



RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST IN RELATION TO THE PROPOSED ISSUE OF CONVERTIBLE LOAN NOTES IN THE AGGREGATE PRINCIPAL AMOUNT OF S\$728,000 WITH AN AGGREGATE OF 56,000,000 FREE DETACHABLE WARRANTS CONVERTIBLE INTO NEW ORDINARY SHARES IN THE CAPITAL OF ADDVALUE TECHNOLOGIES LTD

1. INTRODUCTION

- 1.1. The Board of Directors (the **"Board"**) of Addvalue Technologies Ltd (the **"Company"**) and together with its subsidiaries, the **"Group"**) refers to the Company's announcement on 13 October 2023 (the **"Previous Announcement"**) in relation to the entry into several subscription agreements for the proposed issue of convertible loan notes in the aggregate principal amount of S\$1,241,500 convertible into 95,500,000 Conversion Shares at the conversion price of S\$0.013 per Conversion Share with an aggregate of 95,500,000 free detachable Warrants, with each Warrant carrying the right to subscribe for one Warrant Share at an exercise price of S\$0.013 per Warrant Share.
- 1.2. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Previous Announcement.

2. APPROVAL IN-PRINCIPLE

- 2.1. The Directors wish to announce that the Company has on 15 November 2023 obtained the in-principle approval (the **"AIP"**) from the SGX-ST in respect of the listing and quotation of up to 112,000,000 new Shares comprising:
- (a) up to 56,000,000 Conversion Shares and such other Conversion Shares which may be issued pursuant to any adjustments in accordance with the terms and conditions of the Convertible Loan Notes; and
 - (b) up to 56,000,000 Warrant Shares and such other Warrant Shares which may be issued pursuant to any adjustments in accordance with the deed poll constituting the Warrants,
- on the Main Board of the SGX-ST, subject to compliance with the listing requirements of the SGX-ST.
- 2.2. The AIP granted by the SGX-ST is subject to the following conditions:
- (a) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the proposed placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcement on use of proceeds and in the annual report;
 - (b) a written undertaking from the Company that it will comply with Rule 830 of the Listing Manual;
 - (c) a written confirmation from the Company that it will not issue the Conversion Shares and the Warrant Shares to persons prohibited under Rule 812(1) of the Listing Manual;

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- (d) a written confirmation from the Company that the terms of the Convertible Loan Notes and the Warrants comply with Rule 829(1) of the Listing Manual;
 - (e) a written undertaking from the Company to announce any adjustment made pursuant to Rule 829(1) of the Listing Manual;
 - (f) a written undertaking from the Company that it will comply with Rule 831 of the Listing Manual;
 - (g) an announcement of the conditions under which the Exercise Price of the Warrants and the Conversion Price of the Convertible Loan Notes may be adjusted and the conditions under which the Convertible Loan Notes may be redeemed;
 - (h) the Audit Committee of the Company reviewing the use of proceeds from fund raising activities in the past two years and providing a written confirmation on whether the proceeds are utilized as proposed; and
 - (i) independent verification on the use and disbursement of the funds raised from the previous issuances of securities for the past 24 months via a cash audit.
- 2.3. Please note that the SGX-ST's AIP is not to be taken as an indication of the merits of the Convertible Loan Notes, the Warrants, the Conversion Shares, the Warrant Shares, the Proposed Issue, the Company and/or its subsidiaries.

3. PROPOSED ISSUE TO RESTRICTED PERSONS

- 3.1. As noted in the Previous Announcement, the Company also intends to issue Convertible Loan Notes in the aggregate principal amount of S\$513,500 (and an aggregate of 39,500,000 Conversion Shares, upon the conversion of the Convertible Loan Notes) and 39,500,000 Warrants (and 39,500,000 Warrant Shares, upon the exercise of the Warrants) to Mr. Paul C Burke, Mr. Richard John Denny, Mr. Tan Khai Pang, Ms. Goh Liang Choo, Mr. Wong Ming Ghee, Bernard and Mr. Chua Chwee Koh who are Directors of the Company. Such issue is subject to the specific approval of Shareholders pursuant to Section 161 of the Companies Act and Rules 804, 805(1) and 812 of the Listing Manual.
- 3.2. As such, the Company will be seeking the in-principle approval from the SGX-ST in respect of the listing and quotation of up to 79,000,000 new Shares to be issued to the aforementioned Directors comprising:
- (a) 39,500,000 Conversion Shares and such other Conversion Shares which may be issued pursuant to any adjustments in accordance with the terms and conditions of the Convertible Loan Notes; and
 - (b) 39,500,000 Warrant Shares and such other Warrant Shares which may be issued pursuant to any adjustments in accordance with the deed poll constituting the Warrants.

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The Company will update Shareholders as and when appropriate on the status of the application. As the Company intends to convene an extraordinary general meeting to seek Shareholders approval for the aforementioned issue to the Directors, a circular will be despatched to Shareholders in due course.

4. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities that may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

5. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Proposed Issue as and when appropriate.

BY ORDER OF THE BOARD

Mr Tan Khai Pang
Chief Executive Officer
16 November 2023