NEXT-GENERATION SATELLITE COMMUNICATIONS LIMITED

Co. Reg. No.196400100R

Unaudited Full Year Financial Statements for the Financial Year Ended 31 March 2014

As of the date of this announcement, the statutory audit for the financial year ended 31 March 2013 ("FY2013") and independent audit (as announced on 25 July 2012) of Next-Generation Satellite Communications Limited ("Company") are still in progress and have not been finalised. As such, the comparative figures for FY2013 in this announcement are based on unaudited results as announced on 30 May 2013 and restated in accordance with the announcements released on 23 July 2013 and 27 August 2013. In the event that there are material adjustments arising from the finalisation of the audit for FY2013, the Company will make the appropriate announcement(s) highlighting the variance and the reasons for the discrepancies.

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited Consolidated Statement of Comprehensive Income for the Financial Year Ended 31 March 2014

	Note	Group Financial year ended 31/03/14 (unaudited) S$'000	31/03/13 (unaudited) S$'000	% +/(-)
Revenue	(i)	**3,499**	**2,685**	30
Cost of sales		(1,531)	(1,936)	(21)
Gross profit		1,968	749	162
Other income		38	5	660
Other expense		-	(4,938)	(100)
Distribution costs		(10)	(136)	(93)
Administrative expenses		(2,429)	(3,062)	(21)
Finance expenses, net		(954)	(574)	66
Share of loss of joint venture		(939)	(573)	64
Loss before tax		**(2,326)**	**(8,529)**	(73)
Income tax benefit / (expense)		151	(54)	(380)
Loss for the financial year	(ii)	**(2,175)**	**(8,583)**	(75)
Other comprehensive loss:				
Translation differences arising from consolidation		(722)	(161)	350
Fair value change on available-for-sale financial assets		220	-	n.a.
Total comprehensive loss attributable to equity holders of the Company		**(2,677)**	**(8,744)**	(69)

Note:
n.a. – not applicable
n.m. – not meaningful

1 (a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Group Financial year ended		
	31/03/14	**31/03/13**	**%**
	S$'000	S$'000	+/(-)
(i) Revenue			
Rental income	2,281	2,586	(12)
Interest income on available-for-sale financial assets	1,214	-	n.a.
Satellite communication and data centre service fees	4	99	(96)
	3,499	2,685	30

(ii) Total loss for the financial year is derived after crediting (charging) the following:

Amortisation of intangible asset	(178)	(176)	1
Depreciation of plant and equipment	(1,156)	(1,507)	(23)
Foreign exchange loss, net	(954)	(574)	66
Gain / (Loss) on disposal of plant and equipment	1	(5)	(120)
Interest income	16	5	220
Income tax - current	269	(168)	(261)
Income tax – adjustment for prior year	-	(4)	(100)
Impairment loss on plant and equipment	21	(475)	(104)
Impairment loss on goodwill	-	(163)	(100)
Plant and equipment written off	(15)	(34)	(56)

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.

Balance Sheets as at 31 March 2014	**Group**		**Company**	
	As at 31/03/14 (unaudited)	**As at 31/03/13** (unaudited) (restated)	**As at 31/03/14** (unaudited)	**As at 31/03/13** (unaudited) (restated)
	S$'000	S$'000	S$'000	S$'000
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	145,508	145,508	145,508	145,508
Treasury shares	(1,219)	(1,219)	(1,219)	(1,219)
	144,289	144,289	144,289	144,289
Other reserves				
Capital reserve	(169)	(169)	(169)	(169)
Fair value reserve	220	-	-	-
Translation reserve	(1,357)	(635)	-	-
	(1,306)	(804)	(169)	(169)
Accumulated losses	(54,644)	(52,469)	(70,555)	(69,252)
TOTAL EQUITY	88,339	91,016	73,565	74,868
ASSETS				
Non-current assets				
Plant and equipment	1,688	3,241	13	27
Goodwill	5,019	4,283	-	-
Subsidiaries	-	-	65,670	41,648
Joint venture	50,551	51,485	-	-
Deferred tax asset	266	332	-	-
Intangible asset	1,991	2,140	-	-
Current assets				
Trade receivables	8,202	7,486	-	-
Other receivables, deposits and prepayments	5,598	3,486	2,536	2,546
Due from subsidiaries (non-trade)	-	-	13,622	21,660
Available-for-sale financial assets	22,891	-	-	-
Cash and bank balances	740	27,354	503	10,457
	37,431	38,326	16,661	34,663
TOTAL ASSETS	96,946	99,807	82,344	76,338
LIABILITIES				
Current liabilities				
Trade payables	1,652	1,724	-	-
Other payables and accruals	5,878	5,717	1,096	1,001
Due to subsidiaries (non-trade)	-	-	7,683	-
Income tax payable	1,077	1,350	-	469
	8,607	8,791	8,779	1,470
TOTAL LIABILITIES	8,607	8,791	8,779	1,470
NET ASSETS	88,339	91,016	73,565	74,868

1(b)(i) Balance Sheets as at 31 March 2014 (Cont'd)

Note (1): Cash and bank balances	Group		Company	
	As at 31/03/14 (unaudited)	As at 31/03/13 (unaudited) (restated)	As at 31/03/14 (unaudited)	As at 31/03/13 (unaudited) (restated)
	S$'000	S$'000	S$'000	S$'000
Available for use	1,372	1,835	503	1,049
Restricted [(a)]	-	22,724	-	9,408
Discrepancy [(b)]	(632)	2,795	-	-
	740	27,354	503	10,457

(a) As announced on 5 July 2012, the amount as at 31 March 2013 represents deposits placed with a finance company in Hong Kong (the "**Finance Company**") which is claimed as restricted cash by the Finance Company in its audit confirmation for the financial year ended 31 March 2012 ("**FY2012**").

On 25 June 2013, the Group announced it had entered into an agreement ("**Agreement**") with the Finance Company to set out a framework towards the settlement of funds that were placed with it. Under this framework, the Finance Company transferred the entire issued share capital in Arch Capital Limited ("**Arch**") and Hillgo Asia Limited ("**Hillgo**") to the Group. Arch and Hillgo hold two convertible notes with a total principal value of HK$144.0 million issued by Neo Telemedia Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

(b) As at 31 March 2013, this represents deposits placed with the Finance Company which was not accounted for in the audit confirmations received from it for FY2012. The Group has since received S$2.2 million from the Finance Company in the period up to the financial year ended 31 March 2014. The remaining S$0.6 million was withheld by the Finance Company and intended for the settlement of an invoice for 65 sets of Universal Service Obligation equipment which was purchased under a conditional letter of credit ("**LC**") arrangement provided by the Finance Company to one of the Group's subsidiaries. Pending confirmation that the invoice has been settled, the amount has been recorded as a receivable.

As announced on 25 July 2012, the Group appointed Ernst & Young Advisory Pte Ltd to conduct an investigation into the circumstances surrounding the funds placed with the Finance Company. As at the date of this report, this investigation has yet to conclude.

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/03/14 (unaudited)		As at 31/03/13 (unaudited)	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	S$'000	S$'000	S$'000
-	-	-	-

Amount repayable after one year

As at 31/03/14 (unaudited)		As at 31/03/13 (unaudited)	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	S$'000	S$'000	S$'000
-	-	-	-

Details of any collaterals

Not applicable.

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

	Group Financial year ended 31/03/14 (unaudited) S$'000	 31/03/13 (unaudited) S$'000
Cash flows from operating activities		
Loss before tax	(2,326)	(8,529)
Adjustments:		
Amortisation of intangible asset	178	176
Depreciation of plant and equipment	1,156	1,507
Doubtful debts	-	4,261
Interest income	(16)	(5)
(Reversal of) / Impairment loss on:		
- plant and equipment	(21)	475
- goodwill	-	163
Gain / (Loss) on disposal of plant and equipment	(1)	5
Plant and equipment written off	15	34
Share of loss of joint venture	939	573
Unrealised exchange differences	(124)	158
Operating loss before working capital changes	(200)	(1,182)
Trade receivables	(716)	(1,265)
Other receivables, deposits and prepayments	(1,245)	(1)
Trade payables	(72)	(9)
Other payables and accruals	172	497
Cash used in operations	(2,061)	(1,960)
Income tax paid	-	(4)
Net cash used in operating activities	(2,061)	(1,964)
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash	(24,022)	-
Interest received	16	5
Purchase of plant and equipment	-	(45)
Proceeds from disposal of plant and equipment	8	14
Net cash used in investing activities	(23,998)	(26)
Cash flows from financing activities		
Repayment (to) from related parties (non-trade)	(6)	237
Restricted cash and bank balances from finance company	24,959	-
Repayment from finance company	-	1,281
Net cash from financing activities	24,953	1,518
Net decrease in cash and cash equivalents	(1,106)	(472)
Effects of exchange rate changes in cash and cash equivalents	11	(15)
Cash and cash equivalents at beginning of the financial year	1,835	2,322
Cash and cash equivalents at end of the financial year [(1)]	740	1,835

1(c) Consolidated statement of cash flows (Cont'd)

Note:
(1) Cash and cash equivalents in the consolidated statement of cash flows comprise the following:

	Group	
	As at 31/03/14 (unaudited) S$'000	**As at 31/03/13** (unaudited) S$'000
Cash and bank balances	1,372	27,332
Fixed deposits placed with financial institutions	-	22
Cash and bank balances as stated per balance sheet	1,372	27,354
Less:		
Restricted [(a)]	-	(22,724)
Discrepancy [(b)]	(632)	(2,795)
	632	25,519
Cash and cash equivalents per consolidated statement of cash flows	740	1,835

(a) As announced on 5 July 2012, the amount as at 31 March 2013 represents deposits placed with a finance company in Hong Kong (the "**Finance Company**") which is claimed as restricted cash by the Finance Company in its audit confirmation for the financial year ended 31 March 2012 ("**FY2012**").

On 25 June 2013, the Group announced it had entered into an agreement ("**Agreement**") with the Finance Company to set out a framework towards the settlement of funds that were placed with it. Under this framework, the Finance Company transferred the entire issued share capital in Arch Capital Limited ("**Arch**") and Hillgo Asia Limited ("**Hillgo**") to the Group. Arch and Hillgo hold two convertible notes with a total principal value of HK$144.0 million issued by Neo Telemedia Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

(b) As at 31 March 2013, this represents deposits placed with the Finance Company which was not accounted for in the audit confirmations received from it for FY2012. The Group has since received S$2.2 million from the Finance Company in the period up to the financial year ended 31 March 2014. The remaining S$0.6 million was withheld by the Finance Company and intended for the settlement of an invoice for 65 sets of Universal Service Obligation equipment which was purchased under a conditional letter of credit ("**LC**") arrangement provided by the Finance Company to one of the Group's subsidiaries. Pending confirmation that the invoice has been settled, the amount has been recorded as a receivable.

As announced on 25 July 2012, the Group appointed Ernst & Young Advisory Pte Ltd to conduct an investigation into the circumstances surrounding the funds placed with the Finance Company. As at the date of this report, this investigation has yet to conclude.

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

Unaudited Statement of Changes In Equity for the Financial Year 31 March 2014

Group	**Share capital** S$'000	**Treasury shares** S$'000	**Capital reserve** S$'000	**Fair value reserve** S$'000	**Translation reserve** S$'000	**Accumulated losses** S$'000	**Total Equity** S$'000
Balance at 1 April 2013, restated (unaudited) *	**145,508**	**(1,219)**	**(169)**	**-**	**(635)**	**(52,469)**	**91,016**
Loss for the financial year	-	-	-	-	-	(2,175)	(2,175)
Net fair value changes on available-for-sale financial assets	-	-	-	220	-	-	220
Other comprehensive loss, net of tax	-	-	-	-	(722)	-	(722)
Total comprehensive loss for the financial year	-	-	-	220	(722)	(2,175)	(2,677)
Balance at 31 March 2014 (unaudited)	**145,508**	**(1,219)**	**(169)**	**220**	**(1,357)**	**(54,644)**	**88,339**

Group	**Share capital** S$'000	**Treasury shares** S$'000	**Capital reserve** S$'000	**Fair value reserve** S$'000	**Translation reserve** S$'000	**Accumulated losses** S$'000	**Total Equity** S$'000
Balance at 1 April 2012 (audited)	**145,508**	**(1,219)**	**(169)**	**-**	**(474)**	**(43,886)**	**99,760**
Loss for the financial year	-	-	-		-	(8,583)	(8,583)
Other comprehensive loss, net of tax	-	-	-	-	(161)	-	(161)
Total comprehensive loss for the financial year	-	-	-	-	(161)	(8,583)	(8,774)
Balance at 31 March 2013 (unaudited)	**145,508**	**(1,219)**	**(169)**	**-**	**(635)**	**(52,469)**	**91,016**

Company	**Share capital** S$'000	**Treasury shares** S$'000	**Capital reserve** S$'000	**Accumulated losses** S$'000	**Total Equity** S$'000
Balance at 1 April 2013, restated (unaudited) *	**145,508**	**(1,219)**	**(169)**	**(69,252)**	**74,868**
Loss for the financial year	-	-	-	(1,303)	(1,303
Total comprehensive loss for the financial year	-	-	-	(1,303)	(1,303)
Balance at 31 March 2014 (unaudited)	**145,508**	**(1,219)**	**(169)**	**(70,555)**	**73,565**

Unaudited Statement of Changes In Equity for the Financial Year ended 31 March 2014 (Continued)

Company	Share capital	Treasury shares	Capital reserve	Accumulated losses	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 April 2012 (audited)	**145,508**	**(1,219)**	**(169)**	**(65,839)**	**78,281**
Loss for the financial year	-	-	-	(3,413)	(3,413)
Total comprehensive loss for the financial year	-	-	-	(3,413)	(3,413)
Balance at 31 March 2013 (unaudited)	**145,508**	**(1,219)**	**(169)**	**(69,252)**	**74,868**

* Unaudited results announced on 30 May 2013 and restated in accordance with the announcements released on 23 July 2013 and 27 August 2013.

1(d)(ii) Details of any changes in the 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 the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Issued ordinary shares	Number of shares	
	2014	**2013**
Balance at 1 January and 31 March	6,410,535,828	6,410,535,828

Outstanding convertibles

The Company did not have any outstanding share convertibles as at 31 March 2014 and 31 March 2013.

Treasury shares

Included in the above issued ordinary shares as at 31 March 2014 was 24,200,000 (31 March 2013: 24,200,000) treasury shares held by the Company.

1(d)(iii) To show 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.

Issued ordinary shares	Number of shares	
	As at 31/03/2014	**As at 31/03/2013**
Total number of issued shares excluding treasury shares	6,386,335,828	6,386,335,828

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.

Treasury shares	Number of ordinary shares	
	2014	**2013**
Balance at 1 January and 31 March	24,200,000	24,200,000

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

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

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

There are certain new Financial Reporting Standards ("FRS") that are published and mandatory for accounting periods beginning on or after 1 April 2013. The adoption of these FRS, where applicable, did not have any material impact on the financial statements for the financial year ended 31 March 2014. Apart from this, the same accounting policies and methods of computation have been consistently applied.

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 share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Financial year ended	
	31/03/14	**31/03/13**
	(cents)	(cents)
Loss per share attributable to the equity holders of the Company - basic	(0.03)	(0.13)

As the Company does not have any outstanding share convertibles for the financial years ended 31 March 2014 and 31 March 2013, the diluted loss per share is the same as basic loss per share.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

(a) current financial period reported on; and
(b) immediately preceding financial year

	Group		Company	
	As at 31/03/14 (unaudited) (cents)	**As at 31/03/13** (unaudited) (restated) (cents)	**As at 31/03/14** (unaudited) (cents)	**As at 31/03/13** (unaudited) (restated) (cents)
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares	1.38	1.43	1.15	1.17

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Income Statement

The Group recorded a 30% increase in revenue to S$3.5 million for the year ended 31 March 2014 ("**FY2014**") from S$2.7 million recorded for the year ended 31 March 2013 ("**FY2013**"). This increase was mainly due to S$1.2 million interest income from the convertible notes acquired by the Group pursuant to an Agreement entered into the the Finance Company on 25 June 2013. Revenue from the Group's core Universal Service Obligation ("**USO**") business remained stable year-on-year. However, this revenue is denominated in Indonesian Rupiah ("**IDR**"). Due to unfavourable foreign exchange rates which has seen the IDR depreciate against the Singapore Dollar ("**SGD**"), there was a decrease in revenue from this source, in SGD terms at consolidation into the Group accounts. The Group also experienced a significant reduction in sales activity for its satellite equipment and satellite communication business in FY2014.

The Group booked foreign exchange loss of S$1.0 million in FY2014, against S$0.6 million in FY2013, primarily as a result of the depreciation of IDR against SGD.

Administrative expenses reduced to S$2.4 million in FY2014, from S$3.0 million in FY2013, as a result of lower payroll costs and professional fees.

Other expenses for FY2013 included a provision of doubtful debts in Trade Receivables totalling S$4.2 million, impairment of plant and equipment of S$0.5 million and an impairment of goodwill of S$0.2 million for the Group's data centre business in Indonesia. No significant Other expenses was incurred in FY2014.

In FY2014, the Group wrote back S$0.5 million in tax over-provided for in prior years, and consequently booked an income tax benefit of S$151,000 compared to an income tax expense of S$54,000 for FY2013.

Overall, the Group posted a reduced net loss of S$2.7 million for FY2014, compared to net loss of S$8.7 million in FY2013

Balance Sheet

As at 31 March 2014, goodwill was higher at S$5.0 million, compared to S$4.3 million as at 31 March 2013, mainly due to the completion of acquisition of Arch and Hillgo which were transferred by the Finance Company to the Group pursuant to the Agreement entered with the Finance Company on 25 June 2013.

Available-for-sale financial assets of S$22.9 million as at 31 March 2014 reflects the fair value of the two convertible notes held by Arch and Hillgo. This is a slight increase of S$0.2 million since 31 December 2013.

As at 31 March 2014, plant and equipment stood at S$1.7 million, down from S$3.2 million the year before, mainly due to the depreciation of assets amounting to S$1.1 million and a S$0.4 million difference in the translation of IDR-denominated assets into SGD.

Other receivables, deposit and prepayments increased from S$3.5 million as at 31 March 2013 to S$5.6 million as at 31 March 2014, mainly due to a S$0.8 million interest income receivable from the convertible notes, S$0.6 million receivable from the Finance Company and another S$0.6 million receivable from directors of a subsidiary. As previously stated, the S$0.6 million recognized as receivable from the Finance Company relates to amounts withheld by the said company for the settlement of an invoice for 65 sets of Universal Service Obligation equipment which was purchased under an LC arrangement provided by it to one of the Group's subsidiaries. Pending confirmation that the invoice has been settled, the amount has been recorded as a receivable.

With respect to the S$0.6 million receivable from directors of a subsidiary, funds had been transferred out from the Company's accounts to the accounts of the directors of a subsidiary in December 2014. The directors had effected this as a result of an outstanding dispute arising prior to the acquisition of the subsidiary by the Group. As the Group has not been able to accurately determine the balance in the subsidiary's bank account, it has adopted a prudent approach of fully impairing the known balance, and recognizing this as a receivable from the directors of the subsidiary.

Investigations into this matter were initiated in the first quarter of 2014 and are at present on-going. The Company will provide further updates to shareholders when available.

The share of losses from the Group's joint-venture project also resulted in the decline in the net carrying value of joint ventures.

Cash Flow

For the financial year ended 31 March 2014, the Group received S$0.9 million from the Finance Company and S$0.8 million interest from the convertible notes of Arch and Hillgo. The Group has paid S$24.0 million for the acquisition of Arch and Hillgo through the settlement framework as set out in the Agreement entered with the Finance Company.

The Group's cash and cash equivalents as at 31 March 2014 was S$0.7 million.

Update of Watch-List Status

As at the date of this announcement, the Company is on the watch-list (the "**Watch-List**") pursuant to Rule 1311 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Under Rule 1314 of the Listing Manual of the SGX-ST, an issuer on the Watch-List may apply to the SGX-ST for its removal from the Watch-List if it satisfies any one of the following requirements:-

(1) the issuer records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts, excluding exceptional or non-recurrent income and extraordinary items) and has an average daily market capitalisation of $40 million or more over the last 120 market days on which trading was not suspended or halted. For the purpose of this rule, trading is deemed to be suspended or halted if trading is ceased for the full market day; or

(2) the issuer satisfies the SGX-ST Mainboard admission criteria, either under Rule 210(2)(a) or Rule 210(2)(b).

SGX-ST had on 1 December 2010 granted to the Company an extension until 1 June 2012, to meet the requirements to exit the Watch-List (which are set out under Listing Rule 1314) based on the Company's audited FY2012 results.

The Company will update the shareholders on its Watch-List status as and when appropriate.

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

The current announced results are in line with the prospect statement in the results announcement for the financial period ended 31 December 2013 and the subsequent announcements released by the Group.

10. A commentary at the date of the announcement of the significant trends and 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.

The Group's core Universal Service Obligation business is expected to contribute a steady recurring income going forward. However, the translation effects of the IDR to SGD as the Group's functional currency will have a negative impact on overall revenue should the IDR continue its weakening trend. The challenging operating environment in Indonesia has led to key customers maintaining a tight rein on their spending, which resulted in leaner margins. This has in turn affected the Group's bottom-line performance.

The Group has on 13 January 2014 entered into a sale and purchase agreement ("**SPA**") with C Media Limited (the "**Vendor**"), the parent company of Mobile Media (China) Limited with whom the Company entered into a non-binding term sheet as per announcement dated 6 August 2013, for the proposed acquisition of 75% of the paid-up capital ("**Sale Shares**") of Star Chariot Limited ("**Star**") by the Company from the Vendor for an aggregate purchase consideration of S$27.6 million. The Company is currently working closely with the Vendor to complete the acquisition and will update the shareholders on this as and when appropriate.

Going forward, the Group's priority is to manage its costs and improve operational efficiency while seeking growth opportunities in the telecommunication/satellite businesses in the PRC and the region.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended) – None.

(b) (i) Amount per share – Not applicable.

(ii) Previous corresponding period - Not applicable.

(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 5.00pm) 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 (recommended) for the financial year ended 31 March 2014.

13. If the Group has obtained a 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.

The Company did not seek nor obtain a shareholders' general mandate for interested person transactions.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. 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.

Segment Information – Geographical Segment

2014

	Indonesia	Hong Kong	People's Republic of China	Others	Group
	$'000	$'000	$'000	$'000	$'000
Revenue					
External sales	2,285	1,214	-	-	3,499
Segment results					
Profit (loss) from operations	29	1,540	2	(2,042)	(471)
Finance expenses					(954)
Other income					38
Other expenses					-
Share of loss from joint venture			(939)		(939)
Loss before income tax					(2,326)
Income tax expense					151
Loss after tax					(2,175)
Segment assets	19,069	23,997	50,551	3,063	96,680
Unallocated assets					
- Deferred tax assets					266
Consolidated total assets					96,946
Segment liabilities					
Unallocated liabilities	1,338	1,184	-	5,008	7,530
- Income tax payable					1,077
Consolidated total liabilities					8,607
Non-current assets	8,951	-	50,551	13	59,515
Other segment items					
Capital expenditure	-	-	-	-	-
Depreciation of property, plant and equipment	1,127	-	-	29	1,156
Investment in joint venture	-	-	50,511	-	50,511

Segment Information – Geographical Segment (Cont'd)

2013

	Indonesia	Hong Kong	People's Republic of China	Others	Group
	$'000	$'000	$'000	$'000	$'000
Revenue					
External sales	2,621	-	-	64	2,685
Segment results					
Profit (loss) from operations	443	(4,275)	(52)	(3,503)	(7,387)
Finance expenses					(574)
Other income					5
Share of loss from joint venture			(573)		(573)
Profit before tax					(8,529)
Income tax expense					(54)
Profit after tax					(8,583)
Segment assets	21,582	13,377	51,485	13,031	99,475
Unallocated assets					
- Deferred tax assets					332
Consolidated total assets					99,807
Segment liabilities					
Unallocated liabilities	1,407	1,165	-	4,869	7,441
- Income tax payable					1,350
Consolidated total liabilities					8,791
Non-current assets	9,969	-	51,485	27	61,481
Other segment items					
Capital expenditure	28	-	-	17	45
Depreciation of property, plant and equipment	1,450	-	-	57	1,507
Investment in joint venture	-	-	51,485	-	51,485

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

Please refer to preceding paragraph 8.

16. A breakdown of sales as follows:

	Group Financial Year ended		
	31/03/14 (unaudited) S$'000	**31/03/13** (unaudited) S$'000	**%** +/(-)
Sales reported for first half year	1,627	1,429	14
Operating loss after tax before deducting minority interests reported for first half year	(2,343)	(2,622)	(11)
Sales reported for second half year	1,872	1,256	31
Operating profit (loss) after tax before deducting minority interests reported for second half year	168	(5,961)	(97)

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

	Group Financial year ended	
	31/03/14 (unaudited) S$'000	31/03/13 (unaudited) S$'000
Ordinary	-	-
Preference	-	-
Total	-	-

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

There is no person occupying managerial position in the Company or any of the Company's principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company during the financial year ended 31 March 2014.

By Order of the Board
Next-Generation Satellite Communications Limited

Lam Ah Seng @ Lam Pang Chuang
Chief Executive Officer

30 May 2014