom International
- SingTel
- SMRT





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**CORPORATE DEVELOPMENTS**



# Corporate Developments

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## Secured strong foothold in key emerging economy – Vietnam

- Exemplified by repeat contract wins from Viettel – secured approximately S\$13 million worth of contracts from Viettel in FY2007
- Another contract win in December 2007, awarded by Diamond Media Joint Stock Company
  - A major Contact Centre Service providers in Vietnam
  - Supply and implement the full turnkey supply, installation and commissioning of call centre systems
  - Ntegrator's first and major Contact Centre project in Vietnam



# Corporate Developments

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## Beachhead into new market - Cambodia:

- Two maiden contracts in Cambodia awarded by Viettel Corporation
  - Total contracts valued at US\$2.3 million
  - Supply, install and commission a Microwave system and a Synchronous Digital Hierarchy (“SDH”) infrastructure for Viettel Cambodia
  - Opens up opportunities for Ntegrator to play an active role in building up Cambodia’s telco infrastructure and networks for the next few years



# Corporate Developments

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## Strategic collaboration with well-established partners in Singapore:

- Partnership with Surbana Technologies and Cellular Systems International in January 2008
  - Development of a Next Generation Centralised Parking System for marketing in Singapore and the region
  - Surbana Technologies is a world-class townships and facilities management total solutions provider
  - Cellular Systems International is a pioneering provider of cellular-based remote monitoring solutions based in Israel.
  - Partnership positions the Group towards achieving its vision of becoming a global, world-class provider of network integration services





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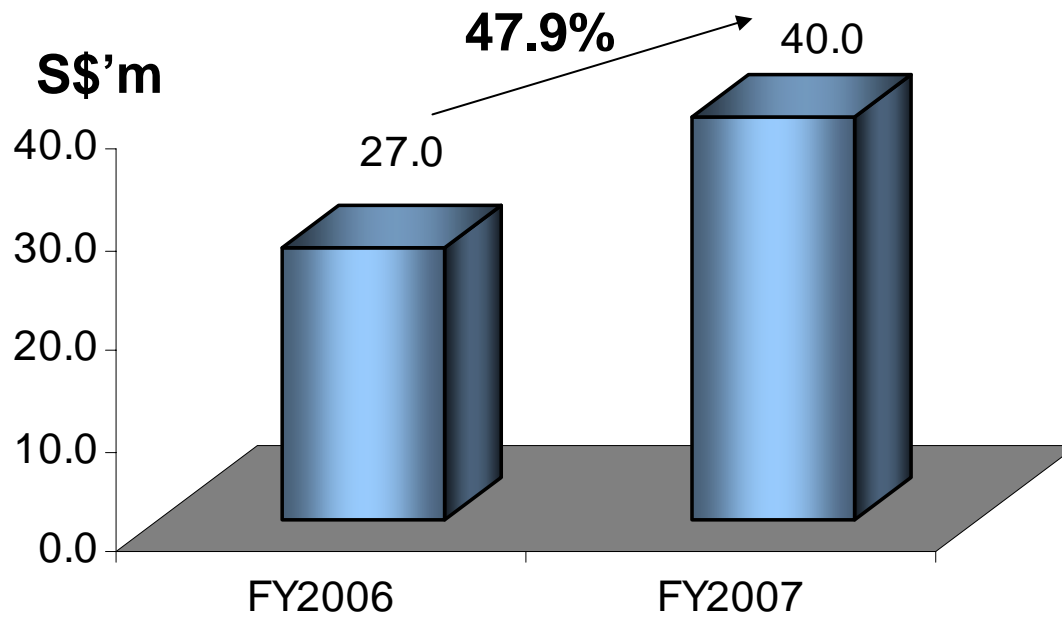
# FINANCIAL HIGHLIGHTS



# Turnover

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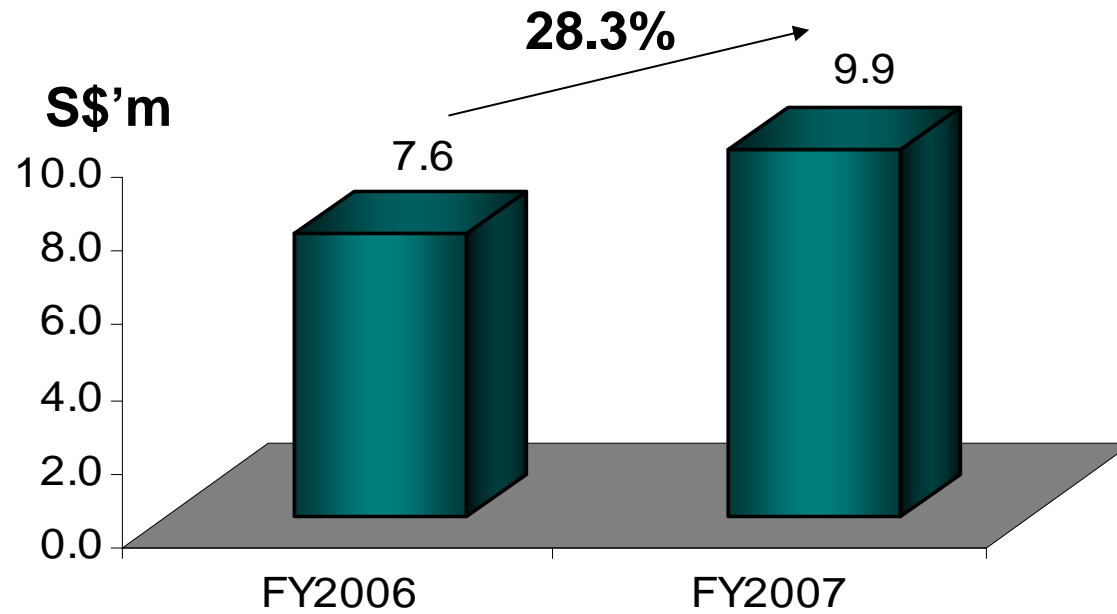
*FY: Financial Year ended December 31*



# Gross Profit

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*FY: Financial Year ended December 31*

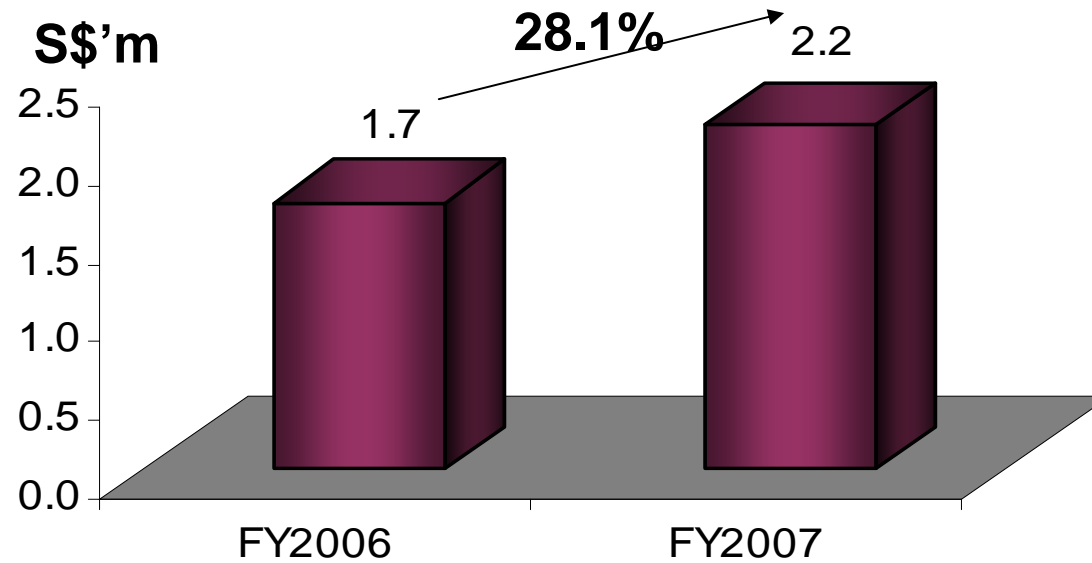




# Net Profit

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*FY: Financial Year ended December 31*



# Financial Ratios

	FY2006	FY2007
<b>Earnings per share after tax and minority interests (cents) <sup>(1)</sup></b>	1.1	1.3
<b>Net Asset Value per share (cents) <sup>(1)</sup></b>	9.7	11.8
<b>Price Earnings Ratio <sup>(2)</sup></b>	6.67	3.46
<b>P/Book Value (X) <sup>(3)</sup></b>	1.0	0.7

(1) Weighted average number of ordinary shares for basic earnings per share computation

(2) As at 11 June 2007 and 10 June 2008 respectively

(3) Market Cap as at 18 June 2008, Bloomberg



# Balance Sheet Highlights

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	<b>As at 31 Dec 06</b>	<b>As at 31 Dec 07</b>
<b>Total Assets</b>	S\$33.7m	S\$53.7m
<b>Net Assets</b>	S\$15.5m	S\$21.2m
<b>Cash &amp; Cash Equivalents</b>	S\$1.5m	S\$6.0m
<b>Shareholders' Equity</b>	S\$15.2m	S\$21.0m



# Order Book

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Total outstanding order book of S\$30 million as at May 7, 2008

- Scheduled to be completed within FY2008
- Equivalent to 75% of Group's total revenue for FY2007



# Possible Comparables

Name	Share Price	Market Cap	PE	ROE (%)	NPM (%)	Dividend Yield (%)
<b>Ntegrator International Limited (NTEG SP)</b>	<b>S\$0.045</b>	<b>S\$15.37 million</b>	<b>3.46</b>	<b>12.54</b>	<b>5.75</b>	<b>5.56</b>
Singapore Computer Systems Limited (SCS SP)	S\$0.870	S\$134.66 million	7.08	16.00	3.88	3.45
Teledata (Singapore) Limited (TELE SP)	S\$0.02	S\$23.69 million	-	-7.13	-	-
Datacraft Asia Limited (DAT SP)	US\$1.08	US\$542.03 million	13.67	15.41	5.22	3.15

Source: Bloomberg, June 18, 2008





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**INDUSTRY OVERVIEW**

# Industry Overview

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## Specialised Industry

- Technically specialised fields with few major players that has the ability to provide specialist integration services and full range of solutions
- Comprehensive core competency and expertise required for network integration business creates high entry barrier
  - Enables us to command higher profit margin

## Strong Regional Potential

- Percentage of fixed-line and mobile penetration in most SEA countries are still below global average standards
- Anticipate a boom in fixed-line penetration as many emerging economies in SEA are investing in telco infrastructure improvements
  - E.g. Vietnam, Cambodia, Laos, Myanmar
- Foresee higher capital expenditure on relevant network infrastructure equipment in the near future
  - Opens up more opportunities for us to capitalise on



# Industry Overview

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## Recurring Business

- Nature of the telco industry is such that it constantly experiences new technology developments and rapid obsolescence of existing infrastructure
- Continuous need for service players to invest heavily on latest technology and infrastructure, in order to keep pace with new innovations
  - Creates a sustained demand for new network infrastructure and voice communication systems







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**GROWTH STRATEGIES**



# Growth Strategies

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## **Continue to grow our relationships with strategic partners**

- Repeat business from Viettel Corporation, a major customer for the Group's Vietnam and Cambodia markets, will drive our growth
- Strategic collaboration with Surbana Technologies and Israel-based Cellular Systems International, both leading players in their respective industries, will enhance our visibility and showcase our capabilities

## **Leverage on our proven track record and strong core competencies**

- Well-positioned to deepen market penetration in existing markets, as well as expand to neighbouring countries



# Growth Strategies

## Maintain focus on Southeast Asia and Indochina regions

- With special emphasis on Vietnam, Cambodia and Laos
- Strategic location in Singapore will provide competitive edge to tap on these key emerging markets

## Industrialisation boosting Indochina growth

Region's economy has come to be tied very much to exports

THE people of Indochina are largely rural folk – some 80 per cent of Cambodians, Laotians and Vietnamese still live in the country. Covering 750,000 square kilometres in total, the region is rich in natural resources like timber, minerals, coal and petroleum.

Waters from its many rivers support farming and fisheries and provide, in the form of hydro-electric power, the energy needed to drive everyday living.

More hydro-electric plants are being built in Laos. Mining is also expanding there. Together with tourism, they are the mainstays of the Laotian economy, which is picking up in growth – from 5.3 per cent in 2003 to 8 per cent last year.

But for the other two Indochinese countries – Cambodia and Vietnam – their economies have surged ahead as industrialisation becomes the main engine of growth.

Led by garment exports, construction and tourism, Cambodia posted double-digit growth in its gross domestic product (GDP) from 2004 to 2006, according to the Asian Development Bank (ADB). GDP growth eased last year to a still high 9.6 per cent.

Powered by clothing and textiles as well as electronics exports, Vietnam's annual GDP similarly expanded by 8 per cent-plus in the past three years. The growth was fanned by market reforms that attracted investments, and Vietnam's entry into the World Trade Organization (WTO) in January 2007.

Although the most devel-

### Key economic indicators 2007

Indochina

	AREA ('000 sq km)	POPULATION (million)	GDP GROWTH (%)	INFLATION (%)	TRADE WITH S'PORE	FOREIGN DIRECT INVESTMENT
Cambodia	181.0	14.2	9.6	5.9	S\$788.2m	US\$600m
Lao PDR	236.8	5.9	8.0	4.5	S\$61.0m	US\$950m
Vietnam	331.7	85.3	8.5	8.3	S\$13.0b	US\$20.3b

Source: Asian Development Bank, World Bank, © Singapore

oped of the three Indochinese states, Vietnam's economy is not cut off entirely from its rural origins; wood and furniture remains one of its fastest-growing exports.

Indochina's economic performance in recent years has come to be tied very much to exports.

Cambodia's merchandise exports jumped 9.5 per cent in 2007, preliminary data from the National Bank of Cambodia shows. But imports are estimated

to have risen 14.1 per cent, resulting in a trade deficit.

Still, revenues from tourism, international aid and foreign direct investment (FDI) have more than made up for the gap to beef up the country's foreign exchange earnings.

Tourists have been a boon to the Laotian economy. The number who arrived in the country last year rose about 15 per cent to an estimated 1.4 million, helping to boost the services sector, which grew 7.2 per cent in 2007.

More importantly, the big presence of tourists is a magnet for investments in the hospitality sector and other related infrastructure.

Meanwhile, led by shipments of copper and gold, Laos's merchandise exports surged 50.6 per cent last year. Imports slipped by about 1.7 per cent.

"In an effort to join the WTO by 2010, the (Laotian) government is formulating policies to improve the envi-

ronment for trade and investment," says Angela Png, regional director for South-east Asia at International Enterprise Singapore. "Reform introduced for WTO accession and to meet the country's commitments under the Asean Free Trade Area (Afta) has improved customs clearance procedures with the establishment of computerised systems and one-stop customs clearance at selected border posts."

Vietnam's WTO membership has made it more attractive to investors. Investments flowing into the country jumped 16 per cent last year, expanding the share of investments in GDP to 40.4 per cent – one of the highest in Asia.

But high investment has its dark side as, along with the spike in global commodity prices, it led to a sharp 35.5 per cent hike in merchandise imports in 2007.

- Laotian economy has picked up growth from 5.3% in 2003 to 8% in 2007
- Cambodia and Vietnam's economies have been surging ahead as industrialisation becomes the main engine of growth
- Cambodia posted double-digit growth in its GDP from 2004 to 2006, according to the Asian Development Bank. GDP growth eased last year to a still high 9.6%
- Similarly, Vietnam's annual GDP expanded by 8% plus in the past 3 years

Source: Business Times, June 5, 2008



# Growth Strategies

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## **Continue to strengthen business relationships with key suppliers**

- Principal suppliers such as Alcatel and ECI, Ceragon Network and Juniper Networks
- To build up new strategic suppliers to service new markets in Cambodia, Laos and Thailand
- Also to attend to other Telco and cellular service providers in Vietnam e.g. EVN, Vinaphone etc

## **Expand business strategically through organic growth or M&As**

- Continue to seek strategic investments or alliances or joint ventures with suitable partners and/or acquire companies or assets in related fields
- To expand our range of products and service and technological capabilities, as well as gain scale of operations





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**WHY Ntegrator**



# WHY Ntegrator

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## We have:

- The most attractive PE at only 3.46, in comparison with our listed peers

## We are:

- Profitable since company's inception
- Paying Dividends every year
- Riding on the strong Indo-China economic growth
- Riding on Viettel's Regional Business Expansion for the next 5 years





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**Thank You**