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## FUNDS PLACED WITH A CERTAIN FINANCE COMPANY IN HONG KONG

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*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings in the Company's announcements dated 5 July 2012, 25 June 2013 and 31 October 2014.*

The Board of Directors (the "**Board**") of Next-Generation Satellite Communications Limited (the "**Company**") refers to the announcement dated 31 October 2014 in relation to the above matter, and wishes to update Shareholders that the Special Committee (comprising two Independent Directors of the Company, Mr Lye Meng Yiau and Mr Edward Fu) has completed its review and assessment, on the basis of the E&Y Report, on:

- (i) the extent of any damage caused to the Company arising from the matters highlighted in the E&Y Report; and
- (ii) the appropriate action (including any legal action if deemed appropriate) that the Company should take to address the matters highlighted in the E&Y Report, as well as any additional measures to be implemented to address the weaknesses and lapses in the internal controls and corporate governance procedures of the Company,

and has made the following recommendations to the Board:

1. that the issue of appropriate legal action arising out the matter be deferred to be reconsidered by the Board at a later date when the loss to the Company and its subsidiaries VIP (HK) Limited ("**VIP**") and Star Light Telemedia DC Limited's ("**Star Light**") is determined (but it should be noted that any such action must be commenced by July 2018);
2. that Board considers engaging Hong Kong legal advisors to explore the prospects of obtaining documents and evidence (if any) from parties in Hong Kong, including Niaga Finance Company Limited ("**Niaga**"), Hady Hartanto ("**Hady**"), Sri Tjintawati Hartanto ("**Ptjin**"), and/or Chan Fung Ling (aka Patty Chan) ("**Patty**") for the purposes of determining the true circumstances of the transfers of the approximately S\$24.0m from the Company and its subsidiaries VIP and Star Light's accounts with Niaga and for the purposes thereafter to consider and determine whether there was any wrongdoing on Hady, Ptjin, and/or Patty's parts and whether legal action against them is appropriate in the event of loss determined as having been suffered by the Company and its subsidiaries VIP and Star Light; and
3. that the executive directors of the Company be directed to undertake a review of the operating processes of the Company to ensure that proper internal controls are put in place in respect of the operation of the bank accounts and facilities of the Company, including the keeping of proper records thereof. In this regard, the Special Committee has noted that the Company already engaged Ernst & Young Advisory Pte Ltd ("**E&Y**") to undertake a gap assessment to identify, among others, the areas of improvement in respect of its processes, and that E&Y had already issued a report and on this basis, the Special Committee's recommendation is that the Company should seek to adhere to the recommendations made in such report.

The Board has on 12 August 2015 adopted the above recommendations made by the Special Committee, and will update Shareholders upon any further action taken by the Board.

**By Order of the Board**  
**Next-Generation Satellite Communications Limited**

Ku Vicente S.  
Managing Director  
12 August 2015