



**Unaudited Third Quarter Financial Statements for the Financial Period Ended 31 December 2016**

As of the date of this announcement, the statutory audit for the financial year ended 31 March 2016 ("FY2016") of Next-Generation Satellite Communications Limited ("Company") is still in progress and has not been finalised.

As such, the comparative figures for FY2016 in this announcement are based on unaudited results for the third quarter ended on 31 December 2015 which was announced on 5 February 2016 and restated in accordance with the announcement released on 29 November 2016 arising from the completion of the statutory audit for the financial year ended 31 March 2015. In the event that there are material adjustments arising from the finalization of the audit for FY2016, the Company will make the appropriate announcement(s) highlighting the variance and the reason 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 Period Ended 31 December 2016**

	Note	Group Nine months ended			Group Third quarter ended		
		31/12/2016	31/12/2015	%	31/12/2016	31/12/2015	%
		(unaudited)	(unaudited) (restated)		(unaudited)	(unaudited) (restated)	
		S\$'000	S\$'000	+ / (-)	S\$'000	S\$'000	+ / (-)
<b>Revenue</b>	(i)	-	<b>920</b>	(100)	-	<b>29</b>	(100)
Cost of sales		(4)	(159)	(97)	(4)	(45)	(91)
<b>Gross profit/(loss)</b>		<b>(4)</b>	<b>761</b>	(101)	<b>(4)</b>	<b>(16)</b>	(75)
Other income	(ii)	786	2	100	189	1	100
Administrative expenses		(3,379)	(2,337)	45	(2,475)	(825)	200
Finance expenses, net		523	(165)	n.m.	242	428	(43)
Share of loss of joint venture		(1,003)	(1,091)	(8)	(261)	(473)	(45)
<b>Loss before tax</b>		<b>(3,077)</b>	<b>(2,830)</b>	9	<b>(2,309)</b>	<b>(885)</b>	161
Income tax expense		-	(152)	(100)	-	(5)	(100)
<b>Loss for the financial period</b>	(iii)	<b>(3,077)</b>	<b>(2,982)</b>	3	<b>(2,309)</b>	<b>(890)</b>	159
<b>Other comprehensive income/(loss):</b>							
Currency translation differences arising from consolidation		583	595	(2)	729	(497)	n.m.
Net fair value loss on available for sale financial asset		410	3	100	408	(1)	n.m.
<b>Total comprehensive loss attributable to equity holders of the Company</b>		<b>(2,084)</b>	<b>(2,384)</b>	(13)	<b>(1,172)</b>	<b>(1,388)</b>	(16)

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

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

	Group			Group		
	31/12/2016 (unaudited) S\$'000	31/12/2015 (unaudited) (restated) S\$'000	% + / (-)	31/12/2016 (unaudited) S\$'000	31/12/2015 (unaudited) (restated) S\$'000	% + / (-)
<b>(i) Revenue</b>						
Interest income on available-for-sale financial assets	-	920	(100)	-	29	(100)
<b>(ii) Other income</b>						
Interest income	786	2	100	189	1	100
<b>(iii) Total profit/(loss) for the financial period is derived after crediting /(charging) the following:</b>						
Depreciation of plant and equipment	(12)	(32)	(63)	3	7	(57)
Foreign exchange, net	523	(162)	n.m.	242	431	(44)
Income tax - current	-	(152)	(100)	-	(5)	(100)

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31/12/2016 (unaudited) S\$'000</b>	<b>As at 31/3/2016 (unaudited) (restated) S\$'000</b>	<b>As at 31/12/2016 (unaudited) S\$'000</b>	<b>As at 31/3/2016 (unaudited) (restated) S\$'000</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	145,508	145,508	145,508	145,508
Treasury shares	(1,219)	(1,219)	(1,219)	(1,219)
	<u>144,289</u>	<u>144,289</u>	<u>144,289</u>	<u>144,289</u>
<b>Other reserves</b>				
Capital reserve	(169)	(169)	(169)	(169)
Fair value reserve	735	325	-	-
Foreign currency translation reserves	2,212	1,629	-	-
	<u>2,778</u>	<u>1,785</u>	<u>(169)</u>	<u>(169)</u>
Accumulated losses	(97,115)	(94,038)	(97,992)	(96,684)
<b>TOTAL EQUITY</b>	<u>49,952</u>	<u>52,036</u>	<u>46,128</u>	<u>47,436</u>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Plant and equipment	10	22	8	20
Goodwill	735	735	-	-
Subsidiaries	-	-	57,863	57,863
Joint ventures	30,645	31,798	-	-
<b>Current assets</b>				
Trade receivables	310	294	-	-
Other receivables, deposits and prepayments	3,307	3,303	2,138	2,154
Due from subsidiaries (non-trade)	-	-	2,167	1,064
Available-for-sale financial assets	-	24,645	-	-
Cash and bank balances	24,360	646	24,328	112
	<u>27,977</u>	<u>28,888</u>	<u>28,633</u>	<u>3,330</u>
<b>TOTAL ASSETS</b>	<u>59,367</u>	<u>61,443</u>	<u>86,504</u>	<u>61,213</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	482	455	-	-
Other payables and accruals	7,369	7,482	1,728	2,227
Due to subsidiaries (non-trade)	-	-	38,648	11,550
Income tax payable	1,564	1,470	-	-
	<u>9,415</u>	<u>9,407</u>	<u>40,376</u>	<u>13,777</u>
<b>TOTAL LIABILITIES</b>	<u>9,415</u>	<u>9,407</u>	<u>40,376</u>	<u>13,777</u>
<b>NET ASSETS</b>	<u>49,952</u>	<u>52,036</u>	<u>46,128</u>	<u>47,436</u>

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

**Amount repayable in one year or less, or on demand**

<b>As at 31/12/16</b> (unaudited)		<b>As at 31/03/16</b> (unaudited)	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

**Amount repayable after one year**

<b>As at 31/12/16</b> (unaudited)		<b>As at 31/03/16</b> (unaudited)	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
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		Group	
	31/12/2016 (unaudited)	31/12/2015 (unaudited) (restated)	31/12/2016 (unaudited)	31/12/2015 (unaudited) (restated)
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Loss before tax	(3,077)	(2,830)	(2,309)	(871)
Adjustments:				
Depreciation of plant and equipment	12	32	3	7
Interest income	(786)	-	(189)	-
Share of loss of joint venture	1,003	1,091	261	466
Unrealised foreign exchange differences	(226)	304	120	(216)
Operating loss before working capital changes	(3,074)	(1,403)	(2,114)	(614)
Other receivables, deposits and prepayments	(4)	(1,014)	621	(571)
Trade payables	-	355	-	355
Other payables and accruals	(145)	2,039	(529)	1,038
Cash used in operations	(3,223)	(23)	(2,022)	208
Interest received	786	-	189	-
Net cash (used in)/from operating activities	(2,437)	(23)	(1,833)	208
<b>Cash flows from financing activities</b>				
Advances from related parties	32	-	32	(16)
Redemption of convertible notes	26,119	-	26,119	-
<b>Net cash generated from/(used in) financing activities</b>	<b>26,151</b>	<b>-</b>	<b>26,151</b>	<b>(16)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>23,714</b>	<b>(23)</b>	<b>24,318</b>	<b>192</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>646</b>	<b>277</b>	<b>42</b>	<b>62</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>24,360</b>	<b>254</b>	<b>24,360</b>	<b>254</b>

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 Period ended 31 December 2016**

<u>Group</u>	Share capital	Treasury shares	Capital reserve	Fair value reserve	Translation reserve	Accumulated losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 April 2016, (unaudited) (restated)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>325</b>	<b>1,629</b>	<b>(94,038)</b>	<b>52,036</b>
Loss for the financial period	-	-	-	-	-	(3,077)	(3,077)
Other comprehensive income/(loss), net of tax	-	-	-	410	583	-	993
Total comprehensive income/(loss) for the financial period	-	-	-	410	583	(3,077)	(2,084)
<b>Balance at 31 December 2016 (unaudited)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>735</b>	<b>2,212</b>	<b>(97,115)</b>	<b>49,952</b>
	Share capital	Treasury shares	Capital reserve	Fair value reserve	Translation reserve	Accumulated losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 April 2015, (unaudited) (restated)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>327</b>	<b>1,710</b>	<b>(90,208)</b>	<b>55,949</b>
Loss for the financial period	-	-	-	-	-	(2,982)	(2,982)
Other comprehensive income, net of tax	-	-	-	3	595	-	598
Total comprehensive income/(loss) for the financial period	-	-	-	3	595	(2,982)	(2,384)
<b>Balance at 31 December 2015 (unaudited) (restated)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>330</b>	<b>2,305</b>	<b>(93,190)</b>	<b>53,565</b>

## Unaudited Statement of Changes In Equity for the Financial Period ended 31 December 2016

<u>Company</u>	<u>Share capital</u>	<u>Treasury shares</u>	<u>Capital reserve</u>	<u>Accumulated losses</u>	<u>Total Equity</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 April 2016, (unaudited) (restated)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>(96,684)</b>	<b>47,436</b>
Loss for the financial period	-	-	-	(1,308)	(1,308)
Total comprehensive loss for the financial period	-	-	-	(1,308)	(1,308)
<b>Balance at 31 December 2016 (unaudited)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>(97,992)</b>	<b>46,128</b>

  

	<u>Share capital</u>	<u>Treasury shares</u>	<u>Capital reserve</u>	<u>Accumulated losses</u>	<u>Total Equity</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 April 2015, (unaudited) (restated)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>(94,173)</b>	<b>49,947</b>
Loss for the financial period	-	-	-	(1,912)	(1,912)
Total comprehensive loss for the financial period	-	-	-	(1,912)	(1,912)
<b>Balance at 31 December 2015 (unaudited) (restated)</b>	<b>145,508</b>	<b>(1,219)</b>	<b>(169)</b>	<b>(96,085)</b>	<b>48,035</b>

**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

	<u>Number of shares</u>	
	<u>31/12/2016</u>	<u>31/03/2016</u>
Balance at 1 April and 31 December	6,410,535,828	6,410,535,828

### Outstanding convertibles

The Company did not have any outstanding share convertibles as at 31 December 2016 and 31 March 2016.

### Treasury shares

Included in the above issued ordinary shares as at 31 December 2016 was 24,200,000 (31 March 2016: 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.**

	<u>As at 31/12/2016</u>	<u>As at 31/03/2016</u>
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.**

<u>Treasury shares</u>	<b>Number of ordinary shares</b>	
	<b>2016</b>	<b>2015</b>
Balance at 1 April and 31 December	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.**

The Group has applied accounting policies and method of computation in the financial statements for the current reporting period consistent with those of the audited financial statements for the year ended 31 March 2015 as per announcement dated 29 November 2016.

**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.**

	<b>Group</b>		<b>Group</b>	
	<b>Half year ended</b>	<b>Half year ended</b>	<b>Second quarter ended</b>	<b>Second quarter ended</b>
	<b>31/12/2016</b>	<b>31/12/2015</b>	<b>31/12/2016</b>	<b>31/12/2015</b>
	<b>(cents)</b>	<b>(cents)</b>	<b>(cents)</b>	<b>(cents)</b>
		<b>(restated)</b>		<b>(restated)</b>
Loss per share attributable to the equity holder of the Company	(0.03)	(0.04)	(0.02)	(0.02)

As the Company does not have any outstanding share convertibles for the third quarter ended 31 December 2016 and 31 December 2015, the diluted profit / (loss) per share is the same as basic profit/ (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 31/12/2016 (unaudited) (cents)	As at 31/03/2016 (unaudited) (cents) (restated)	As at 31/12/2016 (unaudited) (cents)	As at 31/03/2016 (unaudited) (cents) (restated)
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares	0.78	0.81	0.72	0.74

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.**

#### **Statement of Comprehensive Income**

The Group did not generate any revenue for the third quarter ended 31 December 2016 ("3QFY17") in view of the waiver of interest income from the convertible notes extended to the issuer with effect from 5 October 2015. This waiver was in consideration for the issuer's consent to the order issued by the Court of Hong Kong on 6 January 2016. The announcement on the waiver of interest income was made by the Group on 8 January 2016.

Other income of S\$0.8 million was mainly derived from the accrued interest income of 8% per annum on the convertible notes, being the order issued by the Court of Hong Kong on 13 June 2016 as announced by the Group. The interest income is accrued from the date of the order till full repayment is made by Neo Telemedia Limited ("NEO").

Administrative expenses increase from S\$2.3 million in third quarter ended 31 December 2015 ("3QFY16") to S\$3.4 million in 3QFY17 mainly due to the professional fee incurred resulted from the successful redemption of the available-for-sale financial assets on 2 November 2016.

The Group recognised a foreign exchange gain of S\$0.5 million in 3QFY17 compared to a foreign exchange loss of S\$0.1 million 3QFY16 due to the strengthening of Hong Kong Dollar ("HKD") against the Singapore Dollar ("SGD").

Taking the above into account, the Group recorded slightly higher net loss of S\$3.0 million for 3QFY17 compared to a net loss of S\$2.98 million in 3QFY16.

## Statement of Financial Position

As at 31 December 2016, the value of plant and equipment amounted to S\$10,000, compared to S\$22,000 as at 31 March 2016. This was due to the depreciation charged of S\$12,000 during the period.

Included in other receivables, deposits and prepayments is an amount due from related company, Ban Joo Investment amounted to S\$2.1 million. The amount is loan in nature, unsecured, interest free and repayable on demand.

Available-for-sale financial assets of S\$24.6 million as at 31 March 2016 has been reclassified to cash and bank balances due to the successful redemption of the available-for-sale financial assets with the principal amount of HK\$144 million amounted to approximately S\$26 million. The announcement of the successful redemption was made by the Group on 2 November 2016.

The share of loss from the Group's joint-venture project also resulted in a decrease in the net carrying value of joint ventures as at 31 December 2016.

Other payable and accruals mainly consist of deferred liabilities, provision for directors' fee and accruals amounting to approximately S\$4.3 million, S\$1.3 million and S\$0.7 million respectively.

The slight increase in income tax payable mainly was due to the translation difference between Indonesia Rupiah ("IDR") and Hong Kong Dollar ("HKD") against SGD due to the tax payables arising from IDR and HKD foreign denominated subsidiaries.

## Statement of Cash Flow

The Group's cash and cash equivalents as at 31 December 2016 stands at S\$24 million.

## Update of Watch-List Status

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

- (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).

The Company has, in November 2014, made an application to SGX-ST for a further extension to meet the requirements to exit the Watch-List and will update the shareholders on this 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.**

Not applicable.

**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.**

On 17 January 2017, the Group has entered into a joint venture with Dongyi Management Limited (“DongYi”) to jointly incorporate a company in Singapore known as NGSC Capital Pte.Ltd. (“NGSC Capital”) (the “Joint Venture”).

On 27 January 2017, the Group clarified that only the suit by the plaintiff against the Company in Singapore has been discontinued and concluded, while the suit by the Plaintiff against the Company in Hong Kong as announced on 28 November 2014 remains on-going. In this regard, the Group has received an amended writ of claim on 24 January 2017. The Group intends to take all appropriate steps to vigorously contest the legal actions in Hong Kong.

**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 period ended 31 December 2016.

**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.

**14. Confirmation that the issuer has procured undertaking from all of its directors and executive officers (in the format as set out in Appendix 7.7) under Rule 720 (1).**

Yes.

By Order of the Board  
Next-Generation Satellite Communications Limited

Ku Vicente S.  
Managing Director and Chief Executive Officer

13 February 2017



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**Unaudited Third Quarter Financial Statements for the Financial Period Ended 31 December 2016**

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**CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED FOR THE ANNOUNCEMENT OF UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2016**

We, Ku Vicente S. and Andrew Coulton, being Directors of the Company, do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited consolidated financial results for the third quarter ended 31 December 2016 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Ku Vicente S.  
Managing Director and  
Chief Executive Officer

Andrew Coulton  
Non-executive Non-Independent Chairman

13 February 2017