

PRESS RELEASE



ADDVALUE’S TYPE-APPROVED ALL-IN-ONE IP-BASED SATELLITE BROADBAND TERMINAL, EMBEDDED WITH ITS PROPRIETARY VESSEL MONITORING SYSTEM SOLUTIONS, MAKES A MAIDEN FORAY INTO THE CONTROLLED REGULATORY FISHERIES SUSTAINABILITY MARKET OF THE PACIFIC OCEAN, THROUGH A NEWLY FORGED CO-OPERATION WITH CTTIC SHANGHAI, A UNIT UNDER THE CHINA MINISTRY OF TRANSPORT, TO CAPTURE A SIZABLE SHARE OF THE ADDRESSABLE MARKET COMPRISING MORE THAN 4,000 VESSELS, WITH:

- AT LEAST US\$2 MILLION IN TERMINAL SALES EXPECTED TO BE GENERATED WITHIN THE NEXT 24 MONTHS; AND
- AT LEAST US\$1 MILLION IN RECURRING SOLUTION/AIRTIME SUBSCRIPTION REVENUE EXPECTED TO BE GENERATED ANNUALLY UPON THE GARNERING OF A MARKET SHARE OF 30%

Singapore, 10 August 2020 - Singapore Exchange Mainboard-listed Addvalue Technologies Ltd (“**Addvalue**”), a leading player in the mobile satellite communications industry, announced that its wholly-owned subsidiary, Zhongxin Chuangzhi Technologies (Beijing) Ltd Corp. (“**ZXCZ**”), has entered into a sales agreement with CTTIC Shanghai Co Ltd (“**CTTIC-Shanghai**”), a subsidiary under China Transportation and Telecommunications Information Center (which is an organization under the China Ministry of Transport) and an exclusive service provider of Inmarsat plc (“**Inmarsat**”) in China, to make a maiden foray into the controlled Regulatory Fisheries Sustainability Market of the Pacific Ocean via the roll out and sales of Addvalue’s all-in-one Internet Protocol (“**IP**”)-based satellite broadband terminals (the “**Addvalue iFleetONE-VMS™ Terminals**”), embedded with Addvalue’s proprietary Vessel Monitoring (“**VMS**”) solution which has been type-approved separately by each of the Pacific Islands Forum Fisheries Agency (“**FFA**”) and Western and Central Pacific Fisheries Commission (“**WCPFC**”) (the “**Addvalue Type-Approved VMS Solution**”), to the China-registered fishing fleets which carry out deep sea fishing activities in the Pacific Ocean and thereby upon which are regulated by the FFA and WCPFC.

Compared with the other approved competing VMS solutions, the Addvalue Type-Approved VMS Solution is the only VMS solution that accords the end users with the convenience of 'all-in-one-terminal' and future-ready to support new regulatory features such as electronic forms for catch reporting and on board Internet-of-Things ("IoT") applications to support advanced fisheries operations. Catch reporting is a part of monitoring control and surveillance of commercial fishing. Depending on national and local fisheries management practices, catch reports may reveal illegal fishing practices, or simply indicate that a given area is being overfished.

Based on Inmarsat's BGAN 3GPP compatible broadband digital communication system with global coverage, Addvalue iFleetONE-VMS™ Terminal not only provides coverage over the entire Pacific Ocean but also serves readily as a digital connectivity platform to embrace global digitalization.

Accordingly, the technologically superior Addvalue iFleetONE-VMS™ Terminal has the user-friendly advantage over the competitors' solutions to reap the benefits from the mandatory prerequisites directed by the two inter-governmental regulatory agencies in requiring the more than 4,000 high sea fishing vessels, plying the Western and Central Pacific Ocean and hailing from the member-states that they regulate, which include all countries in the Oceania, Canada, USA, European Union, China, Taiwan, South Korea, Japan and other Pacific Rim nations that have deep sea fishing fleets (the "**Addressable Market**"), to install a FFA or WCPFC's approved VMS solution, which now includes the Addvalue Type-Approved VMS Solution.

The collaboration with CTTIC-Shanghai has certainly put Addvalue iFleetONE-VMS™ Terminal in the center-stage of China's regulatory fishery program targeting all high sea Chinese fishing fleets plying the Pacific Ocean. There are currently more than 1,000 fishing vessels in China that are part of the Addressable Market which are active in deep sea fishing in the Pacific Ocean, and CTTIC-Shanghai is poised to facilitate speedily the much needed sales and logistic support to these vessels.

With an initial terminal sales order of about US\$200,000 for installation on board the first 100 Chinese vessels, to be followed by the subsequent marketing outreach to penetrate the Addressable Market, Addvalue, with the global coverage of its digital Addvalue iFleetONE-VMS™ Terminal coupled with its user-friendly Addvalue Typed-Approved VMS Solution, is well placed to capture a sizable share of the controlled Regulatory Fisheries Sustainability Market of the Pacific Ocean, with:

- at least US\$2 million in terminal sales expected to be generated within the next 24 months; and

ADDVALUE'S TYPE-APPROVED ALL-IN-ONE IP-BASED SATELLITE BROADBAND TERMINAL, EMBEDDED WITH ITS PROPRIETARY VESSEL MONITORING SYSTEM SOLUTIONS, MAKES A MAIDEN FORAY INTO THE CONTROLLED REGULATORY FISHERIES SUSTAINABILITY MARKET OF THE PACIFIC OCEAN, THROUGH A NEWLY FORGED CO-OPERATION WITH CTTIC SHANGHAI, A UNIT UNDER THE CHINA MINISTRY OF TRANSPORT, TO CAPTURE A SIZABLE SHARE OF THE ADDRESSABLE MARKET COMPRISING MORE THAN 4,000 VESSELS

- at least US\$1 million in recurring solution/airtime subscription revenue expected to be generated annually upon the garnering of a market share of 30% of the Addressable Market.

Dr Colin Chan, Chairman and CEO of Addvalue, remarked that: *"The landmark achievement in procuring the type approvals from the FFA and WCPFC testifies that our proprietary Addvalue iFleetONE-VMS™ Terminal is now highly profiled and regarded by the market of its role in managing the fish resources in the Pacific Ocean. While playing a contributive role to the fishery sustainability programs, we are now favorably-positioned to benefit from the mandatory installation of approved VMS solutions in the fishing industries in the Pacific Rim and the Oceania regions."*

Addvalue's collaboration with CTTIC-Shanghai is not limited to the fishing fleet market, it also extends to other maritime applications which the versatility of Addvalue iFleetONE™ Terminal stands ready to support. To this, **Dr Chan** added that: *"Our collaboration with CCITC-Shanghai is just the beginning in reaping the harvest for our past sowing efforts of the Addressable Market. More similar deals and arrangements with other countries are currently under way. We expect the revenue to be generated from our VMS-related business, which includes both hardware sales and recurring solution/airtime subscriptions, to accelerate in growth in making VMS a significant contributor to our overall revenue for the financial year ending 31 March 2021 and beyond."*

###

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

Addvalue Technologies Ltd (A31), a SGX Mainboard-listed, is a leading satellite-based communication solutions company. Addvalue provides state-of-the-art communication terminals for use in space, in the air, at sea and on the ground. The company also offers extensive engineering and integration services to its customers. Addvalue's expertise extends far beyond where the world's terrestrial networks end. Whatever the market or application, the company's wide range of satellite-based products and services is sure to offer the right technology to drive enhanced connectivity.

[About Inmarsat plc \(www.inmarsat.com\)](http://www.inmarsat.com)

Inmarsat plc is the leading provider of global mobile satellite communications services. Since 1979, Inmarsat has been providing reliable voice and high-speed data communications to governments, enterprises and other organizations, with a range of services that can be used on

ADDVALUE'S TYPE-APPROVED ALL-IN-ONE IP-BASED SATELLITE BROADBAND TERMINAL, EMBEDDED WITH ITS PROPRIETARY VESSEL MONITORING SYSTEM SOLUTIONS, MAKES A MAIDEN FORAY INTO THE CONTROLLED REGULATORY FISHERIES SUSTAINABILITY MARKET OF THE PACIFIC OCEAN, THROUGH A NEWLY FORGED CO-OPERATION WITH CTTIC SHANGHAI, A UNIT UNDER THE CHINA MINISTRY OF TRANSPORT, TO CAPTURE A SIZABLE SHARE OF THE ADDRESSABLE MARKET COMPRISING MORE THAN 4,000 VESSELS

land, at sea or in the air. Inmarsat operates around the world, with a presence in the major ports and centres of commerce on every continent. Inmarsat is listed on the London Stock Exchange (ISAT.L).

About CTTIC Shanghai Co Ltd (www.cttic.cn)

CCTIC-Shanghai is a subsidiary under China Transportation and Telecommunications Information Center (CTTIC), which is an organization under the China Ministry of Transport. CCTIC-Shanghai's core businesses are Information and Communication Technology (ICT), Internet Data Center (IDC), Data Technology (DT), including maritime satellites, emergency communications, smart ports, e-navigation, ship navigation, industry data operations and applications, etc. It is licensed to provide Inmarsat services in China, including the Inmarsat legacy systems such as B/C/M/Mini-M/M4/F system, and the newer Inmarsat services under the Inmarsat fourth generation (BGAN) network and the fifth generation (GX) network, to a wide variety of satellite-based applications to its China-based clients.

About FFA

The Pacific Islands Forum Fisheries Agency (FFA) is an intergovernmental agency established in 1979 to facilitate regional co-operation and co-ordination on fisheries policies between its member states in order to achieve conservation and optimum utilisation of living marine resources, in particular highly migratory fish stocks, for the benefits of the peoples of the region, in particular the developing countries. The office campus is located in Honiara Solomon Islands. There are 17 member states in the FFA: Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of Marshall Islands, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Solomon Islands, Samoa, Tonga, Tuvalu, and Tokelau.

About the WCPFC

The Western and Central Pacific Fisheries Commission (WCPFC) was established in 2004 by the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean to conserve and manage tuna and other highly migratory fish stocks across the western and central areas of the Pacific Ocean. There are 26 member states in WCPFC: Australia, China, Canada, Cook Islands, European Union, Federated States of Micronesia, Fiji, France, Indonesia, Japan, Kiribati, Republic of Korea, Republic of Marshall Islands, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Chinese Taipei, Tonga, Tuvalu, United States of America and Vanuatu.

For additional information, please contact Yee Ping Tan: yeeping.tan@addvalue.com.sg