

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND FINANCIAL QUARTER AND THE FIRST HALF FINANCIAL YEAR ENDED 30 SEPTEMBER 2016 (“2Q2017” AND “1H2017” RESPECTIVELY) IN RESPECT OF THE FINANCIAL YEAR ENDING 31 MARCH 2017 (“FY2017”)

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF THE FIRST 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

	2Q2017	2Q2016	%	1H2017	1H2016	%
	US\$'000	US\$'000	Change	US\$'000	US\$'000	Change
Revenue	3,897	1,856	110.0	7,316	3,516	108.1
Cost of sales	(2,008)	(1,074)	87.0	(3,855)	(2,068)	86.4
Gross profit	1,889	782	141.6	3,461	1,448	139.0
Other operating income	39	304	(87.2)	70	306	(77.1)
Selling & Distribution expenses	(172)	(200)	(14.0)	(377)	(461)	(18.2)
Administrative expenses	(713)	(667)	6.9	(1,362)	(1,375)	(0.9)
Other operating expenses	(791)	(703)	12.5	(1,538)	(1,491)	3.2
Profit/(loss) from operations	252	(484)	N/m	254	(1,573)	N/m
Finance expenses	(1)	(194)	99.5	(420)	(365)	15.1
Profit/(loss) before tax	251	(678)	N/m	(166)	(1,938)	(91.4)
Taxation	-	-	N/m	-	-	N/m
Net profit/(loss) for the period	251	(678)	N/m	(166)	(1,938)	(91.4)
Other comprehensive income- Exchange differences arising from translation of foreign operations	-	(24)	N/m	-	(24)	N/m
Total comprehensive income/(loss) for the period	251	(702)	N/m	(166)	(1,962)	(91.5)
Attributable to:						
Equity holders of the Company	251	(702)	N/m	(166)	(1,962)	(91.5)
Total comprehensive income for the period	251	(702)	N/m	(166)	(1,962)	(91.5)

“2Q2016” denotes the second financial quarter ended 30 September 2015 in respect of the financial year ended 31 March 2016 (“FY2016”).

“1H2016” denotes the first half financial period ended 30 September 2015 in respect of FY2016.

“% 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					
	2Q2017 US\$'000	2Q2016 US\$'000	%	1H2017 US\$'000	1H2016 US\$'000	%
			Change			Change
Profit before tax has been arrived at after charging/(crediting):						
Depreciation and amortization	607	601	1.0	1,215	1,152	5.5
Inventory written off	62	-	N/m	62	-	N/m
Foreign exchange loss/(gain) (net)	19	(395)	N/m	50	(299)	N/m
Interest expense	1	194	(99.5)	420	302	39.1

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 30 Sep 2016 US\$'000	As at 31 Mar 2016 US\$'000	As at 30 Sep 2016 US\$'000	As at 31 Mar 2016 US\$'000
Non-current assets				
Plant and equipment	809	939	-	-
Subsidiaries	-	-	5,228	5,228
Intangible assets	12,848	12,607	-	-
Deferred tax assets	1,208	1,208	-	-
	14,865	14,754	5,228	5,228
Current assets				
Inventories	3,135	3,703	-	-
Amount due from customers for contract work	334	66	-	-
Trade receivables	1,941	2,181	-	-
Other receivables, deposits and prepayments	590	1,044	35	540
Available-for-sales financial assets	2	2	2	2
Due from subsidiaries (non-trade)	-	-	7,840	747
Fixed deposit	40	40	-	-
Cash and bank balances	108	426	6	1
	6,150	7,462	7,883	1,290
Total assets	21,015	22,216	13,111	6,518
Current liabilities				
Trade payables	1,263	3,768	-	-
Other payables and accruals	1,604	4,178	889	1,874
Provisions	248	250	59	128
Borrowings	42	4,852	-	1,109
Advances received from customers	847	830	-	-
Deferred income	30	40	-	-
Provision for income tax	-	-	-	-
	4,034	13,918	948	3,111
Non-current liabilities				
Borrowings	20	41	-	-
Deferred tax liabilities	-	-	-	-
	20	41	-	-
Total liabilities	4,054	13,959	948	3,111
Net assets	16,961	8,257	12,163	3,407
Equity attributable to the Company's equity holders				
Share capital	66,753	57,881	66,753	57,881
Capital reserve	747	747	-	-
Statutory reserve	8	8	-	-
Foreign currency translation reserve	(8)	-	-	-
Accumulated losses	(50,539)	(50,373)	(54,590)	(54,474)
Total equity	16,961	8,257	12,163	3,407

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

	The Group	
	As at 30 Sep 2016 US\$'000	As at 31 Mar 2016 US\$'000
Amount repayable in one year or less or on demand		
Secured ⁽¹⁾	42	3,743
Unsecured	-	1,109
	42	4,852
Amount repayable after one year		
Secured ⁽¹⁾	20	41
Unsecured	-	-
	20	41

Details of any collateral

(1) The secured borrowings as at 31 March 2016 which were repaid in June 2016 were secured against:

- A floating charge on the inventories and trade receivables of a subsidiary of the Company
- A escrow accounts 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	
	2Q2017 US\$'000	2Q2016 US\$'000
OPERATING ACTIVITIES		
Profit/ (Loss) before tax	251	(678)
Adjustments for:		
Amortisation of intangible assets	518	503
Amortisation of deferred income	(5)	(2)
Depreciation of plant and equipment	89	98
Interest expense	1	194
Unrealised foreign exchange gain	30	(418)
Provision	108	182
Operating profit/(loss) before changes in working capital	992	(121)
<i>Changes in working capital</i>		
Inventories	245	(45)
Trade and other receivables	1,443	641
Amount due from customers for contract work	(119)	(104)
Trade and other payables	(1,434)	(701)
Development expenditure	(693)	(670)
Provisions	(214)	(222)
Advances received from customers	(1,821)	(41)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	(1,601)	(1,263)
INVESTING ACTIVITIES		
Purchase of plant and equipment	(12)	(9)
Purchase of computer software	-	(59)
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(12)	(68)
FINANCING ACTIVITIES		
Repayment of borrowings – net	(416)	(49)
Net proceeds from issue of shares /(share issue expenses)	(1)	-
Repayment to a shareholder	(1)	-
Interest paid	(1)	(109)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(419)	(158)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(2,032)	(1,489)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	2,140	1,692
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	108	203

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					Total
	Share capital	Capital reserve	Statutory reserve	Foreign currency translation reserve	Accumulated losses	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Balance as at 1 April 2016	57,881	747	8	(6)	(50,373)	8,257
Issuance of new shares pursuant to the Rights Issue (as defined below) - net of share issue expenses	8,872	-	-	-	-	8,872
Comprehensive loss for the financial period	-	-	-	(2)	(166)	(168)
Balance as at 30 September 2016	66,753	747	8	(8)	(50,539)	16,961

	The Group					Total
	Share capital	Capital reserve	Statutory reserve	Foreign currency translation reserve	Accumulated losses	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Balance as at 1 April 2015	57,881	747	10	-	(45,664)	12,974
Comprehensive loss for the financial period	-	-	-	(24)	(1,938)	(1,962)
Balance as at 30 September 2015	57,881	747	10	(24)	(47,602)	11,012

	The Company			
	Share capital	Capital reserve	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 April 2016	57,881	-	(54,474)	3,407
Issuance of new shares pursuant to the Rights Issue (as defined below) – net of share issue expenses	8,872	-	-	8,872
Comprehensive loss for the financial period	-	-	(116)	(116)
Balance as at 30 September 2016	66,753	-	(54,590)	12,163

The Company				
	Share capital	Capital reserve	Accumulated losses	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 April 2015	57,881	-	(52,029)	5,852
Comprehensive income for the financial period	-	-	75	75
Balance as at 30 September 2015	57,881	-	(51,594)	5,927

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

	No of shares	US\$'000
Balance as at 1 April 2016	1,187,355,813	57,881
Issue of new shares pursuant to the Rights Issue (as defined below) (net of share issue expenses)	395,785,271	8,873
Balance as at 30 June 2016	1,583,141,084	66,754
Share issue expenses	-	(1)
Balance as at 30 September 2016	1,583,141,084	66,753

Pursuant to a rights issue of 395,785,271 new ordinary shares of the Company (the "Rights Shares") on the basis of one Rights Share for every 3 existing ordinary shares of the Company at an issue price of S\$0.031 each (the "Rights Issue"), the Company allotted and issued the Rights Shares in 1Q2017. The Rights Shares were listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited on 17 June 2016. Save for the Rights Issue, there was no movement in the share capital of the Company during 1Q2017.

Use of the proceeds from the Rights Issue pursuant to Rule 704 (30)

As at the date of this announcement, the net proceeds of about US\$8.9 million (S\$12.0 million) raised from the Rights Issue had been fully utilized, which is in accordance with the intended use of proceeds of the Rights Issue as follows:

Use of Placement proceeds

	US\$ million
Repayment of secured borrowings	3.7
General working capital purposes:	
Payments to trade and other payables	1.7
Payments to suppliers for materials and services	2.2
Payment of administrative expenses, including payroll and other services	1.3
Total amount utilized	8.9

B. Share Options

The Addvalue Technologies Employees' Share Option Scheme approved and adopted by the Company on 24 October 2001 (the "ESOS Scheme") in providing an opportunity for eligible participants of the Group who have contributed to the growth and prosperity of the Group to participate in the equity of the Company had expired on 21 June 2014, with all outstanding options granted under the ESOS Scheme, if not exercised by then, lapsed.

As at 30 September 2016 and 30 September 2015, the Company has neither treasury shares nor outstanding dilutive securities (including share options) which are capable of being converted into the shares of the Company.

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.

	<u>As at 30 Sep 2016</u>	<u>As at 31 Mar 2016</u>
Total number of issued ordinary shares (excluding treasury shares)	<u>1,583,141,084</u>	<u>1,187,355,813</u>

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 has had no treasury shares as at 30 September 2016. Neither were there any sale, transfer, disposal, cancellation and/or use of treasury shares by the Company during 2Q2017.

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 of the audited financial statements for the financial year ended 31 March 2016.

The adoption of new and revised Financial Reporting Standards ("FRS") and the interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on or after 1 April 2016 is not expected to have any significant impact to the Group.

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.

	<u>The Group</u>	
	<u>As at</u>	<u>As at</u>
	<u>30 Sep 2016</u>	<u>30 Sep 2015</u>
	<u>US\$'000</u>	<u>US\$'000</u>
Net (loss)/profit attributable to shareholders	<u>(166)</u>	<u>(1,938)</u>
Earning per share		
Basic (US cents)	<u>(0.01)</u>	<u>(0.16)</u>
Diluted (US cents)	<u>(0.01)</u>	<u>(0.16)</u>

Number of ordinary shares in issue (excluding treasury shares)

Weighted average number of ordinary shares for the purpose of basic earnings per share	1,418,771,245	1,187,355,813
Effect of potentially dilutive ordinary shares – Share options (Note 1)	-	-
	<hr/>	<hr/>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>1,418,771,245</u>	<u>1,187,355,813</u>

Note:

(1) As at 30 September 2016 and 30 September 2015, the Company has neither treasury shares nor outstanding dilutive securities (including share options) which are capable of being converted into the shares of the Company.

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 30 Sep 2016 US\$'000	As at 31 Mar 2016 US\$'000	As at 30 Sep 2016 US\$'000	As at 31 Mar 2016 US\$'000
Net asset value as at end of financial period/year	<u>16,961</u>	<u>8,257</u>	<u>12,163</u>	<u>3,407</u>
Net asset value per ordinary share as at the end of financial period/year (US cents)	<u>1.07⁽¹⁾</u>	<u>0.70⁽²⁾</u>	<u>0.77⁽¹⁾</u>	<u>0.29⁽²⁾</u>

Note:

(1) Based on 1,583,141,084 issued shares.

(2) Based on 1,187,355,813 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

The Company (and together with its subsidiaries, the "Group" or "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, SingTel, Marlink, Satlink, Intellian, Applied Satellite Technology Ltd and Satcom Global.

Addvalue is presently 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 or ineffective. This is particularly so for maritime communications, which rely almost entirely on satellite communications, and Addvalue's products are well suited to address these needs.

Addvalue also offers customised design services, tailored to the unique needs of each of its existing and potential customers, with its total satellite communication solutions derived from its proven technologies, established capabilities as well as strong and tested working relationships with the world leading premier mobile satellite operators.

(a) Review of financial performance of the Group for 2Q2016 (relative to 2Q2015)

Turnover

The turnover of our Group increased by more than 2-fold to US\$3.9 million in 2Q2017 from US\$1.9 million in 2Q2016, attributed largely to improved sales of maritime terminals and provision of design services.

Profitability

Our Group registered a gross profit of US\$1.9 million against a gross profit margin of 48.5% for 2Q2017 relative to a gross profit of US\$0.8 million against a gross profit margin of 42.1% for 2Q2016. The increase in gross profit margin for 2Q2017 relative to 2Q2016 was attributable mainly to increased sales of higher yielding products.

While our selling and distribution expenses continued to decrease by US\$28,000 or 14.0% from US\$200,000 in 2Q2016 to US\$172,000 in 2Q2017, our administrative expenses increased by US\$46,000 or 6.9% from US\$667,000 in 2Q2016 to US\$713,000 in 2Q2017 due mainly to increased manpower costs and our other operating expenses increased by

US\$88,000 or 12.5% from US\$703,000 in 2Q2016 to US\$791,000 in 2Q2017 due mainly to the write-off of inventories as a result of stock obsolescence.

The reduced other operating income recorded in 2Q2017 was attributed mainly to an exchange gain recognised in 2Q2016.

The decrease of our finance expenses in 2Q2017 was attributed mainly to the repayment of borrowings in June 2016 with proceeds from the Rights Issue.

As a result of the above, our Group delivered a turnaround in performance from a net loss of US\$0.7 million in 2Q2016 to a net profit of US\$0.3 million in 2Q2017 while narrowing its net loss from US\$2.0 million in 1H2016 to US\$0.2 million in 1H2017.

(b) Review of financial position of the Group as at 30 September 2016 (relative to that as at 31 March 2016)

The decrease in plant and equipment was attributed mainly to depreciation.

The increase in our intangible assets was attributed mainly to development expenditures as we continue to develop our proprietary products, including new spin-off products, albeit the offset by higher amortisation during the period.

The decrease in inventories was attributed mainly to the deliveries of certain finished products while the decrease in trade receivables was due mainly to payments received from customers.

The higher amount due from customers for contract work as at 30 September 2016 relative to that as at 31 March 2016 was due mainly to further work done for certain contracts which had yet to be billed.

The decrease in other receivables, deposits and prepayments was due mainly to the release of a security deposit in settlement of an account payable in 2Q2017.

The decrease in our trade payables and other payables and accruals were mainly attributed to payments made in 1Q2017.

The decrease in provisions relates mainly to the reclassification of provision for directors' fees to other payables following the procurement of approval for such fees from the Shareholders at the last Annual General Meeting.

The decrease in borrowings was mainly due to the settlement of secured borrowings and short-term loans which matured in 1Q2017.

The increase in share capital was attributed to the Rights Issue which was completed in 1Q2017.

Consequence to the above:

1. the gearing of the Group (defined as the ratio of all interest-bearing loans of the Group to the shareholders' fund of the Group) improved from 59.3% as at 31 March 2016 to 0.4% as at 30 September 2016;
2. the working capital position of the Group reversed to a positive US\$2.1 million as at 30 September 2016 from a negative US\$6.5 million as at 31 March 2016;
3. the net cash flow of the Group used in operations increased from US\$1.3 million in 2Q2016 to US\$1.6 million in 2Q2017; and
4. the net asset value of the Group improved by US\$8.7 million or 105.4% from US\$8.3 million as at 31 March 2016 to US\$17.0 million as at 30 September 2016, with the net asset value per ordinary share improved from 0.70 US cents per share as at 31 March 2016 to 1.07 US cents per share as at 30 September 2016.

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

While the Group is encouraged by its improved performance in 2Q2017, it is also quietly confident that its past efforts in cultivating its two pillars of growth focus, namely the "Emerging Market Focus" and the "Commercial Re-focusing" relating particularly to the sale of its maritime terminals as outlined in para 10 of the Group's announcement dated 5 August 2016 of its results for 1Q2017, are seeing fruition in view of the following developments:

- The gradual pick-up in speed in the modernization of the fishing fleet in the Asian regions, including but not limited to China, which is expected to result largely in a rapid increase in demand for the deployment of our preferred maritime terminals in these fishing vessels; and
- The mushrooming of Satcom-based IoT (Internet-of-Things)/M2M (Machine-to-Machine) projects arising largely from the exigencies of environmental monitoring in remote terrains that are underserved by terrestrial communication services.

Barring any unforeseen circumstances, these developments are expected to contribute significantly to the performance of the Group over the next 12 months, and, notwithstanding the slow down and the uncertainties faced in the present global economy, the Group expects its performance in FY2017 to outperform that of FY2016.

In respect of the Group's efforts in building space design capabilities to tap into the growing and potentially huge market in the Low Earth Orbit (LEO) satellite industry, the continuing Proof-of-Concept in-orbit testing of our IDRS (Inter-Satellite Data Relay System) terminal mounted on VELOX-II, a LEO nano-satellite successfully launched on 16 December 2015, had yielded positive results to date which were very much in line with expectations. These test results will provide valuable data and contribute immensely towards improving the IDRS design fit for commercial purposes. Against the progress made thus far, paving the way towards the commercialization of IDRS services, we have also received strong interests from several leading industrial players to forge partnerships with a view to bring the commercialization of IDRS services to fruition.

With regard to the proposed disposal of the Company's subsidiary, Addvalue Communications Pte Ltd, as first announced by the Company on 25 March 2014 and periodically thereafter on its progress, the latest being on 7 October 2016 (the "Disposal"), as certain conditions to be fulfilled by the buyer to the Disposal (the "Buyer") prior to the signing of the supplemental agreement remain outstanding, the expected completion date of the Disposal remain fluid and cannot be determined with certainty.

While both the Company and the Buyer are committed to use best commercial efforts to reach final agreement and in seeing the transaction through, Shareholders are to note that the Disposal is not to be taken as a done deal or that parties will eventually come to an agreement to proceed with the Disposal.

As the completion of the Disposal is still subject to the fulfillment of many conditions precedent (even with the entry into the supplemental agreement as above-mentioned), there can be no assurance of the completion of the Disposal or, if it were to be eventually completed, as to the length of time required to do so. Hence, Shareholders are advised to exercise caution when dealing in the securities of the Company. Shareholders are further advised to refrain from taking any action in relation to their securities which may be prejudicial to their interests, and to seek appropriate advice from their brokers, bankers, lawyers and other professional advisers.

Aside from the Disposal, the Company has in recent weeks been approached by a few third parties (other than the Buyer), including but not limited to the possible candidate mentioned in the clarification announcement made by the Company on 8 September 2016 to the Singapore Exchange Securities Trading Limited ("SGX-ST"), indicating, on a preliminary basis, their respective intentions to consider taking a significant interest in the Company that may result in a change of control.

The Company, not being exclusively bound to any party, including the Buyer, from discussions and negotiations concerning possible investment interests in the Company, is currently reaching out and/or in discussion with the abovementioned relevant interested parties to clarify their intention and/or ascertain their terms and conditions for their respective investment interests in the Company.

As there is no assurance or certainty that any transaction will materialize from the abovementioned possible corporate developments, Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take, if any. The Company will provide further updates if there is any material development or as and when appropriate.

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 and factors such as general economic and business conditions, including the uncertainties of the pace of recovery of the United States of America economy, continued concerns of the scale of the possible adverse fallouts and their implications on the global scene triggered by the current euro zone debt crisis, inflationary pressures and undue currency movements which will affect the growth in Asia, especially East Asia; change in technology; timing or delay in signing, commencement, implementation and performance of programs, or the delivery of products or services under them or the implementation of the improved air-time package by the satellite operators; structural change in the satellite industry; relationships with customers; competition; and the ability to attract personnel. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses, undue reliance must not be placed on these statements.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share: Nil cents

(ii) Previous corresponding period: Nil cents

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for 2Q2017.

13. If the group has obtained general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate for IPT from the shareholders of the Company has had been sought.

14. Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.

To the best of our knowledge and belief, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the three months ended 30 September 2016 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

For and on behalf of the Board of Directors

Dr Colin Chan Kum Lok
Chairman & CEO

Tan Khai Pang
Director

4 November 2016