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- **ADDVALUE INKED FOLLOW-ON IDRS AIRTIME SERVICE AGREEMENT WITH A PREMIER GLOBAL SATELLITE SERVICE COMPANY (THE “CUSTOMER”) TO PROVIDE IDRS AIRTIME SERVICE VIA ITS IDRS TERMINALS TO BE SHIPPED UNDER THE SUPPLY AGREEMENT PREVIOUSLY SIGNED**
 - **THE SUPPLY AGREEMENT AND AIRTIME SERVICE AGREEMENT COLLECTIVELY ARE ESTIMATED TO YIELD ADDVALUE RECURRING ANNUAL REVENUES EXCEEDING US\$40 MILLION SUBSEQUENT TO FULL DEPLOYMENT OF THE CUSTOMER’S MULTI-LEO SATELLITE CONSTELLATION**
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Reference is made to the announcement made by Addvalue Technologies Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) on 25 April 2018 concerning the first major commercial Inter-Satellite Data Relay System (“**IDRS**”) contract which the Group has entered into with a premier global satellite service company (the “**Customer**”) (the “**Previous Announcement**”).

Unless otherwise defined herein, all capitalized terms used in this announcement shall bear the same meanings as those ascribed in the Previous Announcement

The Board of Directors of the Company (the “**Board**”) is pleased to announce that, subsequent to the first major IDRS contract which the Group has had entered with the Customer for the customized design and supply of IDRS Terminals to be installed on the Customer’s multi-LEO satellite constellation with a view to provide enhanced data gathering services (i.e. real-time on-demand IDRS communication services) for its clients in the near future (as announced in the Previous Announcement) (the “**Supply Agreement**”), the Group has, as a follow-on, entered into an airtime service agreement with the Customer for the provision of its enhanced data gathering services to its clients (the “**Service Agreement**”). Pursuant to the Service Agreement, the Group, in partnership with Inmarsat Inc, is contracted to provide the Customer with the IDRS airtime service until at least 2026.

Due to commercial sensitivity and the Group’s non-disclosure undertaking to the Customer, the Group is unable to provide more details about the Customer at this juncture. More details about the Customer shall be furnished once the Group is absolved of its non-disclosure undertaking to the Customer.

Barring any unforeseen circumstances and unexpected delay in the delivery of any LEO satellite for the Customer’s multi-LEO satellite constellation and depending on the actual level of IDRS airtime usage by the end-users of the Customer’s enhanced real-time on-demand IDRS communication services, the Supply Agreement (for the supply of IDRS Terminals) and the Service Agreement (for the provision of IDRS airtime service) collectively are estimated to yield recurring annual revenues exceeding US\$40 million to the Group, subsequent to the full deployment of the Customer’s multi-LEO satellite constellation with each LEO satellite of the constellation to be mounted with the Group’s IDRS Terminal and in service. With the Customer’s multi-LEO satellite constellation expected to be progressively scaled up in stages, the delivery for the IDRS Terminals, pursuant to the Supply Agreement, is scheduled to commence in 2018. The Group is presently not aware of any competition to the IDRS airtime service which it will be providing to the Customer.

Save for their respective interests held through the Company, none of the Directors of the Company has any interest in either the Supply Agreement or the Service Agreement.

CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY

While the Company has committed resources and time to grow the emerging IDRS business, Shareholders and investors are to note that as this is the world first commercial IDRS service business, the Group has relied on the Customer's estimates on end users requirements and there is no certainty or assurance that the Group will be successful in venturing into the emerging IDRS business.

Accordingly, Shareholders and investors are advised to exercise caution when dealing in the securities of the Company and refrain from taking any action in relation to their securities which may be prejudicial to their interests. If in doubt about the actions that they should take, Shareholders and investors should consult their stockbrokers, bank managers, solicitors, accountants or any other professional advisers.

BY ORDER OF THE BOARD

Dr Colin Chan Kum Lok
Chairman and CEO

7 June 2018