
SETTLEMENT OF ARBITRATION PROCEEDINGS

The Board of Directors ("**Board**") of Addvalue Technologies Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement entitled "Commencement of Arbitration of Proceedings" made on 26 November 2024 in connection to the Company's wholly-owned subsidiary, Addvalue Communications Pte Ltd's ("**Claimant**" or "**Addvalue**") commencement of arbitration proceedings in Hong Kong ("**Arbitration**") at the Hong Kong International Arbitration Centre (HKIAC) against XEPIC Corporation Limited ("**Respondent**" or "**Xepic**"), a company incorporated in the People's Republic of China, for the sum of at least US\$2.1 million and damages for wrongful termination or repudiation of contracts in relation to the production of field programmable gate arrays (FPGA)-based products and the provision of original equipment manufacturing technical services by the Claimant for the Respondent, together with interest and costs.

The Company wishes to announce that it has reached an amicable settlement with Xepic through a Settlement Deed. The parties, without admitting any liability, are willing to settle the Arbitration and any claims or potential claims arising out of or in connection with the Arbitration or the production agreements in accordance with the terms and conditions made in the Settlement Deed.

Due to the confidentiality provisions in the Settlement Deed, the Company is unable to disclose the terms of the settlement, except to confirm that the parties have resolved all disputes on a without prejudice and no admission of liability basis, and on mutually and commercially acceptable terms.

The Board is of the view that the entry into the Settlement Deed and the settlement of the Arbitration is not expected to have any material impact on the financial position of the Company. The Company will make further announcements if there are any material updates concerning this matter.

Shareholders and investors are advised to exercise caution when dealing in the securities of the Company and, when in doubt as to the action they should take, they should consult their financial, tax and/or other professional advisers(s) immediately.

BY ORDER OF THE BOARD

Mr Tan Khai Pang
Chief Executive Officer
25 August 2025