



PRESS RELEASE

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PALETTE MULTIMEDIA SIGNED RM18M DEAL FOR CLOUD BUSINESS

(1 August 2017, Kuala Lumpur) Palette Multimedia Berhad (Bursa Stock Code: 0005) announced today that it has signed additional contracts for the Cloud platforms with Trade House Atlantis and CJSC Gollard, the associate companies of RKSS Group (www.pkcc.ru), one of the largest telecommunication, networking and Cloud system integrators in Russia.

The deal includes the Cloud infrastructure and video/audio conference communication equipment for mobile health, telemedicine and other IOT related applications. The systems are for additional deployment of Clouds into other locations in Russia and will support various cloud application software including mobile health cloud and network access management.

The total values of the contracts exceed RM18M and delivery is expected to be completed within the next 30-60 days. The Company has signed multiple contracts total value of approximately RM23M with associates companies of RKSS Group since March 2017.

Russia (President Administration) has announced to develop telemedicine business in Russia. During 2016 two working groups have developed documents that contain measures for the development of e-health in Russia (online sales of medicines and the development of telemedicine

services). Target is set to have 25% of all medical organizations to be able to provide telemedicine services in 2018 and up to 10% of medicines to be sold online in Russia). The State Duma (parliament) of Russia has recently passed the legislation on online/mobile healthcare and that the state insurance is paying for the online healthcare services. This makes Russia the first country in the world with legislation that insurance is paying for online healthcare. To date, about 50% of the states in the US have legislation that requires insurance to pay for online healthcare, and one state in China has the similar legislation.

“We are see more Governments adopting mobile/online healthcare to restructure and to improve the efficiency of the public healthcare system through the use of technologies. Similar to shopping online and booking of taxi through APP, online healthcare services will be increasingly pervasive where everyone can have access to doctors or specialists anywhere in the world for their online consultation or prescription. We expect the mobile health and other IOT Cloud related business continue to grow rapidly over the next couple of year,” said Eg Kah Yee, Chairman of Palette. “Additionally, there are more private hospitals offering mobile healthcare services as value added services outside of the hospital for step down care post hospitalization as well as pre-hospitalization preventive healthcare for chronic diseases.”

imedic™ is the leading online medical service platform or the virtual hospital developed and operated by Palette. It enables doctors to provide medical services to patients online and it has the largest Electronic Medical Record (EMR) with over 800+ vital signs and support all types of scan images including but not limited to CT Scan, MRI, X-ray and Ultrasound.

Palette Multimedia is a public listed company on the ACE Market and it is wireless networking business and it is also a leader in the mobile healthcare connecting doctors and patients over the Cloud.

RKSS is the leading telecommunication network equipment and system integration company in Russia and its product lines include high speed switches and routers, cyber security, surveillance, network management and IOT Cloud services.