

NEWS RELEASE

ADDVALUE REPORTS IMPROVED PRE-TAX PROFIT OF S\$1.1 MILLION FOR 1HFY2009

- *Gross Profit Margin rises to 55%*
- *Net Asset Value Per Share increases 13.3% to 1.11 cents*
- *Balance Sheet set to substantially benefit from S\$94.6 million cash investment to be injected from international fund, Pytheas*

Singapore, November 14, 2008 – SGX Main Board-listed Addvalue Technologies Ltd (“Addvalue” or the “Company”), a leading provider of satellite communication, tracking and telemetry solutions and digital wireless design services, today announced a 8.0% increase in pre-tax profit to S\$1.1 million for its half year ended September 30, 2008 (“1HFY2009”) from S\$1.0 million in 1HFY2008, against a revenue of S\$4.6 million for 1HFY2009 compared to that of S\$5.5 million for 1HFY2008.

This decline in revenue is mainly attributable to higher product sales in fulfilling backlog orders in 1HFY2008, as it was the maiden year in which the Company’s portable BGAN¹ terminals were launched. In addition, Addvalue’s planned diversion of some of its resources to develop proprietary technologies in enhancing its competitive edge also contributed to the drop.

As a consequence of which, the Company registered a 10.0% decrease in gross profit to S\$2.7 million in 1HFY2009 from S\$3.0 million in 1HFY2008. Notwithstanding the lower gross profit, gross profit margin improved by 2 percentage points to 55% due to tighter cost controls.

¹ The Broadband Global Area Network (“BGAN”), a satellite-based network service run by London-listed Inmarsat plc and the world’s first mobile communications service to provide both voice and broadband data simultaneously via a portable device on a global basis

“We are, at present, the only supplier of land portable Broadband Global Area Network (“BGAN”) terminals in Asia. BGAN has placed us in good stead with its excellent growth prospects encompassing a long product life cycle as well as high barriers of entry. In line with our strategy to transform ourselves into a leading global player in satellite communication, we have invested a part of our resources, while tightening cost control, into intensifying certain product development for maritime applications. We are seeking to capitalise on the high-growth global satellite industry by harnessing our niche satellite communication expertise to also roll out new and innovative products and solutions in the satellite communication arena.

“With the impending S\$94.6 million cash investment from our strategic investor, Pytheas², which we announced earlier this month, we expect our balance sheet to be substantially fortified, going forward. We are excited about the immense growth opportunities ahead of us that will enable us to improve shareholders’ value,” said Dr Colin Chan, Chairman and CEO of Addvalue.

The Company’s administration expenses fell 23.4% to S\$507,000 in 1HFY2009 due to sustained efforts at cost containment, which the Company embarked on three years ago. The Company’s distribution and promotion costs also decreased 74.6% to S\$106,000 in 1HFY2009 as it shifted its reliance to its distributors for product sales from Company staff.

Other operating expenses increased 8.9% to S\$928,000 in 1HFY2009 as a result of higher depreciation following the purchase of additional software and computers.

Overall, profit from operations improved 19.8% to S\$1.4 million in 1HFY2009 from S\$1.2 million in 1HFY2008.

The Company had, on September 29, entered into an Investment Agreement with Pytheas (Cyprus) Ltd, part of the Pytheas conglomerate, a premier international investment management organisation, in which Pytheas will, subject to certain pre-completion conditions, invest up to S\$94.6 million in cash consideration in Addvalue,

² Pytheas (Cyprus) Ltd

and will be the largest shareholder in the Company with up to 51.56% equity stake.

Prospects and Growth Plans

The Company will continue to grow its revenue streams through the design and supply of spin-off products using its BGAN design platform as well as through the cultivation of new airtime service in the satellite communications arena.

The Company also has plans to expand its product portfolio to support other satellite operators, such as Thuraya Satellite Telecommunications Company (“Thuraya”).

Addvalue intends to continue its focus on and enrich its three business divisions:

BGAN-related Business

Land BGAN

The Company is currently expanding the Land BGAN to include a higher speed terminal (Class 1 BGAN terminal) for the media and government markets. Currently, Addvalue is in the process of developing a land mobile version for in-vehicle applications.

Maritime BGAN

The Company had entered into a contract with Satlink S.L. in February 2008 to design and supply a FB250 maritime BGAN terminal which will be enriched with voice and broadband data access features. This partnership has since progressed to the product-testing phase. Barring any unforeseen delay, the Company expects the product to be ready for commercialisation by the first calendar quarter of 2009.

The Company had also recently secured another contract with Inmarsat plc (“Inmarsat”) for the design and supply of a FB150 maritime BGAN terminal (a scaled down version of the FB250 maritime BGAN terminal). Barring any unforeseen delay, the Company expects the product to be ready for commercialisation by the third calendar quarter of 2009.

Other Satellite Communication-related Business

To capitalise on its expertise in the satellite communication technology, Addvalue plans to continue seeking out lucrative satellite design and supply related businesses.

The Company had in June 2008 announced its partnership with Thuraya to develop a low cost maritime phone and a satellite-based tracking product to cater to cost-sensitive users in the fisheries and small leisure boats markets. Barring any unforeseen delay, the product is expected to be ready for commercialisation by the first calendar quarter of 2009.

The Company also expects to sell satellite airtime, through bundling with its satellite terminals, as part of its business model, and has put in place service programs for both the Inmarsat BGAN network and Thuraya satellite network. These services are expected to provide a stable recurring revenue source for the Company.

Tracking & Telemetry and Digital Design Service

In September 2008, Addvalue had entered into an agreement with Stratos Global Corp (“Stratos”) for the exclusive global marketing by Stratos of the Company’s Sabre™ Ranger at a guaranteed minimum annual sales volume. The Sabre™ Ranger is Addvalue’s customised BGAN solution for SCADA (Supervisory, Control And Data Acquisition) applications to cater to the energy and utility markets for the monitoring of fields and pipelines.

The Company expects the agreement with Stratos to have a positive impact on its revenue, going forward.

“With our proven modular and scalable technology platforms as well as growth strategies firmly in place, barring any unforeseen circumstances, delay in the completion of the Investment Agreement with Pytheas, further deterioration of the prevailing conditions in the financial markets and the worsening of the risk of a

prolonged global recession, we are cautiously optimistic about our performance for the financial year ending March 31, 2009,” concluded Dr Chan.

About Addvalue Technologies Ltd

Headquartered in Singapore, Addvalue Technologies Ltd 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 wide variety of voice and IP-based data applications. Addvalue has established itself as a key partner to many major players in the satellite communication industry, counting amongst its customer base internationally-renowned leaders such as Inmarsat, Thuraya, Stratos, Vizada, SingTel and Satlink

Addvalue is currently one of the only three authorised global developers-cum-suppliers, and the only one in Asia, of the portable Broadband Global Area Network (BGAN) satellite terminal. The terminal operates on a satellite infrastructure, run by London-listed Inmarsat plc, which facilitates connectivity anywhere in the world. BGAN is an ideal choice for communication in areas where terrestrial or cellular networks are damaged, congested or non-existent.

About Pytheas (Cyprus) Ltd

Pytheas (Cyprus) Ltd, incorporated in the Republic of Cyprus in 2005, is 99%-owned by Dr Harris A. Samaras and 1%-owned by Pytheas (Holding) Limited, a company incorporated in Luxembourg.

Engaged in the business of investment management, Pytheas (Holding) Limited, together with its affiliates (collectively, the “Pytheas Conglomerate”), is a premier international investment management organization focusing on emerging markets and economies-in-transition. It also has regional offices in New York, London, Nicosia and Dubai. The Pytheas Conglomerate owns shares in more than 130 entities, encompassing a vast and diverse array of industries such as banking, insurance, real estate, hospitality, energy, petrochemical, environment, agriculture

and fishery. The Pytheas Conglomerate also manages an investment portfolio of about US\$1.7 billion.

Pytheas (Holding) Limited, the parent company of the Pytheas Conglomerate, is 54%-owned by Dr Harris A. Samaras.

***Note to the Editor:**

BGAN is the world's first mobile communications service to provide both voice and broadband data simultaneously via a portable device on a global basis. It is a mobile satellite service that uses portable, lightweight terminals to provide simultaneous, high-speed data (up to 492 kbps) and voice connectivity anywhere in the world, making it an ideal choice for communications in areas where terrestrial or cellular networks are damaged, congested, or non-existent. Used in various sectors and by various parties such as military, NGO agencies and media organisations, BGAN provides versatile usage and excellent growth prospects with its long product life cycle as well as high barriers of entry.

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