

CIRCULAR DATED 13 JULY 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Addvalue Technologies Ltd held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the notice of Extraordinary General Meeting and the attached proxy form(s) to the purchaser or transferee as arrangements will be made by CDP for a separate circular with the notice of Extraordinary General Meeting and the attached proxy form(s) to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



ADDVALUE TECHNOLOGIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199603037H)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED ADOPTION OF THE ADDVALUE TECHNOLOGIES
PERFORMANCE SHARE PLAN**

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	26 July 2017 at 10.45 a.m.
Date and time of Extraordinary General Meeting	:	28 July 2017 at 10.45 a.m. or immediately following the completion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and the same venue, whichever later.
Place of Extraordinary General Meeting	:	8 Tai Seng Link, Level 5 (Wing 2), Singapore 534158

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Associate”* : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustee of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder of a Controlling Shareholder (being a company) means any other company which is a subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Associated Company”* : A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries and over which the Company has control
- “Award”* : A contingent award of fully paid Shares granted under the Plan
- “Award Date”* : In relation to an Award, the date on which the Award is granted to a Participant pursuant to the Plan
- “Board”* : The board of Directors of the Company for the time being
- “Circular”* : This Circular to Shareholders dated 13 July 2017
- “Committee”* : A committee of Directors of the Company who are duly authorised and appointed by the Board to administer the Plan
- “Companies Act”* : The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
- “Company”* : Addvalue Technologies Ltd
- “Constitution”* : The Constitution of the Company, as amended, modified or supplemented from time to time

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“control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	:	A person who (a) holds, directly or indirectly, 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines such a person is not a controlling shareholder), or (b) in fact exercises control over the Company
“CPF”	:	The Central Provident Fund
“Directors”	:	The directors of the Company for the time being
“EGM” or “Extraordinary General Meeting”	:	The extraordinary general meeting of the Company to be convened and held at 8 Tai Seng Link, Level 5 (Wing 2), Singapore 534158, on 28 July 2017 at 10.45 a.m. or immediately following the completion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and the same venue, whichever later., notice of which is attached to this Circular
“EPS”	:	Earnings per Share
“Executive Director”	:	A director of the Company and/or its subsidiaries (excluding Directors who are Controlling Shareholders and Directors who are Associates of Controlling Shareholders), as the case may be, who performs an executive function
“Group”	:	The Company and its subsidiaries
“Independent Director”	:	An independent director of the Company who has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgment with the best interests of the Company
“Latest Practicable Date”	:	30 June 2017, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Non-Executive Director”	:	A director of the Company and/or its subsidiaries (excluding Directors who are Controlling Shareholders and Directors who are Associates of Controlling Shareholders), as the case may be, other than a Group Executive Director but including an Independent Director
“NTA”	:	Net tangible assets

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“Participant”	:	A person who has been granted an Award
“Plan”	:	Addvalue Technologies Performance Share Plan
“Register of Members”	:	The Register of Members of the Company
“Release Schedule”	:	In relation to an Award, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be released at the end of each performance period, service period, or vesting period (as the case may be) and, in the case of a performance related Award, setting out the extent to which Shares which are the subject of that Award shall be released on the prescribed performance condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied as the case may be, at the end of each performance period or vesting period (as the case may be)
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “ Shareholders ” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with those Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares in the Company and the total votes attached to such share(s) are not less than 5% of the total votes attached to all the voting shares in the Company
“Treasury Shares”	:	Issued Shares of the Company which are (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies (if applicable)
“\$” and “cents”	:	Singapore dollar and cents, respectively
“%” or “per cent.”	:	Per centum or percentage

The term “*subsidiary*” shall have the meaning ascribed to it in Section 5 of the Companies Act. The terms “*Depositors*”, “*Depository*”, “*Depository Agent*” and “*Depository Register*” shall have the meanings ascribed to them, respectively, in Section 81SF of the Singapore Securities and Futures Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words

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importing the masculine shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

Headings are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act or the Securities and Futures Act unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

ADDVALUE TECHNOLOGIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199603037H)

Directors:

Dr Chan Kum Lok, Colin (Chairman & CEO)
Mr Tan Khai Pang (Chief Operating & Technology Officer)
Mr Lim Han Boon (Lead Independent Director)
Mr Ang Eng Lim (Independent Director)
Mr Michael J Butler (Independent Director)

Registered Office:

8 Tai Seng Link
Level 5 (Wing 2)
Singapore 534158

13 July 2017

To: **The Shareholders of Addvalue Technologies Ltd**

Dear Sir/Madam,

THE PROPOSED ADOPTION OF THE ADDVALUE TECHNOLOGIES PERFORMANCE SHARE PLAN

1. INTRODUCTION

The Directors are proposing to seek Shareholders' approval at the EGM for the proposed adoption of the Addvalue Technologies Performance Share Plan.

The purpose of this Circular is to provide Shareholders with information pertaining to the aforesaid proposal and to seek Shareholders' approval in respect of the same at the EGM. The notice of EGM is attached to this Circular.

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose]

The SGX-ST has approved in-principle the listing and quotation of the new Shares to be issued pursuant to the Plan, subject to (i) the Company's compliance with SGX-ST's listing requirements and guidelines; and (ii) independent Shareholders' approval being obtained for the Plan. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Plan, the new Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

2. THE PROPOSED ADOPTION OF THE ADDVALUE TECHNOLOGIES PERFORMANCE SHARE PLAN

As at the date of this Circular, the Company has no share-based incentive schemes or plans in place. The Board is proposing to implement a share plan to be known as the "Addvalue Technologies Performance Share Plan" that will enable the employees of the Group (including the Executive Directors) as well as Non-Executive Directors to participate in the equity of the Company pursuant to the grant of contingent awards of fully paid Shares under the Plan.

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2.1. Objectives of the Plan

The Plan is a share incentive scheme under which performance-based or time-based Awards may be granted. The Plan is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognise outstanding employees of the Group who have contributed to the growth of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and help to achieve the following main objectives:

- (a) recognise the contributions made or to be made by Participants by rewarding them with a variable component in their remuneration package;
- (b) make employee remuneration sufficiently competitive to (i) recruit new employees with relevant skills to contribute to the Group and to create value for the Shareholders and/or (ii) retain existing employees whose contributions are important to the long-term growth and profitability of the Group;
- (c) instil loyalty and a stronger sense of identification by Participants with the long-term development and growth of the Group, so that the interests of Participants will be aligned with those of Shareholders; and
- (d) motivate Participants to excel in their performance and to maintain a high level of contribution to the Group.

2.2. Rationale for the Plan

The Plan is proposed to increase the Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The Plan will strengthen the Group's competitiveness in attracting and retaining talented employees.

The Plan is premised on the accomplishment of certain established performance objectives and/or service conditions, which is the prerequisite for the award of fully paid Shares.

The Directors believe that the proposed Plan will operate to attract new capable employees with outstanding performance standards and expertise that will boost the long-term growth, development and profitability of the Group. The proposed Plan will also serve as a powerful incentive in retaining and motivating employees to optimise their performance standards and efficiency in the strive for sustainable growth and prosperity for the Group as well as to encourage the Participant's greater dedication and loyalty to the Group.

By granting the opportunity to participate in the equity of the Company, the Plan also aims to inculcate a sense of loyalty as well as foster a strong and lasting ownership culture within the Group which aligns the interests of its employees with the interests of Shareholders.

The Committee has the absolute discretion to oversee and administer the Plan. In considering the grant of an Award, the Committee may also take into account, *inter alia*, the Participant's rank and responsibilities, job performance, years of service, potential for future development, contribution to the success and development of the Group and if applicable, the extent of effort and resourcefulness required to achieve the performance condition(s) and/or the service condition(s) within the performance period(s) and/or the service period(s) (as the case may be). The Committee will also consider the compensation and/or benefits given or to be given to the potential Participant under the Plan and any other share-based incentive schemes of the Group, if any. The Committee may also set specific criteria and performance

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targets for each of its business units, taking into account factors such as (i) the Company's business goals and directions for each financial year; (ii) the potential Participant's actual job scope and responsibilities; and (iii) the prevailing economic conditions.

2.3. Summary of the Plan

The following is a summary of the principal rules of the Plan. The detailed rules of the Plan are set out in Appendix A to this Circular.

2.3.1. Eligibility

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Plan:

- (a) Employees of the Group;
- (b) Executive Directors of the Group; and
- (c) Non-Executive Directors of the Group,

provided that, as of the Award Date, such persons have attained the age of twenty-one (21) years, are not undischarged bankrupts and have not entered into any composition(s) with their respective creditors, and in the case of Group Employees and Group Executive Directors, must have been in the employment of the Group for at least twelve (12) months, or such shorter period as the Committee may determine.

Controlling Shareholders and their Associates and directors and employees of Associated Companies shall not be eligible to participate in the Plan. As at the Latest Practicable Date, the Group does not have any Associated Company. Further, the Company does not have any parent company and accordingly, the Participants of the Plan shall not include any directors and/or employees of the Company's parent company and its subsidiaries.

2.3.2. Awards

Awards represent the right of a Participant to receive fully paid shares, free of charge, upon the Participant achieving the prescribed performance condition(s) and/or service condition(s) or otherwise having performed well and/or made a significant contribution to the Company.

Awards granted under the Plan may be performance-based or time-based:

- (a) Performance-based Awards

Such Awards will entitle Participants to be allotted fully paid Shares upon satisfactory achievement of pre-determined performance targets. The performance targets are intended to be based on the corporate objectives relating to market competitiveness, business growth and productivity of the Group. Examples of performance targets to be set include targets based on criteria such as successful completion of a project, market share, market ranking, the financial results of the Group, profitability and return on equity, return on investment as well as total shareholders' return and economic value added.

A performance-based Award under the Plan may either vest (that is, a Participant will be absolutely entitled to all or some of the Shares comprised in an Award) once the

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performance condition(s) specified in respect of such an Award are satisfied (as determined by the Committee) within the performance period with no further vesting period or, depending on the terms and conditions of the Award granted, it may vest on a date beyond the performance period so as to encourage Participants to continue serving the Group for a further period of time beyond the performance period.

In addition to the achievement of any pre-determined performance targets and/or service conditions, Awards may also be granted upon the Committee's post-event determination that any Participant has performed well and/or made a significant contribution to the Group.

(b) Time-based Awards

Such Awards will entitle Participants to be allotted fully paid Shares after the satisfactory completion of time-based service conditions, that is, after the Participant has served the Group for a specified number of years, as may be determined or pre-determined by the Committee. The Company may also impose an extended vesting period beyond the service period in order to encourage Participants to continue serving the Group for a further period of time beyond the service period. Such Awards may be used to attract new employees and talent whom the Group may want to retain for specific periods.

Subject to the limitations under the rules of the Plan, the Committee has the flexibility under the Plan to grant both performance-based Awards and time-based Awards to the same Participant simultaneously. Participants may also be granted Awards under the Plan with different performance targets and/or service conditions, or on other different bases. No minimum vesting periods are prescribed under the Plan and the length of vesting periods (if any) in respect of each Award will be determined on a case-by-case basis.

2.3.3. Details of Awards

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee.

The Committee shall decide, *inter alia*, in relation to each Award to be granted to a Participant:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the prescribed performance condition(s) and the relevant performance period(s) during which the prescribed performance condition(s) is to be satisfied, if any;
- (d) the service condition(s) and the service period(s) during which the prescribed service condition(s) is to be satisfied, if any;
- (e) the vesting period(s), if any;
- (f) the Release Schedule;
- (g) the retention period(s), if any; and

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- (h) any other condition which the Committee may determine in relation to that Award.

Awards may be granted at any time in the course of a financial year during the period when the Plan is in force, except that:

- (i) no Awards may be granted during the Company's closed periods commencing two weeks before the announcement of the Group's quarterly results and one month before the announcement of the Group's full year results, as the case may be, up to and including the date of announcement of the relevant results or during such other revised closed periods of the Company as may be approved by the Directors from time to time; and
- (ii) in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information which has arisen or which has been the subject of a decision is imminent, Awards may only be granted on or after the second Market Day from the date on which the aforesaid announcement is made.

A letter of Award confirming the Award and specifying, *inter alia*, in relation to the Award, the prescribed performance condition(s) and the relevant performance period during which the prescribed performance condition(s) is to be satisfied (if any), the service condition(s) and the service period(s) during which the prescribed service condition(s) is to be satisfied, the relevant vesting period(s) (if any), the Release Schedule and the retention period(s) (if any) will be sent to each Participant as soon as reasonably practicable.

Subject to the Committee having determined that the prescribed performance condition(s), service condition(s), the vesting period(s) (as the case may be) or such other conditions applicable to the Award having been satisfied and provided that the Participant has continued to be an employee of the Group from the Award Date up to the end of the relevant performance period, service period or the relevant vesting period (as the case may be), the Committee will vest the Award in the Participant and release to the Participant the Shares to which that Award relates on the release date, subject to the terms of the Award.

In relation to a performance-related Award, in determining whether the prescribed performance condition(s) has been satisfied (whether fully or partially) or exceeded or not been satisfied, the Committee has the right to refer to and make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events. The Committee may amend the prescribed performance condition(s) if the Committee decides that a changed performance condition(s) would be a fairer measure of performance.

2.3.4. Events prior to the Vesting of Awards

Special provisions for the vesting and lapsing of Awards apply in certain circumstances, including the following:

- (a) the misconduct of a Participant as determined by the Committee in its discretion;
- (b) the Participant ceasing to be in the employment of the Company or its subsidiaries for any reason whatsoever (other than as specified in paragraph (e) below);
- (c) an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency;

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- (d) the bankruptcy of a Participant or the happening of any other event which results in his being deprived of the legal and/or beneficial ownership of an Award;
- (e) the Participant ceasing to be in the employment of the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
 - (vi) any other reason approved in writing by the Committee;
- (f) the death of a Participant;
- (g) any other event approved in writing by the Committee; or
- (h) a take-over, winding-up or a compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company.

Upon the occurrence of any of the events specified in paragraphs (a), (b) and (c) above, an Award then held by a Participant shall, subject as provided in the provisions of the Plan and to the extent not yet released, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in paragraphs (d), (e), (f) and (g) above, the Committee may, in its absolute discretion, preserve all or any part of any Award to the extent not yet released, and decide either to vest all or some of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant performance period, the relevant service period or the relevant vesting period (as the case may be) and subject to the relevant provisions of the Plan. For the avoidance of doubt, the Committee may, in its absolute discretion, decide not to vest any of the Shares which are the subject of the Award.

Upon the occurrence of any of the events specified in paragraph (h) above, the Committee may consider, at its discretion, whether or not to vest any Award. If the Committee decides to vest any Award, then in determining the number of Shares to be vested in respect of such Award, the Committee will have regard to the proportion of the performance period(s), the service period(s) or the vesting period(s) (as the case may be) which has elapsed and the extent to which the applicable performance condition(s) and/or the service condition(s) has been satisfied.

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2.3.5. Limitations on the Size of the Plan

The aggregate number of Shares which may be available pursuant to Awards granted under the Plan on any date, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted under the Plan and (b) options or awards granted under any other option scheme or share plan which the Company may implement from time to time, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Treasury Shares) on the day preceding the relevant Award Date.

The Company shall have the flexibility to deliver existing Shares to Participants upon the vesting of their Awards as described in section 2.3.6 of this Circular. Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares which may be delivered upon the vesting of Awards will not be subject to any limit, in particular, the limit of fifteen per cent (15%) of the total number of issued Shares referred to above, as such method of settlement does not involve the issuance of any new Shares.

Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

The Board is of the view that the size of the Plan is sufficient to provide the flexibility to accommodate the Awards that will be granted over the 10-year life span of the Plan. However, it does not indicate that the Committee will definitely issue Shares up to the prescribed limit. The Committee will exercise its discretion in deciding the number of Shares to be awarded to each Participant under the Plan.

2.3.6. Vesting and Release of Rewards

Subject to the Companies Act and the rules of the Listing Manual, the Company will have the flexibility to deliver Shares to Participants upon the release of their Awards by way of an issue and allotment of new Shares and/or the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share buyback mandate and/or held by the Company as Treasury Shares.

In determining whether to issue new Shares or to deliver existing Shares to Participants upon the release of their Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

New Shares issued and allotted, and existing Shares transferred or procured by the Company to be transferred, on the release of an Award shall:

- (a) be subject to all the provisions of the Constitution of the Company; and
- (b) rank in full for all entitlements, including dividends, rights or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

Shares which are allotted and issued or transferred to a Participant pursuant to the release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the retention period(s) (if any), except to the extent set out in the letter of Award or with the prior approval of the Committee.

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The Committee shall have the flexibility, and if the circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Shares. In determining whether to release an Award, wholly or partly, in the form of cash rather than Shares, the Committee will take into account factors such as (but not limited to) the cost to the Company of releasing an Award, wholly or partly, in the form of cash rather than Shares. In considering the cost factor, the Committee will take into account relevant factors such as taxation issues arising from the issue of new Shares and/or the purchase of existing Shares and the payment of cash, the availability of cash for payment and the cost of funding the cash payment, if necessary.

2.3.7. Adjustments

If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan

shall be adjusted in such manner as the Committee may determine to be appropriate.

Unless the Committee considers an adjustment to be appropriate:

- (i) the issue of securities as consideration for an acquisition of any assets by the Company or in connection with a private placement of securities;
- (ii) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to the release of Awards from time to time under the Plan or any other share-based incentive schemes implemented by the Company); or
- (iii) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period while a share buyback mandate granted by Shareholders (or any renewal thereof) is in force,

shall not normally be regarded as a circumstance requiring adjustment.

No such adjustment shall be made if as a result of such adjustment, the Participant receives a benefit that a Shareholder does not receive. Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the auditors (acting only as experts and not as arbitrators) for the time being of the Company to be, in their opinion, fair and reasonable.

2.3.8. Modifications to the Plan

The provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee provided that any modification or alteration shall be made in

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compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

However, no modification or alteration shall adversely alter the rights attached to any Award granted prior to such modification or alteration except with the written consent of such number of Participants who, if their Awards were released to them in full, would become entitled to not less than three-quarters of all the Shares which would be issued and/or transferred upon the release of all outstanding Awards.

No alteration shall be made to particular rules of the Plan to the advantage of the Participants, except with the prior approval of the Shareholders in general meeting.

2.3.9. Administration of the Plan

The Plan will be administered by the Committee in its absolute discretion with such powers and duties as conferred by the Board. No member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

2.3.10. Duration of the Plan

The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date on which the Plan is adopted by the Company in general meeting, provided always that the Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The Plan may be terminated at any time at the discretion of the Committee or by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee under the Plan.

The termination of the Plan shall not affect Awards which have been granted prior to such termination whether such Awards have been released (whether fully or partially) or not.

2.3.11. Disclosures in Annual Report

Subject to the Plan being approved by Shareholders at the EGM, the Company will make the following disclosures (as applicable) in its annual reports for the financial year ending 31 March 2018 and future financial years for so long as the Plan continues in operation and as from time to time required by the Listing Manual:

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants:
 - (i) Participants who are Directors of the Company; and
 - (ii) Participants, other than those in paragraphs (b)(i) above, who have received Shares pursuant to the release of Awards granted under the Plan which, in aggregate, represent five per cent (5%) or more of the aggregate number of Shares available under the Plan; and

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Name of Participant	Number of Shares comprised in Awards granted during financial year under review	Aggregate number of Shares comprised in Awards granted since commencement of Plan to end of financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred during the financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/ or transferred since commencement of the Plan to end of financial year under review	Aggregate number of Shares comprised in outstanding Awards not released as at end of financial year under review

(c) any other information required to be so disclosed pursuant to the Listing Manual of the Companies Act.

If any of the information above is not applicable, an appropriate negative statement shall be included therein.

3. ROLE AND COMPOSITION OF THE COMMITTEE

The remuneration committee, whose primary function is to assist the Directors in reviewing remuneration matters, is the designated Committee responsible for administering the Plan.

In compliance with the requirements of the Listing Manual, a Participant of the Plan, who is a member of the remuneration committee, shall not be involved in its deliberations in respect of the Awards to be granted to or held by that member of the remuneration committee.

4. FINANCIAL EFFECTS OF THE PLAN

Certain financial effects of the Plan are set out below.

4.1 Potential Cost of Awards

The Singapore Financial Reporting Standard (“FRS”) 102, Share-based Payment, issued by the Council on Corporate Disclosure and Governance (which has been replaced by the Accounting Standards Council) is effective for the financial statements of listed companies for the financial year beginning 1 January 2005. Participants may receive Shares or their equivalent cash value, or combinations thereof. In the event that the Participants may receive Shares, the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to the income statement over the period between the grant date and the vesting date of an Award. The total amount of the charge over the vesting period is determined by reference to the fair value of each Award granted on the grant date, which takes into account market conditions and non-vesting conditions and where there are non-

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market conditions attached (see the following paragraph), the number of Shares vested at the vesting date, with a corresponding credit to reserve account. Before the end of the vesting period, at each accounting yearend, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made.

The amount charged to the income statement would be the same whether the Company settles the Awards by issuing new Shares or by purchasing existing Shares.

The amount charged to the income statement also depends on whether the performance condition or target attached to an Award is a “market condition”, which is related to the market price of the Shares. If the performance target is not a market condition, the fair value of the Shares granted at the grant date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, if the Awards do not ultimately vest, the amount charged to the income statement would be reversed at the end of the vesting period.

4.2 Share Capital

The Plan will result in an increase in the Company’s issued share capital where new Shares are issued to Participants pursuant to the grant of the Awards. This will in turn depend on, *inter alia*, the number of Shares comprised in the Awards to be issued. In any case, the number of new Shares to be issued under the Plan will be subject to the maximum limit of fifteen per cent (15%) of the Company’s total number of issued Shares.

If, instead of issuing new Shares to Participants, existing Shares (including Treasury Shares) are transferred to Participants or the Company pays the equivalent cash value, the Plan would have no impact on the Company’s total number of issued Shares.

4.3 Net Tangible Assets (“NTA”)

As described in section 4.4 below, the Plan is likely to result in a charge to the Company’s income statement over the period from the grant date to the vesting date of the Awards. The amount of the charge will be computed in accordance with the accounting method as stated in section 4.1 above. If new Shares are issued to Participants, there will be no effect on the consolidated NTA of the Company. If existing Shares are purchased for delivery to Participants or if the Company pays the equivalent cash value, the consolidated NTA of the Company would be impacted by the cost of the Shares purchased or the cash payment, respectively.

Although the Plan will result in a charge to the profit and loss account of the Company, it should be noted that Awards are granted only on a selective basis and will be granted to the Participants whom the Company believes would have contributed or will contribute significant value in its success including financial performance. In particular, the grant of Awards and delivery of Shares to the Participants are contingent upon the Participants meeting prescribed performance condition(s) and/or service condition(s). Therefore, the Participants would have contributed to or will contribute significant value add to the NTA of the Company before the Awards are granted and Shares delivered.

4.4 Earnings per Share (“EPS”)

The Plan is likely to result in a charge to earnings over the period from the grant date to the

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vesting date, computed in accordance with the accounting method as stated in section 4.1 above.

Although the Plan will have a dilutive impact (to the extent that new Shares are issued pursuant to the Plan) on the Company's consolidated EPS, it should be noted that the delivery of Shares to Participants under the Plan would generally be contingent upon the Participants meeting the prescribed performance condition(s) and/or service condition(s).

4.5 Dilutive Impact

The Plan provides that the aggregate number of Shares to be issued under the said Plan will be subject to the limit of fifteen per cent (15%) of the Company's total issued Shares. Shareholders' shareholding percentages will be diluted accordingly as a result of the issue and allotment of new Shares under the Plan.

5. THE PROPOSED PARTICIPATION BY NON-EXECUTIVE DIRECTORS

The Non-Executive Directors come from different professions and backgrounds and bring to the Group a wealth of experience in corporate governance and business management and are also able to provide the Group with strategic or significant business alliances or opportunities. They also provide invaluable guidance in relation to the strategic issues and development of the Group. The Non-Executive Directors therefore provide the Group with a multi-disciplinary approach in evaluating and considering business issues and opportunities.

Although they are not specifically involved in the day-to-day management of the Group, the Non-Executive Directors are frequently consulted on various matters in relation to the business of the Group. The Company therefore regards these persons as an additional resource pool and values their contributions greatly. The extension of the Plan to the Non-Executive Directors is thus in recognition of their services and contributions to the growth and development of the Group.

Before granting any Award to a Non-Executive Director, the Committee will take into consideration, *inter alia*, his performance and contributions to the success and development of the Group. In assessing the performance of the Non-Executive Directors, the Committee will take into account their attendance at meetings, their membership in various committees in the Group as well as their contributions, which includes contributing their experience to the Group in the areas of overall business strategies, risk management and investment decisions. The Non-Executive Directors may be appointed as members of the Committee. However, the rules of the Plan provide that no member of the Committee shall be involved in any deliberation in respect of Awards to be granted to him.

Currently, remuneration is by way of directors' fees to Non-Executive Directors (for their services as directors of a company), which is wholly in the form of cash. By including them in the Plan, the Company will have the flexibility to consider, in the future, compensating Non-Executive Directors for the services in cash and in share awards. For instance, the Company may include share awards (taking into account their intrinsic value) as a cash-linked component within the fee-based remuneration of such persons, or as a form of additional compensation in lieu of increasing the cash remuneration. Through the Plan, the Company may acknowledge and give recognition to the efforts, achievements and contributions made by such persons, to the success and development of the Company and/or the Group, in a combination of cash and share awards.

In order to minimise any potential conflicts of interests, the Company does not intend to grant

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Awards of significant sizes to Non-Executive Directors. In particular, in the event that any Awards are granted to the Independent Directors, the quantum of such Awards will not be of such significance as will affect or compromise the independence of such Directors. In addition, in the event that any conflicts of interests arise in any matter to be decided upon by the Board, the Company will request that the relevant Non-Executive Director abstain from voting on such matter.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

6.1 Directors' Interests

	Direct Interest		Indirect/Deemed Interest		Total Interest	
	Number of Shares	(%) ¹	Number of Shares	(%) ¹	Number of Shares	(%) ¹
Chan Kum Lok, Colin	39,190,960	2.21	-	-	39,190,960	2.21
Tan Khai Pang	48,900,360	2.76	-	-	48,900,360	2.76
Lim Han Boon	26,654,080	1.51	-	-	26,654,080	1.51
Ang Eng Lim	4,134,186	0.23	-	-	4,134,186	0.23
Michael J Butler	2,666,666	0.15	-	-	2,666,666	0.15

Notes:

⁽¹⁾ Percentages are based on the issued capital of the Company of 1,770,441,084 as at 30 June 2017.

As at the Latest Practicable Date, save as disclosed in this Circular, none of the Directors has any interest, direct or indirect, in the Plan other than through their respective shareholdings in the Company.

6.2 Substantial Shareholders' Interests

As at the Latest Practicable Date, there are no shareholders who are Substantial Shareholders' in the Company.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out along with this Circular, will be held on 28 July 2017, at 10.45 a.m. or immediately following the completion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and the same venue, whichever later.. at 8 Tai Seng Link, Level 5 (Wing 2), Singapore 534158, for the purpose of considering, and if thought fit, passing with or without any modifications, the resolutions as set out in the notice of EGM.

If you are a Depositor, you shall not be entitled to attend and vote at the EGM unless you are shown to have Shares entered against your name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the proxy form attached to the notice of EGM in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the registered office of the Company, 8 Tai Seng Link, Level 5, Wing 2, Singapore 534158, not less than 48 hours before the time fixed

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for the holding of the EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he subsequently wishes to do so.

9. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the Plan shall abstain from voting on any resolution(s) relating to the Plan, and should decline appointment as proxies for voting at the EGM in respect of the aforesaid resolutions, unless specific instructions have been given in the Proxy Form on how the votes are to be cast for each of the aforesaid resolutions.

10. DIRECTORS' RECOMMENDATION

As all the Directors would be eligible to participate in the Plan, they have refrained from making any recommendation to Shareholders in respect of the Plan. Additionally, in view of their being either participants or potential participants of the Plan, all the Directors (where applicable) will abstain from voting on Ordinary Resolution 1 at the EGM and will also not accept nominations as proxies or otherwise for voting at the EGM in respect of Ordinary Resolution 1 unless specific instructions have been given in the proxy form on how the vote is to be cast for Ordinary Resolution 1 at the EGM.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed adoption of the Addvalue Technologies Performance Share Plan, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or, reproduced in this Circular in its proper form and context.

12. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the office of the registered office of the Company at 8 Tai Seng Link, Level 5, Wing 2, Singapore 534158, during normal business hours from the date of this Circular, up to and including, the date of the EGM:

- (i) the Constitution of the Company; and
- (ii) this Circular and the rules of the Plan.

Yours faithfully
For and on behalf of the Board
ADDVALUE TECHNOLOGIES LTD

Dr Chan Kum Lok, Colin
Chairman & CEO

APPENDIX A TO CIRCULAR: RULES OF THE ADDVALUE TECHNOLOGIES PERFORMANCE SHARE PLAN

1. NAME OF THE PLAN

This performance share plan shall be called the Addvalue Technologies Performance Share Plan.

2. DEFINITIONS

2.1. In this Plan, except where the context requires otherwise, the following words and expressions shall have the following meanings:

- “Associate”* : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustee of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder of a Controlling Shareholder (being a company) means any other company which is a subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Associated Company”* : A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries and over which the Company has control
- “Award”* : A contingent award of fully paid Shares granted under the Plan
- “Award Date”* : In relation to an Award, the date on which the Award is granted to a Participant pursuant to the Plan
- “Award Letter”* : A letter in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee
- “Auditor”* : The auditors of the Company for the time being
- “Board”* : The board of Directors of the Company for the time being
- “CDP”* : The Central Depository (Pte) Ltd

**APPENDIX A TO CIRCULAR: RULES OF THE ADDVALUE TECHNOLOGIES PERFORMANCE
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<i>“Committee”</i>	:	A committee of Directors of the Company who are duly authorised and appointed by the Board to administer the Plan
<i>“Companies Act”</i>	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
<i>“Company”</i>	:	Addvalue Technologies Ltd
<i>“Constitution”</i>	:	The Constitution of the Company, as amended, modified or supplemented from time to time
<i>“control”</i>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
<i>“Controlling Shareholder”</i>	:	A person who (a) holds, directly or indirectly, 15% or more of the total number of issued Shares excluding Treasury Shares in the Company (unless the SGX-ST determines such a person is not a controlling shareholder), or (b) in fact exercises control over the Company
<i>“CPF”</i>	:	The Central Provident Fund
<i>“Directors”</i>	:	The directors of the Company for the time being
<i>“Executive Director”</i>	:	A director of the Company and/or its subsidiaries (excluding Directors who are Controlling Shareholders and Directors who are Associates of Controlling Shareholders), as the case may be, who performs an executive function
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“Non-Executive Director”</i>	:	A director of the Company and/or its subsidiaries (excluding Directors who are Controlling Shareholders and Directors who are Associates of Controlling Shareholders), as the case may be, other than a Group Executive Director but including an Independent Director
<i>“NTA”</i>	:	Net tangible assets
<i>“Participant”</i>	:	A person who has been granted an Award
<i>“Performance Condition”</i>	:	In relation to an Award, the performance target and/or conditions specified on the Award Date
<i>“Performance Period”</i>	:	In relation to an Award, the period specified on the Award Date during which the Performance Condition(s) is to be satisfied

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<i>“Plan”</i>	:	Addvalue Technologies Performance Share Plan
<i>“Record Date”</i>	:	The date fixed by the Company for the purposes of determining entitlements to dividends, allotments or other distributions to or rights of holders of Shares
<i>“Release”</i>	:	In relation to an Award, the release at the end of each Performance Period, Service Period or Vesting Period (as the case may be) of all or some of the Shares to which that Award relates in accordance with Rule 8 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 8, the Award in relation to those Shares shall lapse, and “Released” shall be construed accordingly
<i>“Release Date”</i>	:	In relation to an Award which is the subject of Release, the date (as determined by the Committee) on which payment of such Award is made or effected
<i>“Release Schedule”</i>	:	In relation to an Award, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be released at the end of each performance period, service period, or vesting period (as the case may be) and, in the case of a performance related Award, setting out the extent to which Shares which are the subject of that Award shall be released on the prescribed performance condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied as the case may be, at the end of each performance period or vesting period (as the case may be)
<i>“Retention Period”</i>	:	In relation to an Award, such retention period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date
<i>“Rules of the Plan”</i>	:	The rules of the Plan, as may be modified or amended from time to time and “Rule” refers to a rule under the Rules of the Plan
<i>“Securities Account”</i>	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent
<i>“Service Condition”</i>	:	In relation to an Award, the service condition specified on the Award Date
<i>“Service Period”</i>	:	In relation to an Award, the period specified on the Award Date during which the Service Condition is to be satisfied
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited

**APPENDIX A TO CIRCULAR: RULES OF THE ADDVALUE TECHNOLOGIES PERFORMANCE
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“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with those Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares in the Company and the total votes attached to such share(s) are not less than 5% of the total votes attached to all the voting shares in the Company
“Treasury Shares”	:	Issued Shares of the Company which are (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies (if applicable)
“Vest”	:	The entitlement to all or some of the Shares which are the subject of an Award, and “Vesting” and “Vested” shall be construed accordingly
“Vesting Date”	:	The date (as determined by the Committee and notified to the relevant Participant) on which Shares have Vested pursuant to Rule 8
“Vesting Period”	:	In relation to an Award, the period, the duration of which is to be determined by the Committee on the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested in the relevant Participant, subject to Rule 8
“%” or “per cent”	:	Per centum or percentage

The term “*subsidiary*” shall have the meaning ascribed to it in Section 5 of the Companies Act. The terms “*Depositors*”, “*Depository*”, “*Depository Agent*” and “*Depository Register*” shall have the meanings ascribed to them, respectively, in Section 81SF of the Singapore Securities and Futures Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

Headings are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference in the Rules of the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act or any statutory modification thereof and not otherwise defined in the Rules of the Plan shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

APPENDIX A TO CIRCULAR: RULES OF THE ADDVALUE TECHNOLOGIES PERFORMANCE SHARE PLAN

3. OBJECTIVES

- 3.1. The Plan is a share incentive scheme under which performance-based or time-based Awards may be granted. The Plan is proposed on the basis that it is important to retain employees whose contributions are important to the well-being and prosperity of the Group and to recognise outstanding employees of the Group who have contributed to the growth of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and help to achieve the following main objectives:
- (a) recognise the contributions made or to be made by Participants by rewarding them with a variable component in their remuneration package;
 - (b) make employee remuneration sufficiently competitive to (i) recruit new employees with relevant skills to contribute to the Group and to create value for the Shareholders and/or (ii) retain existing employees whose contributions are important to the long-term growth and profitability of the Group;
 - (c) instil loyalty and a stronger sense of identification by Participants with the long-term development and growth of the Group, so that the interests of Participants will be aligned with those of Shareholders; and
 - (d) motivate Participants to excel in their performance and to maintain a high level of contribution to the Group.

4. ELIGIBILITY

- 4.1. Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Plan:
- (a) Employees of the Group;
 - (b) Executive Directors of the Group; and
 - (c) Non-Executive Directors of the Group,

provided that, as of the Award Date, such persons have attained the age of twenty-one (21) years, are not undischarged bankrupts and have not entered into any composition(s) with their respective creditors, and in the case of Group Employees and Group Executive Directors, must have been in the employment of the Group for at least twelve (12) months, or such shorter period as the Committee may determine.

Controlling Shareholders and their Associates and directors and employees of Associated Companies shall not be eligible to participate in the Plan. As at the Latest Practicable Date, the Group does not have any Associated Company. Further, the Company does not have any parent company and accordingly, the Participants of the Plan shall not include any directors and/or employees of the Company's parent company and its subsidiaries.

- 4.2. There shall be no restriction on the eligibility of any Participant to participate in any other share option plan or share incentive plans implemented or to be implemented by the Company, or any other company within the Group.

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- 4.3. Subject to the Companies Act and requirements of the SGX-ST and the Rules of the Plan, the terms of eligibility for participation in the Plan may be amended from time to time at the absolute sole discretion of the Committee.

5. LIMITATIONS ON THE SIZE OF THE PLAN AND MAXIMUM ENTITLEMENTS

- 5.1. The aggregate number of Shares which may be available pursuant to Awards granted under the Plan on any date, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted under the Plan and (b) options or awards granted under any other option scheme or share plan which the Company may implement from time to time, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding Treasury Shares) on the day preceding the relevant Award Date.
- 5.2. The Company shall have the flexibility to deliver existing Shares to Participants upon the vesting of their Awards as described in Rule 8. Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares which may be delivered upon the vesting of Awards will not be subject to any limit, in particular, the limit of fifteen per cent (15%) of the total number of issued Shares referred to above, as such method of settlement does not involve the issuance of any new Shares.
- 5.3. Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.
- 5.4. If however, due to a reduction of the Company's capital or a buy-back of its shares, the Shares Released under the Awards exceed fifteen per cent (15%) of the Company's total number of issued Shares excluding Treasury Shares, this will not invalidate any such Release.

6. GRANT OF AWARDS

- 6.1. Subject to the Rules of the Plan, the Committee may grant Award(s) at any time in the course of a financial year during the period when the Plan is in force, provided that:
- (a) no Awards may be granted during the Company's closed periods commencing 2 weeks before the announcement of the Group's quarterly results and 1 month before the announcement of the Group's full year results, as the case may be, up to and including the date of announcement of the relevant results or during such other revised closed periods of the Company as may be approved by the Directors from time to time; and
 - (b) in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information which has arisen or which has been the subject of a decision is imminent, Awards may only be granted on or after the second Market Day from the date on which the aforesaid announcement is made.
- 6.2. In relation to an Award, the Committee shall decide, *inter alia*, in its absolute discretion:

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- (a) the Participant;
- (b) the Award Date;
- (c) the number of Shares which are the subject of the Award;
- (d) the Performance Condition(s) and the relevant Performance Period(s), if any;
- (e) the Service Condition(s) and the relevant Service Period(s), if any;
- (f) the Vesting Period(s), if any;
- (g) the Release Schedule;
- (h) the Retention Period(s), if any; and
- (i) any other condition which the Committee may determine in relation to that Award.

6.3. The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as the Participant's rank and responsibilities, job performance, years of service, potential for future development, contribution to the success and development of the Group and if applicable, the extent of effort and resourcefulness required to achieve the Performance Condition(s) and/or the Service Condition(s) within the Performance Period(s) and/or the Service Period(s) (as the case may be).

6.4. In respect of any Award, the Committee may amend or waive the Performance Condition(s), the Service Condition(s), the Performance Period(s), the Service Period(s), the Vesting Period(s), the Release Schedule, the Retention Period(s) and/or any condition applicable to that Award:

- (a) in the event of a take-over offer being made for the Shares or if Shareholders approve, or under the Companies Act, the Court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
- (b) if any event occurs or circumstances arise which causes the Committee to conclude that:
 - (i) a changed Performance Condition or Service Condition and/or the Release Schedule would be a fairer measure of performance and would be no less difficult to satisfy; or
 - (ii) the Performance Condition or Service Condition and/or the Release Schedule should be waived,

the Committee shall as soon as practicable, notify the Participants of such change or waiver.

6.5. The Committee shall issue an Award Letter confirming the Award and specifying the following:

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- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the Performance Condition(s) and the relevant Performance Period(s), if any;
- (d) the Service Condition(s) and the relevant Service Period(s), if any;
- (e) the Vesting Period(s), if any;
- (f) the Release Schedule;
- (g) the Retention Period(s), if any; and
- (h) any other condition which the Committee may determine in relation to that Award.

to each Participant as soon as it is reasonably practicable.

- 6.6. Participants are not required to furnish any consideration (including making any payment) for the grant of the Awards or the issue or transfer of Shares upon the Vesting of an Award.
- 6.7. An Award shall be personal to the Participant to whom it is granted and shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award, that Award shall immediately lapse.

7. EVENTS PRIOR TO THE VESTING OF AWARDS

- 7.1. All Awards granted shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company:
 - (a) in the event of misconduct on the part of a Participant as determined by the Committee in its discretion;
 - (b) subject to Rule 7.2(c), the Participant ceasing to be in the employment of the Company or its subsidiaries for any reason whatsoever; or
 - (c) in the event of an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purposes of Rule 7.1(b), the Participant shall be deemed to have ceased to be so employed as at the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

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7.2. If any of the following events occur, the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following the occurrence of such event either to Vest all or some of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Performance Period, Service Period or Vesting Period (as the case may be) and subject to the provisions of the Plan:

- (a) the death of a Participant;
- (b) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal and/or beneficial ownership of an Award;
- (c) the Participant ceasing to be in the employment of the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
 - (vi) any other reason approved in writing by the Committee;
- (d) any other event approved by the Committee.

In exercising its discretion, the Committee will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Condition(s) and/or the Service Condition(s) has been satisfied. For the avoidance of doubt, the Committee may, in its absolute discretion, decide not to Vest any of the Shares which are the subject of the Award.

7.3. Without prejudice to the provisions of Rule 6.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by Shareholders and/or sanctioned by the Court under the Companies Act;
- (c) an order is made for the winding-up of the Company on the basis of its insolvency; or

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- (d) the Shareholders pass a resolution for a members' solvent voluntary winding-up of the Company (other than for amalgamation or reconstruction),

the Committee may consider, at its discretion, whether or not to Vest any Award, and will take into account all circumstances on a case-by-case basis, including but not limited to, the contributions made by that Participant. If the Committee decides to Vest any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period(s), Service Period(s) or Vesting Period(s) (as the case may be) which has elapsed and the extent to which the Performance Condition(s) and/or Service Condition(s) has been satisfied. Where Awards are Vested, the Committee will, as soon as practicable after the Awards have been Vested, procure the allotment and/or transfer to each Participant of the number of Shares so determined, such allotment and/or transfer to be made in accordance with Rule 8.

8. VESTING AND RELEASE OF AWARDS

8.1. Review of Performance Condition(s)

- (a) As soon as reasonably practicable after the end of each Performance Period of a performance-related Award, the Committee shall review the Performance Condition(s) specified in respect of that Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied (whether fully or partially).
- (b) If the Committee determines in its sole discretion that the Performance Condition(s) has not been satisfied or (subject to Rule 7) if the relevant Participant has not continued to be an employee of the Group from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value.
- (c) The Committee shall have the discretion to determine whether the Performance Condition(s) has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to refer to and to make computational adjustments to the audited results of the Company or the Group, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and shall further have the right to amend the Performance Condition(s) if the Committee decides that a changed performance target would be a fairer measure of performance.
- (d) If the Committee determines in its sole discretion that the Performance Condition(s) has been satisfied (whether fully or partially) or exceeded, and provided that the relevant Participant has continued to be an employee of the Group from the Award Date up to the end of the relevant Performance Period or Vesting Period (as the case may be), it may Vest in that Participant:
- (i) In the case where it is determined that the Performance Condition(s) has been fully satisfied, the number of Shares to which that Award relates in accordance with the Release Schedule specified in respect of that Award on the Vesting Date; or
- (ii) In all other cases, such number of Shares as may be determined by the Committee in its absolute discretion.

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- 8.2. Subject to the Committee having determined that the prescribed Performance Condition(s), Service Condition(s), the Vesting Period(s) (as the case may be) or such other conditions applicable to an Award have been satisfied and (subject to Rule 7) provided that the Participant has continued to be in employment with the Group from the Award Date up to the end of the relevant Performance Period, Service Period or Vesting Period (as the case may be), upon the expiry of the relevant Performance Period, Service Period or Vesting Period (as the case may be), the Committee will Vest the Award in the Participant and Release to the Participant the Shares to which that Award relates on the Release Date, subject to the terms of the Award.
- 8.3. Subject to the Companies Act and the rules of the Listing Manual, the Company shall have the flexibility to deliver Shares to Participants upon the Release of their Awards by way of:
- (a) an issue and allotment of new Shares; and/or
 - (b) the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share buyback mandate and/or held by the Company as Treasury Shares.

In determining whether to issue new Shares and/or to deliver existing Shares to Participants upon the Release of their Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

- 8.4. Shares which are the subject of a Vested Award shall be Released to a Participant on the Release Date, which shall be a Market Day falling as soon as practicable after the determination by the Committee referred to in Rule 8.2 and the Vesting Date. On the Release Date, the Committee will procure the allotment and/or transfer to each Participant of the number of Shares so determined.
- 8.5. Where new Shares are allotted upon the Release of an Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.
- 8.6. Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued or registered (as the case may be) in the name of CDP for the credit of:
- (a) the securities account of that Participant maintained with CDP;
 - (b) the securities sub-account of that Participant maintained with a Depository Agent; or
 - (c) the CPF investment account of that Participant maintained with a CPF agent bank,
- in each case, as designated by that Participant.
- 8.7. New Shares allotted and issued, and existing Shares transferred or procured by the Company to be transferred, on the Release of an Award, shall:
- (a) be subject to all the provisions of the Constitution of the Company; and

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- (b) rank in full for all entitlements, including dividends, rights, or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Release Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.
- 8.8. Shares which are allotted and issued or transferred to a Participant pursuant to the Release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period(s) (if any), except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.
- 8.9. The Committee shall have the flexibility to approve the Release of an Award, wholly or partly, in the form of cash rather than Shares, in which event the Participant shall receive on the Release Date, in lieu of all or part of the Shares which would otherwise have been allotted and issued or transferred to him on the Release of his Award, the aggregate value of the relevant number of Shares in cash, with the value of each Share being for this purpose (i) the average of the closing market price of the Shares, as determined by reference to the daily Official List published by the SGX-ST for the five (5) consecutive Market Days immediately preceding the Release Date or (ii) if the Committee is of the opinion that such market value is not representative of the value of a Share, such price as the Committee may determine, after consultation with the Auditors or such other professional advisors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
- 8.10. In determining whether to Release an Award, wholly or partly, in the form of cash rather than Shares, the Committee will take into account factors such as (but not limited to) the cost to the Company of Releasing an Award, wholly or partly, in the form of cash rather than Shares. In considering the cost factor, the Committee will take into account relevant factors such as taxation issues arising from the issue of new Shares and/or purchase of existing Shares and the payment of cash, the availability of cash for payment and the cost of funding the cash payment, if necessary.

9. ADJUSTMENTS

- 9.1. If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:
- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,
- shall be adjusted in such manner as the Committee may determine to be appropriate.
- 9.2. The following (whether singly or in combination) shall not be regarded as events requiring adjustments unless the Committee considers an adjustment to be appropriate:
- (a) the issue of securities as consideration for an acquisition of any assets by the

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Company or in connection with a private placement of securities;

- (b) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to acquire new Shares in the capital of the Company (including the issue and allotment of Shares pursuant to the Release of Awards from time to time under the Plan or any other share-based incentive schemes implemented by the Company); or
- (c) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) of such Shares undertaken by the Company on the SGX-ST during the period which a share buyback mandate granted by Shareholders (or any renewal thereof) is in force.

9.3. Notwithstanding the provisions of Rule 9.1:

- (a) no such adjustment shall be made if as a result of such adjustment, the Participant receives a benefit that a Shareholder does not receive; and
- (b) any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

9.4. Upon any adjustment required to be made under this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth (as applicable) the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

10. MODIFICATIONS TO THE PLAN

10.1. Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall adversely alter the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them in full, would become entitled to not less than three-quarters of all the Shares which would be issued and/or transferred upon the Release of all outstanding Awards;
- (b) the definitions of "Associate", "Associated Company", "Controlling Shareholder", "Executive Director", "Non-Executive Director", "Participant" and the provisions of Rules 4, 5, 6, 7, 8 and 11 and this Rule 10 shall not be altered to the advantage of Participants except with the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made unless in compliance with the applicable rules of the SGX-ST and such other regulatory authorities as may be required.

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- 10.2. Notwithstanding anything to the contrary contained in Rule 10.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST and such other regulatory authorities as may be necessary) modify or amend the Rules of the Plan in any way to the extent necessary to cause the Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including but not limited to the SGX-ST).
- 10.3. The opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive.
- 10.4. Written notice of any modification or alteration made in accordance with this Rule 10 shall be given to all Participants.

11. ADMINISTRATION OF THE PLAN

- 11.1. The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board from time to time, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.
- 11.2. The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.
- 11.3. Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Plan;
 - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
 - (c) any decision or determination of the Committee made pursuant to any provision of the Plan.
- 11.4. Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors), including any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure thereunder or as to any rights under the Plan, shall be final, binding and conclusive.

12. DURATION OF THE PLAN

- 12.1. The Plan shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date the Plan is adopted by the Company in general meeting, provided always that the Plan may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

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- 12.2. The Plan may be terminated at any time at the discretion of the Committee or by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.
- 12.3. The termination of the Plan shall not affect Awards which have been granted prior to such termination, whether such Awards have been Released (whether fully or partially) or not.

13. TERMS OF EMPLOYMENT UNAFFECTED

- 13.1. The Plan or any Award granted under the Plan shall not form part of any contract of employment between the Company and/or any of its subsidiaries and any Participant and the rights and obligations of any Participant under the terms of his office or employment with such company within the Group shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment or appointment for any reason whatsoever.
- 13.2. The Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any of its subsidiaries directly or indirectly or give rise to any cause of action at law or in equity against the Company and/or any of its subsidiaries.

14. DISCLOSURES IN ANNUAL REPORT

The Company shall disclose the following (where applicable) in its annual report for as long as the Plan continues in operation and as from time to time required by the Listing Manual:

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants:
- (i) Participants who are Directors of the Company; and
 - (ii) Participants, other than those in paragraphs (b)(i) above, who have received Shares pursuant to the release of Awards granted under the Plan which, in aggregate, represent five per cent (5%) or more of the aggregate number of Shares available under the Plan; and

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Name of Participant	Number of Shares comprised in Awards granted during financial year under review	Aggregate number of Shares comprised in Awards granted since commencement of Plan to end of financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/or transferred during the financial year under review	Aggregate number of Shares comprised in Awards which have been issued and/ or transferred since commencement of the Plan to end of financial year under review	Aggregate number of Shares comprised in outstanding Awards not released as at end of financial year under review

(c) any other information required to be so disclosed pursuant to the Listing Manual of the Companies Act.

If any of the information above is not applicable, an appropriate negative statement shall be included therein.

15. NOTICES AND COMMUNICATIONS

- 15.1. All notices and communications to be given by a Participant to the Company shall be made or sent to the registered office of the Company or such other address(es) (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to the Participant in writing.
- 15.2. Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or at the last known address, electronic mail address or facsimile number of the Participant.
- 15.3. Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 15.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

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- 15.4. An offer, grant, acceptance and/or Release of an Award, including without any limitation, the Award Letter under Rule 6.5 and/or any correspondence in relation thereto, may be communicated electronically through any form of electronic communication approved by the Committee for such purposes from time to time incorporating, if the Committee deems necessary, the use of such security and/or identification procedures and devices as may be approved by the Committee.

16. COSTS AND EXPENSES

- 16.1. Each Participant shall be responsible for all fees of CDP, any Depository Agent, or, if applicable, any CPF agent bank relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP and the crediting of the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent or, if applicable, CPF investment account with a CPF agent bank.
- 16.2. Save for the above, taxes referred to in Rule 17 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all other fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the issue and allotment, or transfer, of Shares pursuant to the Release of any Award, shall be borne by the Company.

17. TAXES

All taxes (including income tax, if applicable) arising from the grant, Vesting and/or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions contained herein, the Directors, the Committee and the Company shall not be held liable under any circumstances to any Participant or any person whomsoever for any costs, losses, expenses and damages whatsoever and howsoever arising in connection with the Plan or the administration thereof including but not limited to the Company's delay or failure in issuing the new Shares or transferring or procuring the transfer of the existing Shares or applying for or procuring the listing of and quotation for the new Shares on the SGX-ST (and any other stock exchange on which the Shares may be listed or quoted).

19. DISPUTES

Any disputes or differences of any nature arising hereunder (including the interpretation or administration of the Plan) shall be referred to the Committee whose decision shall be final and binding in all respects.

20. ISSUE CONTRARY TO LAW

Any disputes or differences of any nature arising hereunder (including the interpretation or administration of the Plan) shall be referred to the Committee whose decision shall be final and binding in all respects.

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21. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with the laws of the Republic of Singapore. The Participants (by accepting Awards in accordance with the Plan) and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

22. EXCLUSION OF CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by the virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ADDVALUE TECHNOLOGIES LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199603037H)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “EGM”) of the shareholders of Addvalue Technologies Ltd. (the “Company”) will be held on Friday, 28 July 2017 at 10.45 a.m. at 8 Tai Seng Link (Level 5) Wing 2, Singapore 534158 or immediately following the completion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and the same venue, whichever later, for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution

AS ORDINARY BUSINESS

1. The Proposed Adoption of the Addvalue Technologies Performance Share Plan

“That:

- (a) a performance share plan, the rules and details of which has been set out in the Circular to Shareholders dated 13 July 2017 (“Circular”) (the “Addvalue Technologies Performance Share Plan”) be and is hereby approved and adopted; and
- (b) the Directors of the Company be and are hereby authorised:
 - (i) to establish and administer the Addvalue Technologies Performance Share Plan;
 - (ii) to modify and/or amend the Addvalue Technologies Performance Share Plan from time to time provided that such modifications and/or amendments are effected in accordance with the rules of the Addvalue Technologies Performance Share Plan and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Addvalue Technologies Performance Share Plan;
 - (iii) to grant Awards (as defined in the Circular) in accordance with the rules of the Addvalue Technologies Performance Share Plan and to allot and issue or deliver from time to time such number of new Shares required pursuant to the vesting of the Awards under the Addvalue Technologies Performance Share Plan provided always that the aggregate of Shares to be issued pursuant to the Addvalue Technologies Performance Share Plan and any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed fifteen per cent (15%) of the total issued share capital of the Company from time to time and provided also that subject to such adjustments as may be made to the Addvalue Technologies Performance Share Plan as a result of any variation in the capital structure of the Company ; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iv) to complete and do all acts and things (including executing such documents as may be required) as they may consider necessary, desirable or expedient for the purposes of or to give effect to this resolution as they think fit and in the interests of the Company.

(Resolution 1)
(See Explanatory Note 1)

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary

Singapore, 13 July 2017

Notes:

1. A Depositor's name must appear on the Depository Register not less than 72 hours before the time of the Meeting.
2. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead and any such proxy need not be a member of the Company.
3. The instrument appointing a proxy must be lodged at 8 Tai Seng Link, Level 5 (Wing 2), Singapore 534158 not less than 48 hours before the time appointed for the Meeting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Explanatory Notes:

1. Resolution 1 relates to the Addvalue Technologies Performance Share Plan, if passed, will authorise the Directors of the Company to establish and administer the Addvalue Technologies Performance Share Plan and do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Addvalue Technologies Performance Share Plan. The Addvalue Technologies Performance Share Plan will continue in force at the discretion of the Committee (as defined in the Circular), subject to a maximum period of 10 years from the date on which the Addvalue Technologies Performance Share Plan is adopted.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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PROXY FORM

EXTRAORDINARY GENERAL MEETING

ADDVALUE TECHNOLOGIES LTD
 (Incorporated in the Republic of Singapore)
 Co. Registration No. 199603037H

IMPORTANT

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than two proxies to attend the Meeting and vote.
2. For investors who have used their CPF moneys to buy shares in ADDVALUE TECHNOLOGIES LTD, this Circular is forwarded to them at the request of the CPF Approved Nominees.
3. This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We,
 of.....
 being *a member/members of ADDVALUE TECHNOLOGIES LTD (the "Company"), hereby appoint

Name	Address	NRIC/Passport No.	Proportion of shareholdings to be represented by proxy (%)

*and/or (delete as appropriate)

--	--	--	--

as *my/our *proxy/proxies, to vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company to be held at 8 Tai Seng Link (Level 5) Wing 2, Singapore 534158 on Friday, 28 July 2017 at 10.45 a.m. and at any adjournment thereof.*/
 We direct *my/our *proxy/proxies to vote for or against the resolutions to be proposed at the Extraordinary General Meeting in the spaces provided hereunder. If no specified directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/their discretion.

No.	Ordinary Resolution	No. of Votes or to indicate with a tick	
		For	Against

Ordinary Business

1.	To approve the adoption of the Addvalue Technologies Performance Share Plan and authorise the Directors to grant Awards and allot and issue ordinary shares pursuant to the Addvalue Technologies Performance Share Plan		
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Dated this.....day of.....2017

.....
 Signature(s) of Member(s)/Common Seal

Total Number of Shares Held



IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM

NOTES:

1. A member of the Company (other than a relevant intermediary as defined in Section 181 of the Companies Act, Cap.50) entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote on his stead. Such proxy need not be a member of the Company.
2. A relevant intermediary as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than two proxies to attend the meeting and vote.
3. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
4. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting.

Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the meeting.
5. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
6. A corporation which is a member of the Company may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with its Constitution of the Company and Section 179 of the Companies Act, Chapter 50 of Singapore.
7. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 8 Tai Seng Link (Level 5) Wing 2, Singapore 534158 not later than 48 hours before the time set for the Extraordinary General Meeting.
8. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited) he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
10. A Depositor shall not be regarded as a member of the Company entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the Extraordinary General Meeting.
11. Personal data privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting.

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The Company Secretary
ADDVALUE TECHNOLOGIES LTD
8 Tai Seng Link (Level 5) Wing 2
Singapore 534158

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