

## NEWS RELEASE



### ADDVALUE TECHNOLOGIES LTD

Company Registration Number: 199603037H

## Addvalue raises S\$13.1 million<sup>1</sup> war chest to accelerate its growth plans and commercialisation of IDRS business

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- Combination of equity and debt raised swiftly from an established venture investment firm and accredited investors in less than three weeks validates the Group's intrinsic potential
  - Injection of fresh capital will strengthen the Group's balance sheet, improve cash flow and optimise overall cost of capital
  - Propels the Group into a high growth trajectory pivoted on *Commercial Refocusing* and *Emerging Market Focus* transformation strategy
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**Singapore, 2 May 2017** – Singapore Exchange Mainboard-listed Addvalue Technologies Ltd ("Addvalue"), a leading player in the mobile satellite communications industry, has successfully raised a S\$13.1 million war chest to accelerate its growth plans and commercialisation of the world's first Inter-Satellite Data Relay System (IDRS) services.

Through a combination of equity and debt, the funds were raised swiftly in less than three weeks from an established venture investment firm, renowned and astute accredited investors, underlining the intrinsic potential identified in Addvalue.

**Dr Colin Chan Kum Lok, Chairman and CEO of Addvalue** remarked, "*We are encouraged by the vote of confidence endorsed by the investors, majority of which had initiated ownership in us via the share placement and subsequently the convertible loan. The injection of fresh capital will strengthen our balance sheet, improve our cash flow and optimise our overall cost of capital. Underpinned by this financial rejuvenation, the Group shall be gearing up for a high growth trajectory ahead in accordance to its business transformation strategy pivoted on **Commercial Refocusing** and **Emerging Market Focus**.*"

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<sup>1</sup> Inclusive of a S\$2.0 million investment to be subscribed by an established venture investment firm in the form of exchangeable bonds in wholly-owned subsidiary of the Group, Addvalue Innovation Pte. Ltd., where in-principle understanding has been reached and is pending final agreement.

The **Commercial Refocusing** refers to enhancing the value add to customers by taking a more holistic approach. Instead of just selling the hardware equipment, the Group is poised to offer bundled applications and hardware as a variety of solution packages, thereby strengthening the resiliency of its revenue models.

In the **Emerging Markets**, the Group is keenly pursuing three broad segments – Machine-to-Machine (M2M) market driven by the confluence of satellite communications and Internet-of-Things (IoT) technologies, the small vessels market where the vessels in the fisheries industry are underserved in satellite communications and applications and the world's first Inter-Satellite Data Relay System (IDRS) services.

At present, the Group has the Capability Development Programme for Space which houses its proprietary offerings such as the IDRS services. To crystallise efforts, the Group had initiated discussions with various industrial players to work towards the commercialisation of its IDRS services. The innovative IDRS service solves a constraint faced currently by Low Earth Orbit (LEO) satellite operations and the validation came in February this year where a memorandum of understanding was inked with UK-listed satellite telecommunications company, Inmarsat to provide the world first commercial on-demand 24/7 inter satellite communications link services to enhance LEO satellite operations.

**Dr Colin Chan** added, *"Our transformation is taking shape and is well received by our business partners who are playing key and pivotal roles in the new paradigm shifts. We are encouraged by the flow of interests for the solutions we plan to roll out soon. In particular, the interest for our unique IDRS solutions far exceeds our expectation and we shall spare no effort in accelerating the commercialisation of our IDRS business where we have a first mover advantage to capture the new found market share."*

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*This press release should be read in conjunction with the company announcements published on SGXNet on 12 and 29 April 2017.*

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**About Addvalue Technologies Ltd. ([www.addvaluetech.com](http://www.addvaluetech.com))**

*Addvalue Technologies Ltd (A31) a SGX Mainboard-listed company, is a leading one-stop digital, wireless and broadband communications technology products innovator, which provides state-of-the-art satellite-based communication terminals and solutions for a variety of voice and IP based data applications.*

*Addvalue is presently a leading global developer and supplier of mobile satellite terminals supporting coverage provided by premier mobile satellite communication system operators. These terminals are an ideal choice for communications in areas around the world where terrestrial networks are non-existent, or ineffective. This is particularly so for maritime communications, which rely almost entirely on satellite communications, where Addvalue's marine communications terminals are well suited.*

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