ADDVALUE TECHNOLOGIES LTD
Company Registration No. 199603037H

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND FULL FINANCIAL YEAR ENDED 31 MARCH 2010 ("4Q2010" AND "FY2010" RESPECTIVELY)

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF THE FOURTH QUARTER RESULTS

1.(a)(i) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediate preceding financial year

	The Group					
	4th Quarter		%	**Year-To-Date**		%
	4Q2010	4Q2009	Change	**FY2010**	FY2009	Change
	S$'000	S$'000		**S$'000**	S$'000	
Revenue	8,034	1,106	626.4%	12,045	5,796	107.8%
Cost of sales	(5,684)	(272)	1,989.7%	(8,330)	(2,325)	258.3%
Gross profit	2,350	834	181.8%	3,715	3,471	7.0%
Other operating income	207	-	N/m	305	290	5.1%
Selling & Distribution expenses	(231)	(99)	133.3%	(372)	(215)	73.0%
Administrative expenses	(417)	(574)	(27.3%)	(1,209)	(1,446)	(16.4%)
Other operating expenses	(1,205)	(3,133)	(61.5%)	(4,995)	(4,339)	15.1%
Loss/(profit) from operations	704	(2,972)	N/m	(2,556)	(2,239)	14.2%
Finance expenses	(384)	(248)	54.8%	(737)	(601)	22.6%
(Loss)/profit before tax	320	(3,220)	N/m	(3,293)	(2,840)	16.0%
Taxation	5	-	N/m	5	(82)	N/m
Net profit/(loss) attributable to shareholders	325	(3,220)	N/m	(3,288)	(2,922)	12.5%
Other comprehensive income Exchange differences on translating foreign operations	-	-	N/m	-	-	N/m
Total comprehensive income/(loss) for the period/year	325	(3,220)	N/m	(3,288)	(2,922)	N/m
Total comprehensive income/(loss) attributable to:						
Equity holders of the company						
Before exceptional items	325	(3,220)	N/m	(3,288)	(2,922)	N/m
Exceptional items	-	-	N/m	-	-	N/m
	325	(3,220)	N/m	(3,288)	(2,922)	N/m

"4Q2010" denotes the fourth quarter period ended 31 March 2010 in respect of FY2010
"4Q2009" denotes the fourth quarter period ended 31 March 2009 in respect of FY2009
"FY2010" denotes the financial year ended 31 March 2010
"FY2009" denotes the financial year ended 31 March 2009
"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure
"N/m" denotes not meaningful

1.(a)(ii) The accompanying notes to the statements of comprehensive income form an integral part of the statements of comprehensive income

	The Group					
	4th Quarter		%	**Year-To-Date**		%
	4Q2010	4Q2009	Change	**FY2010**	FY2009	Change
Profit/(loss) before tax has been arrived at after charging/(crediting):						
Depreciation and amortization	428	668	(35.9%)	1,598	1,265	26.3%
Foreign exchange loss/(gain) (net)	(184)	192	N/m	(256)	316	N/m
Interest expense	384	248	54.8%	737	601	22.6%
Interest income	0	0	N/m	0	12	N/m

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure
"N/m" denotes not meaningful

1.(b)(i) A statement of financial position (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year

	The Group		The Company	
	As at	As at	**As at**	As at
	31-Mar-10	31-Mar-09	**31-Mar-10**	31-Mar-09
	S$'000	S$'000	**S$'000**	S$'000
Non-current assets				
Property, plant and equipment	**1,057**	768	**-**	-
Subsidiaries	**-**	-	**2,725**	4,579
Associates	**-**	-	**-**	-
Intangible assets	**11,091**	9,142	**-**	-
Current assets				
Inventories	**1,946**	1,275	**-**	-
Construction contract work-in-progress	**0**	5,276	**-**	-
Trade receivables	**2,157**	64	**-**	-
Other receivables, deposits and prepayments	**1,738**	289	**56**	149
Due from subsidiaries (non-trade)	**-**	-	**2,623**	2,344
Cash and cash equivalents	**245**	40	**1**	-
	6,086	6,944	**2,680**	2,493
Total assets	**18,234**	16,854	**5,405**	7,072
Current liabilities				
Trade payables	**1,880**	1,736	**-**	-
Other payables and accruals	**3,334**	4,759	**781**	885
Loan from financial institutions	**1,175**	3,990	**-**	2,400
Advance receipts	**2,481**	798	**-**	-
Due to subsidiaries (non-trade)	**-**	-	**167**	183
Provision for tax	**-**	5	**-**	5
Bank overdrafts	**-**	600	**-**	600
	8,870	11,888	**948**	4,073
Net current (liabilities)/assets	**(2,784)**	(4,944)	**1,732**	(1,580)
Long term Liabilities				
Long term loan from financial institutions	**(4,000)**	-	-	-
Net assets	**5,364**	4,966	**4,457**	2,999
Equity attributable to the Company's equity holders				
Share capital	**62,852**	59,166	**62,852**	59,166
Capital reserve	**65**	65	**65**	65
Accumulated losses	**(57,553)**	(54,265)	**(58,460)**	(56,232)
	5,364	4,966	**4,457**	2,999
Non-controlling interests	**N/m**	N/m	**-**	-
Total equity	**5,364**	4,966	**4,457**	2,999

"N/m" denotes not material, being less than S$500

1.(b)(ii) Aggregate amount of borrowings and debts securities for the Group.

	As at 31 Mar 2010 S$'000	As at 31 Mar 2009 S$'000
Amount repayable in one year or less or on demand		
Secured	**-**	-
Unsecured	**1,175**	4,591
	1,175	4,591
Amount repayable after one year		
Secured	**4,000**	-
Unsecured	**-**	-
	4,000	-

Details of any collateral

The Group's long-term borrowings are secured against a floating charge on the inventories of a subsidiary of the Company.

1.(c) A cash flow statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			
	4th Quarter		Year-To-Date	
	4Q2010	4Q2009	**FY2010**	FY2009
	S$'000	S$'000	**S$'000**	S$'000
OPERATING ACTIVITIES				
Profit/(Loss) before tax	**320**	(3,220)	**(3,293)**	(2,841)
Adjustments for:				
Allowance for doubtful non-trade receivables	**-**	562	**-**	562
Bad debts written off	**23**	511	**23**	511
Amortisation of intangible assets	**337**	466	**1,039**	629
Depreciation of plant and equipment	**91**	202	**559**	636
Interest expense	**384**	248	**737**	601
Interest income	**-**	-	**-**	(12)
Gain on disposal of plant and equipment	**(2)**	-	**(2)**	-
Impairment of construction contract work in progress	**-**	1,000	**1,900**	1,000
Impairment in value of investment	**74**	102	**74**	-
Plant and equipment written off	**-**	-	**-**	102
Operating profit/(loss) before changes in working capital	**1,227**	(129)	**1,037**	1,188
Changes in working capital				
Inventories	**143**	(636)	**(671)**	132
Trade and other receivables	**37**	1,455	**(3,640)**	774
Construction contract work-in-progress	**713**	(72)	**3,376**	(1,322)
Trade and other payables	**1,229**	542	**(1,280)**	3,567
Advance receipts	**(1,965)**	-	**1,683**	-
Cash (used in)/generated from operations	**1,384**	1,160	**505**	4,339
Interest received	**-**	-	**-**	13
Income tax paid	**-**	-	**-**	(82)
Development expenditure (net of amortisation and depreciation)	**(728)**	(952)	**(2,988)**	(3,471)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	***656***	*208*	***(2,483)***	*799*
INVESTING ACTIVITIES				
Purchase of plant and equipment	**113**	(213)	**(848)**	(242)
Gain on disposal of plant and equipment	**2**	-	**2**	-
Purchase of intangible asset	**-**	-	**-**	(77)
NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES	***115***	*(213)*	***(846)***	*(319)*
FINANCING ACTIVITIES				
Net proceeds from trust receipts	**-**	(953)	**-**	(913)
Proceeds from issue of new shares (net of issue expenses)	**0**	3	**3,686**	0
Net proceeds from/(Repayments of) loans	**(1,109)**	987	**1,185**	(207)
Interest paid	**(384)**	(248)	**(737)**	(601)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	***(1,493)***	*(211)*	***4,134***	*(1,721)*

NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(722)**	(216)	**805**	(1,241)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**967**	(344)	**(560)**	681
CASH AND CASH EQUIVALENTS AT END OF PERIOD (NOTE 1)	**245**	(560)	**245**	(560)

	The Group			
	4th Quarter		Year-To-Date	
	4Q2010	4Q2009	**FY2010**	FY2009
Note 1:	**S$'000**	S$'000	**S$'000**	S$'000
Cash and cash equivalents consist of:				
Total cash and bank balances	**245**	40	**245**	40
Less: Bank overdrafts	**-**	(600)	**-**	(600)
	245	(560)	**245**	(560)

1.(d)(i) statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	The Group				
	Share Capital	Accumulated Losses	Capital Reserve	Non-controlling Interests	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 Apr 2009	59,166	(54,265)	65	N/m	4,966
Issuance of new shares	3,686	-			3,686
Comprehensive loss for the year	-	(3,288)	-	-	(3,288)
Balance as at 31 Mar 2010	**62,852**	**(57,553)**	**65**	**N/m**	**5,364**

	The Group				
	Share Capital	Accumulated Losses	Capital Reserve	Non-controlling Interests	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 Apr 2008	59,166	(51,343)	65	N/m	7,888
Comprehensive loss for the year	-	(2,922)	-	-	(2,922)
Balance as at 31 Mar 2009	**59,166**	**(54,265)**	**65**	**N/m**	**4,966**

"N/m" denotes not material, being less than S$500

	The Company			
	Share Capital	Accumulated Losses	Capital Reserve	Total
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 Apr 2009	59,166	(56,232)	65	2,999
Issuance of new shares	3,686	-	-	3,686
Comprehensive loss for the year	-	(2,228)	-	(2,228)
Balance as at 31 Mar 2010	**62,852**	**(58,460)**	**65**	**4,457**

	The Company			
	Share Capital	Accumulated Losses	Capital Reserve	Total
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 Apr 2008	59,166	(55,083)	65	4,148
Comprehensive loss for the year	-	(1,149)	-	(1,149)
Balance as at 31 Mar 2009	**59,166**	**(56,232)**	**65**	**2.999**

1.(d)(ii) Details of any changes in company's share capital arising from rights issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

(A) Share capital of the Company

Pursuant to a placement carried out in 1Q2010, the Company issued 40,000,000 new ordinary shares for cash at an issue price of S$0.05 each (the "Placement"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

During 2Q2010, the Company placed out a further 56,000,000 new ordinary shares for cash at an issue price ranging between S$0.03836 and S0.0403 each (the "Subsequent Placement"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

There was no movement in the share capital of the Company during 3Q2010 and 4Q2010.

(B) Share options

As at 31 March 2010, there were 12,045,000 outstanding share options, issued (the "ESOS Options") pursuant to the Company's Employee Share Option Scheme, which are capable of being exercised into the same equivalent number of shares of the Company (31 March 2009: 14,695,000).

Saved for the ESOS Options, the Company has no other outstanding convertibles and treasury shares as at 31 March 2010 and 31 March 2009.

1.(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 Mar 2010	As at 31 Mar 2009
Total number of issued ordinary shares (excluding treasury shares)	903,905,813	807,905,813

1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company had no treasury shares as at 31 March 2010.

2. Whether the figures have been audited, or reviewed in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for 4Q2010 as those in the audited annual financial statements for FY2009.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

For FY2010, the Group adopted all the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2009. 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 following are the new or amended FRS that are relevant to the Group:

FRS 1 (Revised) Presentation of Financial Statements
FRS 23 (Revised) Borrowing Costs
Amendments to FRS107 Improving Disclosures about Financial Statements
FRS 108 Operating Segments

6. Earnings per ordinary shares of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	As at 31 Mar 2010	As at 31 Mar 2009
	S$'000	S$'000
Net (loss)/profit attributable to shareholders	**(3,288)**	(2,922)
(Loss)/earning per share		
Basic (Singapore cents)	**(0.38) cents[(1)]**	(0.36) cents[(2)]
Diluted (Singapore cents)	**(0.38) cents[(3)]**	(0.36) cents[(4)]

Notes:

(1) Based on the adjusted weighted average number of 873,659,238 ordinary shares.
(2) Based on the adjusted weighted average number of 807,905,813 ordinary shares.
(3) Based on the adjusted weighted average number of 873,659,238 ordinary shares. The outstanding ESOS Options granted under the Addvalue Employee Share Option Scheme as at 31 March 2010 were not included for this calculation as they are anti-dilutive.
(4) Based on the adjusted weighted average number of 807,905,813 ordinary shares, being the sum of the issued shares as at 31 March 2009. The outstanding ESOS Options granted under the Addvalue Employee Share Option Scheme as at 31 March 2009 were not included for this calculation as they are anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	The Group		The Company	
	As at 31 Mar 2010	As at 31 Mar 2009	**As at 31 Mar 2010**	As at 31 Mar 2009
	S$'000	S$'000	**S$'000**	S$'000
Net asset value as at end of financial year	**5,364**	4,966	**4,457**	2,999
Net asset value per ordinary share as at the end of financial year (Singapore cents)	**0.59 cents[(1)]**	0.61 cents[(2)]	**0.49 cents[(1)]**	0.37 cents[(2)]

Notes:

(1) Based on 903,905,813 issued shares.
(2) Based on 807,905,813 issued shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earning of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period report on.

Overview

Addvalue is a leading one-stop digital, wireless and broadband communications technology products innovator, which provides state-of-the-art satellite-based communication terminals and solutions for a variety of voice and IP-based data applications. The Group has established itself as a key partner to many major players in the satellite communication industry, counting amongst its customer base internationally-renowned leaders such as Inmarsat, Thuraya, Stratos, Vizada, Satlink and Globe Wireless.

Through the recent years of consistent business transformation, Addvalue has emerged to be a leading global developer and supplier of mobile satellite terminals supporting coverage provided by premier mobile satellite communication operators such as Inmarsat and Thuraya. These terminals are ideal choices for communications in areas around the world where terrestrial networks are non-existent, inept or ineffective. This is particularly so for maritime communications which rely almost entirely on satellite communications, and Addvalue's products are well poised to address these needs.

(a) Review of financial performance of the Group

Turnover

The turnover of our Group increased significantly for the forth financial quarter by about S$6.9 million or more than 6-fold from about S$1.1 million in 4Q2009 to about S$8.0 million in 4Q2010 and for the full financial year by about S$6.2 million or 107.8% from about S$5.8 million in FY2009 to about S$12.0 million in FY2010. The commendable performance was achieved following the commencement of bulk commercial sales in late July 2009 of our Inmarsat-centric FleetBroadband^{TM} Terminals with accelerated pick-up sales in 4Q2010 and the initial supply in 4Q2010 of Sabre^{TM} 1 BGAN Terminals for the 10 May 2010 Philippines' National Elections.

Profitability

As a result of the marked increase in turnover, our gross profit for the forth financial quarter increased by about S$1.5 million or 181.8% from about S$0.8 million in 4Q2009 to about S$2.4 million in 4Q2010 and for the full financial year by about S$0.2 million or 7.0% from about S$3.5 million in FY2009 to about S$3.7 million in FY2010.

We registered a gross profit margin of about 29.3% for 4Q2010 (relative to that of about 75.4% for 4Q2009). The lower gross profit margin attained in 4Q2010 was attributed mainly to:

(1) a lower proportion of the *ad hoc* though higher margin design contract revenues (relative to sales revenue) being recognised in 4Q2010 as we channelled our limited manpower and resources in FY2010 to focus on the commercialisation of certain of our products, which had reached critical delivery milestones to yield recurring income over the next few years; and
(2) higher cost of materials incurred to secure and expedite delivery of certain key production components in 4Q2010 amidst the global tight supply conditions.

We registered a gross profit margin of about 30.8% for FY2010 (relative to that of about 59.9% for FY2009). Apart for the reasons as explained above, the lower gross profit margin registered in FY2010 was also largely due to:

(1) Start-up costs in facilitating the production of our products for commercialisation; and
(2) lower unit selling prices as the initial units of our commercialised products were offered at promotional prices.

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The other operating income of about S$0.2 million recorded in 4Q2010 and about S$0.3 million recorded in FY2010 relate to exchange gains as a result of volatile fluctuation of exchange rates. The other operating income recorded in FY2009 relates mainly to the grant of distribution rights to a distributor to sell certain of our products.

In tandem with the growth in revenue, our selling and distribution expenses, principally through participation in more exhibitions, increased by about S$0.13 million or 133.3% from about S$99,000 in 4Q2009 to about S$231,000 in 4Q2010 and by S$0.2 million or 73.0% from about S$0.2 in FY2009 to about S$0.4 million in FY2010.

Our administrative expenses decreased by about S$0.2 million or 27.3% from about S$0.6 million in 4Q2009 to about S$0.4 million in 4Q2010 and by about S$0.2 million or 16.4% from about S$1.4 million in FY2009 to about S$1.2 million in FY2010, chiefly as a result of our continued cost containment measures and in part due to lesser professional fees incurred.

Our other operating expenses decreased by about S$1.9 million or 61.5% from about S$3.1 million in 4Q2009 to about S$1.2 million in 4Q2010. As previously disclosed in our results announcement for FY2009 made in May 2009, the higher other operating expenses incurred in 4Q2009 was attributed mainly to:

(1) a write-off of a construction-work-in-progress of about S$1.0 million in respect of a design contract as the customer concerned, for certain commercial reason, decided to abort the second phase of the design contract which was in the progress of being carried out; and
(2) an impairment of about S$0.6 million, as a consequence of the global financial crisis in FY2009, in respect of a consideration receivable under certain settlement arrangement.

It is worthwhile highlighting that the other operating expense of about S$1.2 million incurred in 4Q2010 also included one-time expenses of about S$0.3 million, comprising laboratory usage and labour charges for testing and customising our Inmarsat-centric FleetBroadband™ Terminals for implementation.

Our other operating expenses increased by about S$0.7 million or 15.1% from about S$4.3 million in FY2009 to about S$5.0 million in FY2010. The increase was mainly due to:

(1) an impairment in the value of a construction-work-in-progress in FY2010 as the customer concerned procured certain major components directly from our suppliers instead of through us as previously disclosed in our results announcement for the second financial quarter of FY2010 ("2Q2010") made in November 2009;
(2) laboratory usage and labour charges for testing and customising our Inmarsat-centric FleetBroadband™ Terminals upon implementation; and
(3) amortisation of our development expenditure, commencing from 2Q2010, without significant matching product sale revenues in 2Q2010 and the third financial quarter of FY2010 ("3Q2010"), as a result of delays in the delivery of the products concerned due to the global supply crunch and hence long lead times in the procurement of certain key production components.

Relative to 4Q2009, we incurred higher finance expenses in 4Q2010, of which about S$0.2 million relates to some one-off settlements with certain financial institutions. On a full financial year basis, we incurred higher finance expenses in FY2010 (relative to FY2009) chiefly as a result of increased borrowings procured with financial institutions.

Accordingly, we drastically reversed from a pre-tax loss of about S$3.2 million in 4Q2009 to a pre-tax profit of about S$0.3 million in 4Q2010. Had it not for the one time expenses aggregating about S$0.5 million and the temporary increase in production costs as explained above, we would have registered a significantly higher pre-tax profit for 4Q2010. On a full financial year basis and given that the commercialisation of our products took place mostly in 4Q2010, we recorded a pre-tax loss of about S$3.3 million in FY2010 compared to that of S$2.8 million in FY2009.

(b) Review of financial position of the Group as at 31 March 2010 (relative to that as at 31 March 2009)

The increase in our property, plant and equipment was mainly due to the purchase of tooling and computer equipment in enhancing our work process.

The increase in our intangible assets was attributed mainly to the development expenditure as we continue to develop our proprietary products.

The increase in our inventories was mainly due to the bulk purchase of materials in anticipation of production requirements.

The decrease in our construction contract work-in-progress was due to an impairment in the value of a design-cum-supply contract as explained above and continuous progress billings made since 1 April 2009.

The increase in our trade receivables was in tandem with the higher turnover attained in FY2010.

The increase in our other receivables, deposits and prepayments were attributed mainly to deposits placed for the purchase of equipment and the acquisition of new software licences used by our Inmarsat-centric Sabre™ range of products.

The increase in our trade payables results from increased purchase made to our vendors in meeting the higher turnover in 4Q2010.

We recorded lower other payables and accruals as well as bank borrowings following the respective payments made since 1 April 2009.

The increase in our advance receipts was attributed mainly to payments received in advanced from customers for their purchase commitments.

With the marked reduction in our payables, accruals and loans from financial institutions, we significantly narrowed our negative working capital from about S$4.9 million as at 31 March 2009 to about S$2.8 million as at 31 March 2010.

We secured a 2-year term loan of S$4.0 million in 3Q2010 to fund our production needs and will continue to explore various financing means to further strengthen our financial position.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

In line with our expectations as stated in our results announcement for 3Q2010 in February 2010, we achieved in 4Q2010 a significantly higher turnover of about S$8.0 million, which is more than doubled the revenue of about S$2.8 million attained in 3Q2010, and a profit after tax of about S$0.3 million compared to a loss after tax of about S$0.2 million incurred in 3Q2010.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

We continue to receive sizable orders for our Inmarsat-centric range of FleetBroadband™ products from our existing distributors. Feedbacks from the end users regarding the performance of our products had been positive and encouraging.

As at 31 March 2010, we had delivered 3,420 units of our Inmarsat-centric Sabre™-I Terminals required for the 10 May 2010 Philippines' National Elections. The remaining 2,080 units were delivered in April 2010.

As at the date of this announcement, we have confirmed sales orders aggregating about S$7.8 million that are expected to be substantially fulfilled within the first half of the financial year ending 31 March 2011 ("FY2011").

Based on the above and barring any unforeseen circumstances and delay in the procurement of certain key production components amidst the present tight supply conditions globally, we expect to accelerate the performance and momentum gathered in 4Q2010 into FY2011.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

Nil.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for 4Q2010.

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

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) By geographical segments

FY2010	**Europe**	**North America**	**Asia**	**Total**
Revenue	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Total revenue from external customers	4,245	1,796	6,004	12,045
% Contribution	*35%*	*15%*	*50%*	*100%*
Segment result before amortisation	917	455	2,343	3,715
Amortisation	-	-	(1,039)	(1,039)
Impairment in value of investment	-	(74)	-	(74)
Allowance for doubtful trade receivables	-	-	(23)	(23)
Depreciation of plant and equipment	-	-	(559)	(559)
Impairment of construction contract work-in-progress	(1,900)	-	-	(1,900)
Segment result after amortisation	(983)	381	722	120
Unallocated expenses				(2,981)
Other income				305
Interest expense				(737)
Loss before tax				(3,293)
Taxation				5
Net loss for the year				(3,288)
Segment Assets				
By location of customers				
- Segment assets	1,189	63	16,982	18,234
- Unallocated	-	-	-	-
Total assets	1,189	63	16,982	18,234
By location of assets				
- Segment assets	1,189	118	16,927	18,234
- Unallocated	-	-	-	-
Total assets	1,189	118	16,927	18,234
Segment liabilities	50	777	12,043	12,870

FY2009	Europe	North America	Asia	Total
Revenue	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Total revenue from external customers	3,222	2,174	400	5,796
% Contribution	*56%*	*38%*	*7%*	*100%*
Segment result before amortisation	2,670	635	166	3,471
Amortisation	-	-	(629)	(629)
Allowance for doubtful non-trade receivables	-	(562)	-	(562)
Bad trade debts written off	-	-	(511)	(511)
Depreciation of plant and equipment	-	-	(636)	(636)
Impairment of construction contract work-in-progress	-	-	(1,000)	(1,000)
Segment result after amortisation	2,670	73	(2,610)	133
Unallocated expenses				(2,662)
Other income				290
Interest expense				(601)
Loss before tax				(2,840)
Taxation				(82)
Net loss for the year				**(2,922)**
Segment Assets				
By location of customers				
- Segment assets	5,281	-	11,573	16,854
- Unallocated	-	-	-	-
Total assets	5,281	-	11,573	16,854
By location of assets				
- Segment assets	49	671	16,134	16,854
- Unallocated	-	-	-	-
Total assets	49	671	16,134	16,854
Segment liabilities	688	3,112	8,088	11,888

(b) By business segments

FY2010	**License and Consultancy** S$'000	**Design Services** S$'000	**Sales** S$'000	**Total** S$'000
Total revenue from external customers	-	76	11,969	12,045
% Contribution	*0%*	*1%*	*99%*	*100%*
Segment assets	56	11,949	6,229	18,234
Unallocated assets				-
Total assets				18,234
Unallocated capital expenditure				848
Total capital expenditure				848

FY2009	**License and Consultancy** S$'000	**Design Services** S$'000	**Sales** S$'000	**Total** S$'000
Total revenue from external customers	-	3,249	2,547	5,796
% Contribution	*0%*	*56%*	*44%*	*100%*
Segment assets	149	15,186	1,519	16,854
Unallocated assets				-
Total assets				16,854
Unallocated capital expenditure				335
Total capital expenditure				335

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business or geographical segments.

By geographical segments

The increase in percentage revenue contribution from Asia was attributed mainly to the supply of our Sabre^{TM} 1 BGAN Terminals for the 10 May 2010 Philippines' National Elections.

By business segments

Please refer to paragraph 8 for the explanation on the reversal in revenue contribution from design services and product sales for the financial years under consideration.

15. Breakdown of sales

	The Group	
	FY2010	FY2009
	S$'000	S$'000
(i) Turnover reported for:		
First half year ended 30 September	**1,201**	4,635
Second half year ended 31 March	**10,844**	1,161
	12,045	5,796
(ii) Net (loss)/profit reported for:		
First half year ended 30 September	**(3,423)**	1,044
Second half year ended 31 March	**135**	(3,966)
	(3,288)	(2,922)

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

Not applicable.

BY ORDER OF THE BOARD

Dr Colin Chan Kum Lok
Chairman & CEO

27 May 2010