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PRESS RELEASE

## **SMARTAG SIGNED MOU WITH SAMSUNG FOR MOBILE NEAR FIELD COMMUNICATION (“NFC”) TECHNOLOGY**

- Smartag and Samsung to collaborate to bring NFC technology to Malaysia’s market
- NFC is Radio Frequency Identification (“**RFID**”) technology that is use on a mobile phone

Kuala Lumpur, 20 February 2012 - Total RFID solutions provider **Smartag Solutions Berhad** (“**Smartag**”, “the Group”, “智能电子标签解决方案有限公司”) has signed a Memorandum of Understanding (“**MOU**”) with **Samsung Malaysia Electronics (SME) Sdn Bhd** (“**Samsung**”) to collaborate to bring the NFC technology to Malaysia’s market (hereinafter referred to as the “**Collaboration**”). The MOU was signed by Mr. Kwon Jaehoon, Samsung’s Managing Director and Mr. PK Lim, Smartag’s Chief Executive Officer (“**CEO**”).

NFC is a short-range wireless technology that enables the communication between devices over a distance of a few centimetres. Mobile NFC services bring a whole new dimension to customer’s digital life, transforming mobile phones into contactless devices for touch-and-go applications: transport ticketing, payment, loyalty and other innovative services such as smart poster, peer-to-peer or access control. Leveraging on contactless technology and the interactivity of mobile phones, service innovation becomes limitless.

New market forecasts from Juniper Research show rapid adoption of NFC services over the next 3 years, with at least 1 in 5 smartphones worldwide having NFC contactless functionality. Worldwide, Juniper forecasts almost 300 million NFC capable smartphones by 2014.

*(Source: Press Release of Juniper Research titled “1 in 5 Smartphones will have NFC by 2014, Spurred by Recent Breakthroughs: New Jupiter Research Report”, dated 14 April 2011)*

Thus, the Collaboration between Smartag and Samsung is expected to enable the creation of a NFC market in Malaysia. With this, Malaysians will be able to join the Juniper Research projected amount of people worldwide that will use their mobile phones for metro and bus tickets.

Under the Collaboration, Samsung will provide Smartag the necessary technical support to develop mobile applications on Samsung’s product lines to support the Smartag’s NFC Ecosystem as well as to promote more NFC-based mobile phones in Malaysia market to promote NFC Ecosystem,, while Smartag will provide application services, and software consulting, support and development services relating to Smartag’s projects to support Smartag’s partners and customers with NFC technology.

“Smartag is happy to be able to collaborate with Samsung in bringing innovative technology to Malaysia, and together, we will work closely towards to simplify the Malaysian’s lifestyle by using Digital Wallet for credit card, debit card, membership card and loyalties card using mobile phone” said Mr. PK Lim, CEO of Smartag.

## About Samsung

Samsung is the local subsidiary of Samsung Electronics Co. Ltd. (“**Samsung Electronics**”) which is a global leader in semiconductor, telecommunication, digital media and digital convergence technologies with 2010 consolidated sales of USD135.8 billion. Employing approximately 190,500 people in 206 offices across 68 countries, the company consists of nine independently operated business units: Visual Display, Mobile Communications, Telecommunication Systems, Digital Appliances, IT Solutions, Digital Imaging, Memory, System LSI and LCD. Recognized as one of the fastest growing global brands, Samsung Electronics is a leading producer of digital TVs, semiconductor chips, mobile phones and TFT-LCDs. For more information, please visit [www.samsung.com/my](http://www.samsung.com/my)

## About Smartag (ACE: 0169)

Smartag is listed on the Stock Exchange of Bursa Malaysia Securities Berhad and is a specialist in RFID technology applications and solutions. Smartag develops, and operates RFID container security system with automation services for Royal Malaysian Customs and Royal Thai Customs. Smartag's software solutions are based on global standards such as ISO 18186 and GS1 EPCglobal Electronic Product Code Information Service (“**EPCIS**”) certified software. Smartag applications and solutions are being used by small to big multinational companies and governments for process improvement and security. Smartag has ventured into NFC that involves Mobile Phone RFID applications since year 2010. For more information, please visit [www.smartag.my](http://www.smartag.my)