

PRESS RELEASE

ViSenze announces US\$3.5 million Series A Funding

Investment led by Rakuten Ventures to accelerate R&D activities and to fuel rapid international expansion.

Singapore, 19 February 2014 – **ViSenze Pte Ltd** (www.visenze.com) today announced it has closed a US\$3.5 million Series A round of financing led by Rakuten Ventures (the corporate venture capital unit of Rakuten Inc), with participation from new investors Walden International (“WI”) and UOB Venture Management (“UOBVM”). The investment comes within 7 months of the company’s first announcement of its collaboration with Rakuten Taiwan.

ViSenze is a spin-off company of the National University of Singapore (NUS) that develops intelligent visual tools. These tools provide intelligent visual recognition, visual search, matching and recommendation functions on the Web and mobile platforms, for eCommerce and contextual advertising applications.

“Since the announcement of our beta service launch in July 2013, we have secured several pilot projects with collaboration partners like SingTel Digital Media and Zalora,” said Oliver Tan, CEO and co-founder of ViSenze. “By focusing our strategy to address real world challenges in eCommerce, our technology is now used by global Internet giant Rakuten and fashion social network Clozette. We also won an award at the prestigious Singapore Infocomm Technology Federation (SiTF) 2013 Award under the Emerging Technology category.”

“We are very excited to have Rakuten, WI and UOBVM backing us; their international network will help us scale faster. We will invest in accelerating the development of our own in-video visual recognition technology and are currently engaging key players in North America and China, two of our priority markets,” adds Oliver Tan.

The rise of the Visual Web has enabled companies like Pinterest, Instagram and Tumblr to reach multi-billion dollar valuations. Visual search is set to change the way users search the Web, photo-sharing websites and image-based networks. With images as one of the largest drivers of referral traffic on social media today, ⁱPinterest generates 4x more revenue (per click) than Twitter and 27% more (per click) than Facebook. More innovative visual applications in the ⁱⁱUS\$1.2 trillion global eCommerce industry are also set to transform the online shopping experience for consumers, making product search more intuitive and less dependent on keywords guessing. According to a ⁱⁱⁱUnited Kingdom study in 2013, 74% of surveyed consumers said that traditional text-based keyword queries are inefficient in helping them find the right items online, and 40% wished their online shopping experience to be more visual, image-based and intuitive.

ViSenze derives revenues by enabling social networks, affiliate networks and media publishers to monetize the traffic on their visual media assets, and helping e-retailers to achieve significant improvement in conversion rates on their visual merchandise with API based visual tools like reverse image search, visual-based similarity product search and recommendation.

Mr. Toru Shimada, Senior Executive Officer of Rakuten & CEO of Rakuten Asia said, “We are impressed by ViSenze’s ground-breaking technology and the team’s capability to take it further in the realm of eCommerce, affiliate marketing, and video advertising. This investment recognizes the transformational potential of ViSenze’s technology and our confidence in the company. The Rakuten Group will clearly want to be the first to take advantage of this technology.”

Mr. Saemin Ahn, Managing Partner of Rakuten Ventures, added, “We believe the company’s cutting-edge visual technology, including in-video recognition capability, will render game-changing applications in contextual advertising and online video commerce.”

ViSenze differentiates itself from other visual search companies by focusing and leveraging deeply on the domain knowledge of each vertical to render highly accurate search results. This enables its visual search engine to detect and recognize target objects in complex images and videos automatically while ignoring the similarly complex backgrounds. The search engine is also able to process huge amounts of visual data (including user-generated photos and videos) in real-time, and concurrently perform searches against large visual databases of related products and services. This opens up huge potential for large scale applications of ViSenze’s technology in affiliate marketing and in-video native advertising. The company has also designed its core technology to be highly scalable, trainable and adaptable; all of which have enabled ViSenze’s visual tools to be adapted quickly from one domain (eg fashion) to another (eg lifestyle, automobile, home décor and landmarks) without too much difficulty. This contrasts with other domain-specific visual technologies that tend to be limited in scope and cannot scale quickly.

“We are excited to invest in this young and promising company with the potential to transform the online world with its pioneering visual technology, which is already well tested in the fashion eCommerce vertical. We firmly believe that as the Web becomes more visual, ViSenze is well poised to take maximum advantage as an early mover in visual search technology,” said Ms. Yong Soo Ping, Executive Director, Walden International Singapore Pte Ltd.

“Robust technologies aside, we always look for the right team. The company has a well balanced combination of founders with diverse talents, proven track record in research and development, entrepreneurship, and international business experience. They demonstrated foresight and boldness to play on the global stage right at the onset,” added Mr. Wan Kum Tho, Executive Director (Investments), UOB Venture Management Pte Ltd.

Prior to Series A financing, seed-funding was provided by the four founders. The company is also supported by Spring Singapore (SPRING) and Infocomm Development Authority of Singapore (IDA) via a grant award under the Technology Enterprise Commercialisation Scheme (TECS).

The new investment allows the company to increase headcount in research, product and infrastructure development; scale up its cloud platform, and enhance its market development resources to support partners internationally

i Hubspot/Quicksprout-infographic (Jan 2014): <http://blog.hubspot.com/marketing/pinterest-revenue-infographic>

ii eMarketeer (July 2013): <http://www.internetretailer.com/2013/06/27/12-trillion-global-payday-e-commerce>

iii <http://internetretailing.net/2013/09/new-generation-of-visual-shoppers-reveals-that-text-based-search-is-no-longer-enough/>

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About ViSenze

Founded by web veterans and industry leading multimedia specialists, ViSenze is an award winning spin-off company from NExT, a research centre jointly established between National University of Singapore (NUS) and Tsinghua University of China. ViSenze's mission is to unlock the intelligence captured in any rich visual content using sophisticated visual recognition technology and the company has created a portfolio of innovative multi-platform solutions: ViSearch for intelligent visual Search, ViContext for contextual analysis and recommendation, ViMobile for mobile search and recognition, and ViSight for visual driven business analytics. Through continuous large-scale rapid machine learning and practical R&D based on real-world problems, ViSenze's pioneering technology helps today's digital businesses address challenges in fast-growing visual content across web, mobile and social media platforms.

For more information, please visit www.visenze.com

About Rakuten

Rakuten, Inc. (JASDAQ: 4755), is one of the world's leading Internet service companies, providing a variety of consumer and business-focused services including e-commerce, travel, banking, securities, credit card, e-money, e-book, portal & media, online marketing and professional sports. Rakuten is expanding globally and currently has operations throughout Asia, Western Europe and North America. Founded in 1997, Rakuten is headquartered in Tokyo, with over 10,000 employees worldwide.

For more information, please visit <http://global.rakuten.com>

About Walden International (“WI”)

WI is a leading international venture capital firm that provides investors access to cross-order, IT opportunities with the advantage of an unrivaled Pan Asia network since 1987. The firm’s funds total over US\$2 billion in committed capital. WI’s investments include MindTree Consulting (BSE: MTCL IN), SINA (NASDAQ: SINA), Semiconductor Manufacturing International Corp. (NYSE: SMI and HKSE: 0981.HK), AutoNavi (NASDAQ: AMAP), Inphi (NYSE: INPH), Beceem (acquired by Broadcom), WebEx (acquired by Cisco), Ndoors (acquired by Nexon Corporation) and Ambarella Inc (NASDAQ:AMBA).

For more information, please visit www.waldenintl.com

About UOB Venture Management

UOB Venture Management Private Limited (UOBVM) is a wholly owned subsidiary of United Overseas Bank (UOB) Limited. Established in 1991, UOBVM manages a family of funds, providing financing to unlisted companies through direct equity investment. Private equity investment activities span Southeast Asia and Greater China. UOBVM currently is managing more than S\$600 million in committed capital from institutional and individual investors.

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. Today, it operates in Asia through its branches and representative offices as well as banking subsidiaries in China, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

For more information, please visit www.uobvm.com.sg