MEDIA RELEASE

Artivision and MC Payment advance RTO plans, execute conditional sale and purchase agreement

- Artivision has executed a conditional sale and purchase agreement dated 27 April 2018 ("**SPA**") to acquire a 100% stake in Mobile Credit Payment Pte. Ltd. ("**MC Payment**" and together with its subsidiaries, the "**MCP Group**")
- The acquisition shall be satisfied in full by the allotment and issuance of up to 446,428,570 new Consolidated Shares ("**Consideration Shares**") at a post-Share Consolidation issue price of S$0.28 per Consideration Share
- The successful acquisition of MC Payment will result in a reverse takeover ("**RTO**") and transform Artivision into the first listed blockchain and unified payments enabler in Singapore

Singapore, 2 May 2018 – SGX Catalist-listed Artivision Technologies Limited (the "Company" or "Artivision", and together with its subsidiaries, the "Group") announced today that it has entered into a conditional SPA with MC Payment, an established home-grown blockchain and unified payments enabler, to acquire the entire issued and paid-up share capital and convertible bonds of MC Payment from its shareholders and bondholders (the "**Proposed Acquisition**").

*Save as defined herein, all capitalised terms shall bear the same meanings as ascribed to them in the aforesaid announcement (the "**RTO Announcement**").*

Details of the Proposed Acquisition

In conjunction with the Proposed Acquisition, the Company proposes to undertake a consolidation of all its Shares on the basis of every 20 existing Shares into one consolidated share ("**Consolidated Share**") (the "**Share Consolidation**").

The consideration for the Proposed Acquisition constitutes the following:

(i) a consideration of up to S$80.0 million for the purchase of sale shares held by the shareholders of MC Payment ("**Base Consideration**");

(ii) an amount of up to S$20.0 million, being the Additional Consideration; and

(iii) a consideration of up to S$25.0 million in respect of the acquisition of iFashion Group Pte. Ltd. ("**iFashion**" and together with its subsidiaries, the "**iFashion Group**") by MC Payment between the dates of the Heads of Agreement (the "**HOA**") and the SPA,

(collectively, the "**Total Consideration**").

The Total Consideration shall be satisfied via the issuance and allotment of up to 446,428,570 Consideration Shares at the post-Share Consolidation issue price of S$0.28 per Consideration Share (or S$0.014 per Share on a pre-Share Consolidation basis) ("**Issue Price**").

The Total Consideration was determined at arm's length on a willing-buyer willing-seller basis, taking into account, amongst others, the value of the MCP Group to be expressed in the report of an independent valuation to be commissioned by the Company on the valuation of the MCP Group prior to completion of the RTO to be equivalent to or more than S$80.0 million, the Additional Funds Raised and the iFashion Consideration, as well as the fact that the Proposed Acquisition is subject to a number of conditions as laid out in the RTO Announcement.

Mr. Ching Chiat Kwong ("**Mr. Ching**"), a controlling Shareholder of Artivision, has agreed to acquire all of the Company's outstanding convertible bonds ("**Company Bonds**") and options ("**Company Options**") from their respective holders, and to enter into an agreement with the Company for the redemption of all of the Company Bonds, in consideration of the Company's issuance and allotment to Mr. Ching of 100,000,000 new Consolidated Shares ("**Settlement Shares**") at an issue price of S$0.005 for each Share (on a pre-Share Consolidation basis) or S$0.10 for each Settlement Share (on a post-Share Consolidation

basis) ("**Proposed Settlement Arrangements**"), with the aggregate issue price equivalent to S$10.0 million.

The Proposed Settlement Arrangements will enable the Company to reduce its liabilities for the purpose of undertaking the Proposed Acquisition and provide the Vendors with assurance that they are entering into a partnership with a supportive major Shareholder, who will bring additional value to the Group and the MCP Group following Completion, and has the capacity to provide financial support through the conversion of the Company Options at exercise prices above the Issue Price of the Consideration Shares.

Mr. Ching currently holds 395,068,911 Shares as at the date of this press release, representing an interest of approximately 22.0% in the existing issued and paid-up share capital of the Company. Pursuant to the Proposed Settlement Arrangements, Mr. Ching's aggregate interest will be approximately 18.7% of the enlarged share capital of the Company immediately upon completion of the Proposed Acquisition and the allotment and issuance of the Settlement Shares, the Consideration Shares and the Consolidated Shares in satisfaction of the Sponsor Equity Fee, but prior to the exercise of the Company Options, and will remain as a controlling Shareholder.

Update on MC Payment

MC Payment is a veteran in the payments business with more than a decade of experience in electronic payment solutions in the Asia Pacific region, providing services to over 2,000 merchants. Over the last two years, MC Payment also included blockchain enabled solutions into its suite of proprietary offerings, remaining at the forefront of mobile and digital payments. Since the announcement of the HOA in October 2017, MC Payment has acquired 51.0% of the iFashion Group in December 2017. iFashion is a cutting edge retail enabler supporting more than 20,000 lifestyle and fashion brands in areas such as manufacturing, online-to-offline ("**O2O**") solutions, e-commerce, events, leasing, marketplaces and sales. The acquisition aims to leverage on MC Payment's foresight and understanding of the electronic payment solutions landscape, and iFashion's vast retail network, strong commercial acumen and appeal to millennial consumers.

In February 2018, MC Payment also partnered with Sakae Holdings, an established Food and Beverage ("**F&B**") restaurant operator, to develop a custom blockchain to launch Southeast Asia's first F&B digital token, "Bitecoin". Bitecoin is a decentralised digital token which aims to use the Ethereum blockchain technology to enable swift, reliable and secure transactions in the F&B industry.

Looking to the Future

On the Proposed Acquisition, **Mr Kenneth Goh, Executive Director and Chief Executive Officer of Artivision,** commented, *"We are glad to embark on new path which will allow our shareholders to participate in a fintech business with expansive potential. MC Payment is one of the earliest fintech firms in Singapore and the move towards cashless payments in Singapore and the region presents prospects for significant long-term growth. We are proud that we can be a part of the evolution that will change the landscape of transactions in the region."*

Mr Anthony Koh, Founder and Chief Executive Officer of MC Payment, said, *"The proposed RTO is extremely meaningful in providing us greater access to the broader investor community, and in raising our profile and our propensity to achieve greater heights in our next phase of growth.*

The payments market remains largely fragmented and the trend to simplify and integrate payment solutions especially in industries with high transaction environments is growing stronger.

We have a scalable infrastructure of O2O solutions and core competencies to create novel financial technologies which put us in a unique position to capitalise on the rising adoption of cashless payments in the region. Driven by the changing needs of the consumers, we have commenced several exciting projects with established names in the consumer industry, which include the use of blockchain technology to provide greater efficiency and convenience for both consumers and merchants.

Together with our partners and strategic investors, we are confident that we have the reach, experience and technical expertise to bring customer-centric propositions that will drive revenue growth and substantially enhance the payments landscape in the region."

Mr. Ching Chiat Kwong, controlling shareholder of Artivision, added, *"The proposed RTO remains a valuable growth opportunity which will give shareholders the optimism they have been looking for. As a major shareholder and a veteran in business development, I am enthusiastic on my role in providing strategic guidance to navigate the Company towards its next level of development. With the collective experience and a renewed strategic direction, I am positive of the prospects that lie ahead and I look forward to a bright future for the Company."*

End

This press release should be read in conjunction with the RTO Announcement that is concurrently posted on the SGXNet.

About Artivision Technologies Limited

Artivision, founded in 2004 and headquartered in Singapore, was listed on the Catalist board of the Singapore Exchange in 2008.

For more information, kindly refer to http://www.arti-vision.com/

About Mobile Credit Payment Pte Ltd

Founded in Singapore in 2005, MC Payment is an established provider for electronic payment solutions in Asia Pacific. It is both a payment technology and merchant service company that supports the end-to-end value-chain of commerce transactions, ranging from suppliers and merchants to consumer payments.

As a pioneer omni-channel and omni-payment provider in Southeast Asia and Oceania, MC Payment also included blockchain enabled solutions into its suite of payment solutions, remaining at the forefront of the mobile and digital payments while supporting merchants with traditional online and in-person payments.

MC Payment is an award-winning payment provider which has won numerous prestigious awards including, Singapore SME 1000 Company, Emerging 2014, SME One Asia Awards 2014, Singapore Prestige Award 2015 - Established Brand.

For more information, kindly refer to http://mcpayment.com/

Issued for and on behalf of Artivision Technologies Limited and Mobile Credit Payment Pte. Ltd.

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