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SATELLITE DEVICES CORPORATION

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8172)

RESULTS OF THE OPEN OFFER

The Directors are pleased to announce that as at 4:00 p.m. on Tuesday, 18 July 2006, being the latest time for acceptance and payment of the Offer Shares, 41 valid applications for assured allotment of the Offer Shares have been received for subscription of an aggregate of 71,903,279 Offer Shares (representing approximately 18.20% of the total number of 395,101,116 Offer Shares), and 253 valid applications for excess Offer Shares have been received for subscription of an aggregate of 126,488,131 excess Offer Shares (representing approximately 32.01% of the total number of 395,101,116 Offer Shares). An aggregate of 198,391,410 Offer Shares and excess Offer Shares were applied for, representing approximately 50.21% of the total number of 395,101,116 Offer Shares offered under the Open Offer. Based on the results above, the Open Offer was undersubscribed.

The Open Offer, which was underwritten on a fully underwritten basis, had become unconditional at 4:00 p.m. on Friday, 21 July 2006. Based on the results above, the Open Offer was undersubscribed by 196,709,706 Offer Shares which have been placed by the Underwriter to 9 independent third parties who are not connected with the Company and its connected persons (as defined under the GEM Listing Rules) and not concert parties of the Company (as shown in the section headed "Shareholding Structure"). To the best knowledge of the Underwriter, no new substantial shareholder are introduced as a result of the Open Offer.

Share certificates for the Offer Shares will be despatched to those Qualifying Shareholders who have validly applied and paid for the Offer Shares and excess Offer Shares, at their own risk, on Tuesday, 25 July 2006. Dealings in the Offer Shares will commence on Thursday, 27 July 2006.

Reference is made to the announcement dated 25 November 2005 and the prospectus dated 3 July 2006 (the “Prospectus”) of Satellite Devices Corporation (the “Company”) in relation to, among other things, the Open Offer. Capitalised terms used herein shall have the same meanings as defined in the Prospectus unless otherwise stated.

Pursuant to the Open Offer, the Qualifying Shareholders were entitled to (i) apply for the Offer Shares with assured allotments at the price of HK\$0.065 per Offer Share on the basis of three Offer Share for every New Share held on the Record Date; and (ii) apply for excess Offer Shares at the price of HK\$0.065 per Offer Share.

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As regards the 253 valid applications for excess Offer Shares received and accepted for a total of 126,488,131 excess Offer Shares, in view of the Open Offer is undersubscribed, the Directors resolved to allocate and allot, from among the Offer Shares not taken up under the provisional allotments, to each applicant all the excess Offer Shares for which they had been validly applied.

All subscription monies for the Open Offer have been received by the Company as at the date of this announcement.

SHAREHOLDING STRUCTURE

To the best knowledge of the Directors, the shareholding structure of the Company immediately before and after completion of the Open Offer is as follows:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
Arcon	58,408,800	44.35%	58,408,800	11.09%
Creditor	13,517,172	10.26%	13,517,172	2.56%
Public:				
(i) Underwriter	0	0.00%	0	0.00%
(ii) Independent third parties procured by the Underwriter	0	0.00%	196,709,706	37.34%
(iii) Other Shareholders	59,774,400	45.39%	258,165,810	49.01%
Total	<u>131,700,372</u>	<u>100%</u>	<u>526,801,488</u>	<u>100.00%</u>

Note:

1. Independent third parties and Other Shareholders, who are not connected with the Company and its connected persons (as defined under the GEM Listing Rules) and are not concert parties of the Company, are shareholders other than Arcon and their concert parties and their respective associates.

DESPATCH OF SHARE CERTIFICATES AND COMMENCEMENT OF DEALINGS IN OFFER SHARES

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This announcement is made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

By Order of the Board
Satellite Devices Corporation
Leung Tak Wah
Company Secretary

Hong Kong, 24 July 2006

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Messrs. Lo Mun Lam, Raymond, Leung Tak Wah and Ms. Yu Wai Yin, Vicky; and three independent non-executive directors, namely Messrs. Wan Kwok Pan, Sum Chun Ho, and Lum Pak Sum.

This announcement, for which the directors of the Company 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 of the Company, 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 GEM website on the “Latest Company Announcement” page for at least 7 days from the date of publication.