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SATELLITE DEVICES CORPORATION

衛科創業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8172)

POSTPONEMENT OF DESPATCH OF CIRCULAR

References are made to the announcements (the “Announcements”) dated 25 November 2005 and 19 December 2005 made by Satellite Devices Corporation (the “Company”).

The Company announces that the despatch of the Circular will be further postponed pending, among other things, additional time is required to collate and compile further information relating to HKR, in particular the business performance including brief discussion about HKR’s financial performance in the past track record period. The Directors believe that this will allow the Shareholders better understanding of the Proposed Acquisition. The Company has applied to the Stock Exchange for a waiver from the strict compliance with Rule 19.38 of the GEM Listing Rules by extending the despatch date of the Circular from 25 January 2006 to a date falling on or before 7 March 2006.

References are made to the announcements (the “Announcements”) dated 25 November 2005 and 19 December 2005 made by Satellite Devices Corporation (the “Company”). Terms used herein shall bear the same respective meanings as those defined in the Announcements unless the context requires otherwise.

POSTPONEMENT OF DESPATCH OF CIRCULAR

A circular of the Company (the “Circular”) containing, among other things, further details of (i) the Loan Capitalisation; (ii) the Proposed Capital Reorganisation; (iii) the Proposed Open Offer; (iv) the Proposed Acquisition; (v) the letter of advice from the Independent Board Committee to the Independent Shareholders in respect of the Proposed Open Offer; (vi) the letter of advice from the independent financial adviser to the Independent Board Committee and Independent Shareholders in respect of the Proposed Open Offer; and (vii) a notice of EGM which was re-scheduled to be despatched to the Shareholders on or before 25 January 2006.

Given that additional time is required to collate and compile further information relating to HKR, in particular the business performance including brief discussion about HKR's financial performance in the past track record period, the Directors believe that this will allow the Shareholders better understanding of the Proposed Acquisition. As such, the Directors consider that the despatch of the Circular has to be postponed and the Company has applied to the Stock Exchange for a waiver from the strict compliance with Rule 19.38 of the GEM Listing Rules by extending the despatch date of the Circular from 25 January 2006 to a date falling on or before 7 March 2006

By order of the board of
Satellite Devices Corporation
Leung Tak Wah
Executive Director

25 January 2006, Hong Kong

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lo Mun Lam, Raymond, Mr. Leung Tak Wah and Ms. Yu Wai Yin, Vicky; and three independent non-executive Directors, namely Mr. Liu Kwong Sang, Mr. Sum Chun Ho and Mr. Lum Pak Sum.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. the information contained in this announcement is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this announcement misleading; and 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will be published on the Company's website and will remain on the GEM website on the "Latest Company Announcement" page for at least 7 days from the date of publication.