ADDVALUE TECHNOLOGIES LTD
Company Registration No. 199603037H

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH FINANCIAL QUARTER AND THE FULL FINANCIAL YEAR ENDED 31 MARCH 2011 ("4Q2011" AND "FY2011" 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		%
	4Q2011	4Q2010	Change	**FY2011**	FY2010	Change
	S$'000	S$'000		**S$'000**	S$'000	
Revenue	4,320	8,034	(46.2%)	20,396	12,045	69.3%
Cost of sales	(2,098)	(5,685)	(63.1%)	(10,399)	(8,330)	24.8%
Gross profit	2,222	2,349	(5.4%)	9,997	3,715	169.1%
Other operating income	122	207	(41.1%)	183	305	(40.0%)
Selling & Distribution expenses	(174)	(231)	(24.7%)	(631)	(372)	69.6%
Administrative expenses	(628)	(419)	49.9%	(1,612)	(1,211)	33.1%
Other operating expenses	(453)	(1,128)	(59.8%)	(2,624)	(4,920)	(46.7%)
Profit/(loss) from operations	1,089	778	40.0%	5,313	(2,483)	N/m
Finance expenses - net	60	(384)	N/m	(285)	(737)	(61.3%)
Profit/(loss) before tax	1,149	394	191.6%	5,028	(3,220)	N/m
Income tax credit	2,547	5	N/m	2,547	5	N/m
Net profit/(loss) for the year	3,696	399	826.3%	7,575	(3,215)	N/m
Other comprehensive expense						
Fair value loss on available-for-sale financial assets	(52)	(74)	(29.7%)	(52)	(74)	(29.7%)
Total comprehensive income/(loss) for the year	3,644	325	1,021.2%	7,523	(3,289)	N/m
Attributable to:						
Equity holders of the Company	3,644	325	1,021.2%	7,523	(3,289)	N/m
Minority Interests	-	-	N/m	-	-	N/m
Total comprehensive income/(loss) for the year	3,644	325	1,021.2%	7,523	(3,289)	N/m

"4Q2011" denotes the fourth financial quarter period ended 31 March 2011 in respect of FY2011
"4Q2010" denotes the fourth financial quarter period ended 31 March 2010 in respect of FY2010
"FY2011" denotes the financial year ended 31 March 2011
"FY2010" denotes the financial year ended 31March 2010
"% 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**		%
	4Q2011	4Q2010	Change	**FY2011**	FY2010	Change
	S$'000	S$'000		**S$'000**	S$'000	
Profit/(loss) before tax has been arrived at after charging/(crediting):						
Depreciation of plant and equipment and amortization of intangible assets	442	425	4.0%	1,724	1,598	7.9%
Foreign exchange (gain)/loss, net	(12)	(69)	(82.6%)	205	(256)	N/m
Interest expense – net	(60)	384	(115.6%)	285	737	(61.3%)
Inventories written off	27	-	N/m	27	-	N/m
Allowance for doubtful trade receivables	15	23	(34.8%)	15	23	(34.8%)
Income tax credit from prior years	(94)	-	N/m	(94)	-	N/m
Income tax - deferred tax assets	(2,453)	-	N/m	(2,453)	-	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 31 Mar 2011 S$'000	As at 31 Mar 2010 S$'000	**As at 31 Mar 2011 S$'000**	As at 31 Mar 2010 S$'000
Non-current assets				
Plant and equipment	**860**	1,057	**-**	-
Subsidiaries	**-**	-	**10,193**	2,725
Intangible assets	**13,292**	11,091	**-**	-
Deferred tax asset	**2,453**	-	**-**	-
Loan receivable	**84**	-	**-**	-
	16,689	12,148	**10,193**	2,725
Current assets				
Inventories	**2,054**	1,946	**-**	-
Trade receivables	**4,146**	2,157	**-**	-
Other receivables, deposits and prepayments	**1,104**	1,682	**-**	-
Available-for-sale financial asset	**4**	56	**4**	56
Amount due from customers for contract work	**843**	-	**-**	-
Due from subsidiaries (non-trade)	**-**	-	**5,368**	2,623
Cash and bank balances	**769**	246	**17**	1
	8,920	6,087	**5,389**	2,680
Total assets	**25,609**	18,235	**15,582**	5,405
Current liabilities				
Trade payables	**1,688**	1,880	**-**	-
Other payables and accruals	**2,143**	3,403	**883**	781
Borrowings	**1,859**	1,107	**-**	-
Advances received from customers	**46**	2,481	**-**	-
Due to subsidiaries (non-trade)	**-**	-	**155**	167
	5,736	8,871	**1,038**	948
Net current assets/(liabilities)	**3,184**	(2,784)	**4,351**	1,732
Non-current liabilities				
Borrowings	**(2,940)**	(4,000)	-	-
Net assets	**16,933**	5,364	**14,544**	4,457
Equity attributable to the Company's equity holders				
Share capital	**66,824**	62,852	**65,824**	62,852
Capital reserve	**139**	65	**139**	65
Fair value adjustment reserve	**(126)**	(74)	**(126)**	(74)
Accumulated losses	**(49,904)**	(57,479)	**(51,293)**	(58,386)
	16,933	5,364	**14,544**	4,457
Minority interests	**-**	N/m	**-**	-
Total equity	**16,933**	5,364	**14,544**	4,457

"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 2011 S$'000	As at 31 Mar 2010 S$'000
Amount repayable in one year or less or on demand		
Secured[1]	**1,583**	-
Unsecured	**276**	1,107
	1,859	1,107
Amount repayable after one year		
Secured[1]	**2,726**	4,000
Unsecured	**214**	-
	2,940	4,000

Details of any collateral

(1) These are secured against:

- A floating charge on the inventories of a subsidiary of the Company
- An escrow account with a bank of a subsidiary of the Company
- A corporate guarantee from 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	
	4Q2011	4Q2010	**FY2011**	FY2010
	S$'000	S$'000	**S$'000**	S$'000
OPERATING ACTIVITIES				
Profit /(loss) before tax	**1,149**	394	**5,028**	(3,220)
Adjustments for:-				
Allowance for doubtful trade receivables	**15**	23	**15**	23
Amortisation of intangible assets	**336**	337	**1,291**	1,039
Depreciation of plant and equipment	**106**	91	**433**	559
Interest expense -net	**(60)**	384	**285**	737
Gain on disposal of plant and equipment	**-**	(2)	**-**	(2)
Share options expenses	**25**	-	**74**	-
Amount due from customers for contract work written off	**-**	-	**-**	1,900
Loss on disposal of subsidiary	**N/m**	-	**N/m**	-
Operating profit before changes in working capital	**1,571**	1,227	**7,126**	1,036
Changes in working capital				
Inventories	**136**	143	**(108)**	(671)
Trade and other receivables	**(737)**	33	**(1,332)**	(3,510)
Amount due from customers for contract work	**(843)**	713	**(843)**	3,376
Advance receipts	**(31)**	(1,965)	**(2,435)**	1,683
Development expenditure	**(799)**	(728)	**(3,483)**	(2,988)
Available-for-sale financial assets	**-**	(130)	**-**	(130)
Trade and other payables	**257**	1,297	**(1,452)**	(1,211)
Cash (used in)/generated from operations	**(446)**	590	**(2,527)**	(2,415)
Interest received	**-**	-	**-**	-
Income tax paid	**-**	-	**-**	-
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	***(446)***	*590*	***(2,527)***	*(2,415)*
INVESTING ACTIVITIES				
Purchase of plant and equipment	**(167)**	113	**(236)**	(848)
Purchase of computer software	**-**	-	**(9)**	-
Other receivable- non-current	**(84)**	-	**(84)**	-
Proceeds from disposal of plant and equipment	**-**	2	**-**	2
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	***(251)***	*115*	***(329)***	*(846)*

FINANCING ACTIVITIES

Net proceeds from issue of shares	**-**	-	**2,972**	3,686
Proceeds from issue of Redeemable Preference Shares by subsidiary	**1,000**	-	**1,000**	-
Net proceeds from/(repayments of) loans	**235**	(1,042)	**(308)**	1,118
Net cash outflow from disposal of subsidiary	**N/m**	-	**N/m**	-
Interest paid	**60**	(384)	**(285)**	(737)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	***1,295***	*(1,426)*	***3,379***	*4,067*
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**598**	(721)	**523**	806
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**171**	967	**246**	(560)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**769**	246	**769**	246

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	Fair value adjustment reserve	Minority interests	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 April 2010	62,852	(57,479)	65	(74)	N/m	5,364
Issuance of new shares	3,290	-	-	-	-	3,290
Issuance of redeemable preference share	1,000	-	-	-	-	1,000
Share issue expenses	(318)	-	-	-	-	(318)
Share options expenses	-	-	74	-	-	74
Comprehensive income for the year	-	7,575	-	(52)	-	7,523
Balance at 31 March 2011	66,824	(49,904)	139	(126)	-	16,933

	The Group					
	Share capital	Accumulated losses	Capital reserve	Fair value adjustment reserve	Minority interests	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 April 2009	59,166	(54,264)	65	-	N/m	4,967
Issuance of new shares	4,197	-	-	-	-	4,197
Share issue expenses	(511)	-	-	-	-	(511)
Comprehensive loss for the year	-	(3,215)	-	(74)	-	(3,289)
Balance as at 31 March 2010	62,852	(57,479)	65	(74)	-	5,364

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

	The Company				
	Share capital	Accumulated losses	Capital reserve	Fair value adjustment reserve	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 April 2010	62,852	(58,386)	65	(74)	4,457
Issuance of new shares	3,290	-	-	-	3,290
Share issue expense	(318)	-	-	-	(318)
Shares options expenses	-	-	74	-	74
Comprehensive income for the year	-	7,093	-	(52)	7,041
Balance as at 31 March 2011	65,824	(51,293)	139	(126)	14,544

	The Company				
	Share capital	Accumulated losses	Capital reserve	Fair value adjustment reserve	Total
	S$'000	S$'000	S$ '000	S$'000	S$'000
Balance at 1 April 2009	59,166	(56,232)	65	-	2,999
Issuance of new shares	4,197	-	-	-	4,197
Share issue expenses	(511)	-	-	-	(511)
Comprehensive loss for the year	-	(2,154)	-	(74)	(2,228)
Balance as at 31 March 2010	62,852	(58,386)	65	(74)	4,457

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

There was no movement in the share capital of the Company during 4Q2011.

(B) Share options

As at 31 March 2011, there were 120,870,000 outstanding share options issued pursuant to the Company's Employee Share Option Scheme (the "Scheme") which are capable of being exercised into the same equivalent number of shares of the Company (31 March 2010: 12,495,000).

Saved for the above, the Company has no other outstanding convertibles and treasury shares as at 31 March 2011 and 31 March 2010.

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 2011	As at 31 Mar 2010
Total number of issued ordinary shares (excluding treasury shares)	997,905,813	903,905,813

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 2011.

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 preparation of the financial statements for the current financial period as those in the audited annual financial statements for the financial year ended 31 March 2010.

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.

Not applicable.

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 2011 S$'000	As at 31 Mar 2010 S$'000
Net profit/(loss) attributable to shareholders	**7,523**	(3,289)
Earning/(loss) per share		
Basic (Singapore cents)	**0.78 cents[(1)]**	(0.38) cents[(2)]
Diluted (Singapore cents)	**0.69cents[(3)]**	(0.38) cents[(4)]

Notes:

(1) Based on the adjusted weighted average number of 965,456,498 ordinary shares.

(2) Based on the adjusted weighted average number of 873,659,238 ordinary shares.

(3) Based on the adjusted weighted average number of 1,086,326,498 ordinary shares, being the sum of the weighted average number of 965,456,498 and the number of outstanding ESOS options granted under the Addvalue Employee Share Option Scheme as at 31 March 2011.

(4) Based on the adjusted weighted average number of 873,905,813 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.

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 2011 S$'000	As at 31 Mar 2010 S$'000	**As at 31 Mar 2011 S$'000**	As at 31 Mar 2010 S$'000
Net asset value as at end of financial year	**16,933**	5,364	**14,544**	4,457
Net asset value per ordinary share as at the end of financial period/year (Singapore cents)	**1.70 cents[(1)]**	0.59 cents[(2)]	**1.46 cents[(1)]**	0.49 cents[(2)]

Notes:

(1) Based on 997,905,813 issued shares.

(2) Based on 903,905,813 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.

(a) Review of financial performance of the Group for 4Q2011 (relative to that of 4Q2010)

Overview

Addvalue is a world renowned 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 progressive business transformation, Addvalue has emerged to be a leading global developer and manufacturer 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, ineffective or of poor value for money. 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.

Turnover

The Group achieved a record turnover of about S$20.4 million in FY2011 at a commendable growth of about S$8.4 million or 69.3% from about S$12.0 million in FY2010. The marked increase in turnover was attributed mainly to the continued robust sales for a wider range of our Inmarsat-centric land and maritime products since Q32010.

The lower turnover of about S$4.3 million registered for 4Q2011 compared to that of about S$8.0 million attained in 4Q2010 was due mainly to the one-time supply of a large quantity of Sabre^{TM} 1 BGAN Terminals for the Philippines' National Elections held in May 2010.

Profitability

Due principally to changes in turnover, we nearly tripled our annual gross profits from about S$3.7 million in FY2010 to about S$10.0 million in FY2011 while our quarterly gross profit decreased slightly by about 5.4% or S$0.1 million from about S$2.3 million in 4Q2010 to about S$2.2 million in 4Q2011.

The gross profit margin of our Group improved significantly from about 30.8% in FY2010 to about 49.0% in FY2011 and from about 29.2% in 4Q2010 to about 51.4% in 4Q2011 principally as a result of sales with a better mix of higher yielding products,

Our other operating income for FY2011 consists mainly of marketing grants and subsidies from a certain business partner as well as write-off of other payables while that for FY2010 consists mainly of marketing grants and subsidies from a certain business partner as well as gain from foreign currency translation.

Our selling and distribution expenses increased by about S$259,000 from about S$372,000 in FY2010 to about S$631,000 in FY2011, principally as a result of participation in more exhibitions and promotional activities. On a quarterly basis, we incurred higher selling and distribution expense in 4Q2010 relative to 4Q2011 due primarily to stepped-up marketing efforts in 4Q2010.

The increase in administrative expenses over the financial years/periods under review was attributed mainly to increased staff costs and office renovations (in accommodating the additional staff) as well as professional fees incurred.

Due mainly to an impairment of about S$1.9 million 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, a lower other operating expenses was recorded in FY2011 relative to FY2010. As regards the higher other operating expenses registered in 4Q2010 relative to 4Q2011, this was attributed principally to increased travelling expenses and an one-time aggregate expense incurred in connection with laboratory usage and labour charges for testing and customising our Inmarsat-centric Fleetbroadband^{TM} Terminals for commercial implementation.

The credit balance stated in the finance expense for 4Q2011 was due to the fair valuing of the non-current borrowings aggregating about S$0.3 million to present value, which also resulted in the Group registering a lower finance cost for FY2011.

Following from the above, our operating profit improved markedly by about 40% from about S$0.8 million in 4Q2010 to about S$1.1 million in 4Q2011 and reversed dramatically from an operating loss of about S$2.5 million in FY2010 to an operating profit of about S$5.3 million in FY2011 and from a pre-tax loss of about S$3.2 million in FY2010 to a record pre-tax profit of about S$5.0 million in FY2011.

No tax expense was accrued for the financial years/periods under consideration as the Group has a significant amount of unutilised tax losses brought forward available for offset against its future chargeable income subject to compliance with certain provisions of the relevant tax legislation. The tax credits recognised is in respect of tax recoverable(paid in prior years) and deferred tax asset recognised based on unutilised tax losses carried forward that has been agreed by the Inland Revenue Authority of Singapore ("IRAS").

Consequently, our Group increased its net profit by more than ten-fold from about S$0.3 million in 4Q2010 to about S$3.6 million in 4Q2011 and, more startlingly, reversed from a net loss of about S$3.3 million in FY2010 to a record net profit of about S$7.5 million in FY2011. The turnaround in profitability transforms a loss per share of about 0.38 cents in FY2010 to an earnings per share of about 0.78 cents in FY2011.

(b) Review of financial position of the Group as at 31 March 2011 (relative to that as at 31 March 2010)

The decrease in plant and equipment was in line with the continued straight line depreciation policy of the Group.

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

A deferred tax asset was taken up for the first time based on the available unutilised tax losses carried forward agreed with the IRAS for offset against future chargeable income.

The increase in trade receivables was due primarily to finished goods delivered towards the end of 31 March 2011 and the extension of credit terms granted to certain valued customers recently. As at the date of this announcement, about S$1.6 million of the trade receivables had been received by the Group.

The amount due from customers in respect of contract work relates to the cost incurred on the new design contract secured from a customer in FY2011.

The decreases in other receivables, deposits and prepayments were attributed mainly to the reduction in prepayments required by certain of our key vendors as we gained better payment terms from them.

We recorded lower trade payables, other payables and accruals, with payments made as well as advances received from customers following the shipment of products ordered by the customers concerned. As a consequence of which, we registered a negative cash flow used in operations of about S$0.5 million in 4Q2011 and about S$2.5 million in FY2011.

With a view to strengthen the existing balance sheet of the Group, particularly in reversing our negative net tangible asset ("NTA") position to a positive one, for the bidding of imminent design projects (which often come with such a requirement) and for procuring financings from financial institutions (which often deem it as a pre-requisite), the Company, via its wholly-owned subsidiary, Addvalue Communications Pte Ltd ("AVC"), had in 4Q2011 issued 1,000,000 non-cumulative, non-convertible redeemable preference shares at S$1.00 each (the "RPSs") to The Enterprise Fund II Ltd, an existing creditor of AVC. These RPSs are redeemable in whole or in part at a premium of 3% at any time at the option of AVC.

Following the commendable results achieved for FY2011, the issued of 94,000,000 new shares at S$0.035 each in 2Q2011 and the issued of the RPSs in 4Q2011, the Group greatly improved:

- its working capital position which reversed from a negative of about S$2.8 million as at 31 March 2010 to a positive of about S$3.2 million as at 31 March 2011;
- its gearing (defined as the total interest-bearing loans expressed as a percentage of total equity) from about 95.2% as at 31 March 2010 to about 28.3% as at 31 March 2011;
- its NTA position from a negative of about S$5.7 million as at 31 March 2010 to a positive of about S$3.6 million as at 31 March 2011; and
- Its net asset value per share by close to three-fold from about 0.59 cents in FY2010 to about 1.70 cents in FY2011.

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

Not applicable

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

Against sustaining robust demands for our current range of products, we will continue to work closely with world leading satellite operators and our distribution partners to promote, market and distribute these products and expand our distribution networks to further enhance and entrench our global coverage .

Building upon our strengths of technical expertise, we will also continue to develop innovative products and services and, through forging of partnerships, expand our market presence and increase our market shares in the industry. Specifically over the next 12 months, the Group is on track in delivering the following:

New Satellite Communication-related Products in the Development Pipeline

At least two mobile satellite communication terminals are currently under development by the Group and are expected to be commercialised within 2011.

The Group expects to launch its first land vehicular BGAN terminal for a wider market concerning vehicular fleet management, news and broadcasting companies, companies engaging in exploration and expedition activities, rescue and disaster response organisations and military units around the world.

In addressing the increasing needs of even more budget-conscious users, the Group also aims to launch a Thuraya-based terminal at affordable end user price. This product shall be bundled with attractive air time deals offered by Thuraya exclusively to attract users, especially those in South East Asia and East Asia.

Recent Business Development and Prospects of Mobile Satellite Business Opportunities in East Asia

The Group is also in discussion with several communications companies in East Asia to develop satellite terminals suited for the market there. With the Group providing the core modules to these partners, these products will be manufactured by these partners in East Asia.

With a view to seize the immense opportunities avail in the large fishing vessels market in South East Asia and East Asia, the Group has also through its partners provided mobile satellite terminals with specific applications for voice, SMS and data tracking to fishery authorities in this region for actual trials on some fishing vessels. Pending the satisfactory outcome of the test runs, sizable orders for such terminals are expected to be placed with the Group.

We are excited about our prospects and stand ready to exploit them.

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 4Q2011.

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

FY2011	**Europe**	**North America**	**Asia**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Revenue				
Total revenue from external customers	5,338	7,406	7,652	20,396
% Contribution	*26%*	*36%*	*38%*	*100%*
Segment result	2,880	3,753	150	6,783
Unallocated expenses				(1,653)
Other income				183
Finance expense- net				(285)
Profit before tax				5,028
Taxation				2,547
Net profit for the year				7,575
Segment Assets				
By location of customers				
- Segment assets	1,970	1,035	22,604	25,609
By location of assets				
- Segment assets	989	1,000	23,620	25,609
Segment liabilities	758	77	7,841	8,676
Other Information				
Capital expenditure				
- Plant and equipment				245
Depreciation of plant and equipment and amortisation of intangible assets				1,621
Amortisation of computer software				103

FY2010	Europe	North America	Asia	Total
	S$'000	S$'000	S$'000	S$'000
Revenue				
Total revenue from external customers	4,245	1,796	6,005	12,046
% Contribution	*35%*	*15%*	*50%*	*100%*
Segment result	(984)	380	(1,122)	(1,726)
Unallocated expenses				(1,062)
Other income				305
Finance expense				(737)
Loss before tax				(3,220)
Taxation				5
Net loss for the year				**(3,215)**
Segment Assets				
By location of customers				
- Segment assets	1,189	63	16,983	18,235
By location of assets				
- Segment assets	1,189	118	16,928	18,235
Segment liabilities	50	777	12,045	12,872
Other Information				
Capital expenditure				
Plant and equipment				848
Depreciation of plant and equipment and amortisation intangible assets				1,495
Amortisation of computer software				102

(b) By business segments

FY2011	**License and Consultancy** S$'000	**Design Services** S$'000	**Sales** S$'000	**Total** S$'000
Total revenue from external customers	-	1,212	19,184	20,396
% Contribution	*0%*	*6%*	*94%*	*100%*
Segment assets	94	15,281	10,234	25,609
Unallocated assets				-
Total assets				25,609
Unallocated capital expenditure				245
Total capital expenditure				245

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	6,230	18,235
Unallocated assets				-
Total assets				18,235
Unallocated capital expenditure				848
Total capital expenditure				848
Total capital expenditure				848

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 percentage contribution to revenue from North America, which improved from about 15.0% in FY2010 to about 36.0% in FY2011, was attributed mainly to pick-up in demand for two of our products which were primarily marketed there. With our wider range of products standing ready for commercialization, a more balanced share of percentage contribution to revenue from the various geographical regions is expected for FY2012.

By business segments

The percentage contribution to revenue from our design income, which improved from about 1.0% in FY2010 to about 6.0% in FY2011, was mainly due to the award of a new design contract secured from a customer.

15. Breakdown of sales

	The Group	
	FY2011	FY2010
	S$'000	S$'000
(i) Turnover reported for:		
- First half year ended 30 September	**11,990**	1,201
- Second half year ended 31 March	**8,406**	10,844
	20,396	12,045
(ii) Net profit/(loss) reported for:		
- First half year ended 30 September	**3,325**	(3,423)
- Second half year ended 31 March	**4,198**	134
	7,523	(3,289)

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

25 May 2011