
MEDIA CLIPPING

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Privasia acquires satellite-based services provider

KUALA LUMPUR: Privasia Technology Bhd is broadening its reach in the information and communications technology (ICT) outsourcing and consulting industry via a proposed acquisition of a 70% stake in IPSAT Sdn Bhd, a satellite network services provider, for RM1 million.

The acquisition comes with a net profit guarantee of RM500,000 by the IPSAT vendors and directors, Low Phaik Chin and Lu Pak Lim, for the financial year ending Dec 31, 2010. Upon completion of the transaction, the remaining 30% stake in IPSAT will be held by Lu.

Based on IPSAT's latest audited statements for FY08, its net profit and net assets amounted to RM121,079 and RM67,611, respectively.

"This acquisition has indeed come at an opportune time as we execute our plans to diversify our outsourcing services to include the communication sector.

"In addition, IPSAT's existing business which focuses on satellite-based services complements our existing range of ground-based communications infrastructure solutions well," Privasia's chief executive officer Puvanesan Subenthiran said in a statement yesterday.

IPSAT provides satellite-based network solutions such as managed network services to high-speed Internet access, as well as value-added broadband applications including voice over Internet protocol, online education and satellite Internet protocol virtual private network services.

Its clients include plantations and agro-based businesses, companies with geographical spread as well as end-users in underserved rural and suburban locations.