CIRCULAR DATED 1 SEPTEMBER 2026

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(S) IMMEDIATELY.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares in the capital of Addvalue Technologies Ltd (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of EGM and the enclosed Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the enclosed Proxy Form 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 immediately forward this Circular together with the Notice of EGM and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

This Circular has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

This Circular (together with the Notice of EGM and the Proxy Form) may be accessed at the Company's website at the URL https://www.addvaluetech.com/category/corporate/investor-relations/, and is also available on the SGX-ST's website at the URL https://www.sgx.com/securities/company-announcements.

This Circular does not constitute, and is not intended to be, an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for any shares or securities, nor is it intended to draw attention to a possible offer of securities, in Singapore, the United States of America or elsewhere.

ADDVALUE TECHNOLOGIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 199603037H)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

(1) THE PROPOSED SPIN-OFF BY THE COMPANY OF ITS IDRS BUSINESS VIA THE PROPOSED LISTING AND QUOTATION OF THE SHARES OF A LISTING HOLDCO TO BE SET UP AS THE HOLDING COMPANY OF THE SPIN-OFF GROUP ON THE NASDAQ STOCK MARKET OR THE NEW YORK STOCK EXCHANGE (AS THE CASE MAY BE)

(2) THE PROPOSED ISSUANCE OF NEW LISTING HOLDCO SHARES REPRESENTING UP TO 30% OF THE FURTHER ENLARGED SHARE CAPITAL OF THE LISTING HOLDCO IN CONNECTION WITH THE PROPOSED SPIN-OFF AND THE PROPOSED LISTING (WHICH INCLUDES THE PROPOSED OFFERING) AND THE UNDERWRITER FEE WARRANTS ISSUANCE

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	21 September 2026 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	24 September 2026 at 3.00 p.m.
Place of Extraordinary General Meeting	:	The EGM will be held at 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3)

CONTENTS

PAGE

Definitions ... 3

Letter to Shareholders ... 9

1. Introduction ... 9
2. The Proposed Spin-Off and the Proposed Listing ... 13
3. The Proposed Dilution ... 37
4. The Consultancy Fee In-Kind Payment and Underwriter Fee Warrants Issuance ... 39
5. Proforma Financial Effects of the Transactions ... 40
6. Interests of Directors and Substantial Shareholders ... 42
7. No Abstention from Voting Required ... 43
8. Directors' Recommendations ... 43
9. Extraordinary General Meeting ... 43
10. Action to be taken by Shareholders ... 44
11. Documents Available for Inspection ... 44
12. Directors' Responsibility Statement ... 44

Notice of Extraordinary General Meeting ... N-1

Proxy Form

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires or is otherwise stated, the following definitions shall apply throughout:

"**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 trustees 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 30.0% or more; (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a subsidiary of any 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 30.0% or more.
"**ACRA**"	:	Accounting and Corporate Regulatory Authority of Singapore.
"**Advance Digital Radio Business**"	:	Has the meaning ascribed to it in Section 2.2.2(b) of this Circular.
"**AVI**"	:	Addvalue Innovation Pte Ltd, a direct wholly-owned subsidiary of the Company and the holding company of AVS.
"**AVS**"	:	Addvalue Solutions Pte. Ltd., an indirect wholly-owned subsidiary of the Company engaged in the IDRS Business.
"**Board**"	:	The board of Directors of the Company as at the Latest Practicable Date.
"**CDP**"	:	The Central Depository (Pte) Limited.
"**Chain Listing Provision**"	:	Has the meaning ascribed to it in Section 2.6A of this Circular.
"**Circular**"	:	This circular to Shareholders dated 1 September 2026.
"**Companies Act**"		The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time.
"**Company**"	:	Addvalue Technologies Ltd.

DEFINITIONS

"**Constitution**"	:	The constitution of the Company, as amended, modified or supplemented from time to time.
"**Controlling Shareholder**"	:	A person who: (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company.
"**control**"	:	Has the meaning ascribed to it under the Listing Manual, namely, the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company.
"**Consultancy Fee In-Kind Payment**"	:	Has the meaning ascribed to it in Section 1.1(e) of this Circular.
"**Consultancy Fee Shares**"	:	Has the meaning ascribed to it in Section 1.1(e) of this Circular.
"**Director**"	:	A director of the Company.
"**EGM**"	:	The extraordinary general meeting of the Company to be held at 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3) on 24 September 2026 at 3.00 p.m., the notice of which is available on pages N-1 to N-4 of this Circular.
"**EPS**"	:	Earnings per Share.
"**Enlarged Share Capital**"	:	The enlarged share capital of the Listing Holdco following completion of the Proposed Restructuring but prior to the completion of the Proposed Spin-Off and the Proposed Listing (which includes the Proposed Offering), the IDRS IPs Consideration Shares Issuance and the Underwriter Fee Warrants Issuance.
"**Existing Share Capital**"	:	The share capital of the Listing Holdco immediately prior to the Proposed Restructuring.
"**Further Enlarged Share Capital**"	:	The further enlarged share capital of the Listing Holdco following completion of the Proposed Restructuring, the Proposed Spin-Off and the Proposed Listing (which includes the Proposed Offering), the IDRS IPs Consideration Shares Issuance and the Underwriter Fee Warrants Issuance (assuming full exercise and conversion into the Underwriter Fee Shares).
"**FY**"	:	Financial year ended or ending 31 March.
"**FY2026 Annual Report**"	:	The annual report of the Company for FY2026.

"**Group**"	:	The Company and its subsidiaries, collectively.
"**IDRS**"	:	Has the meaning ascribed to it in Section 2.2.2(a) of this Circular.
"**IDRS Business**"	:	Has the meaning ascribed to it in Section 2.2.2(a) of this Circular.
"**IDRS IPs**"	:	Has the meaning ascribed to it in Section 2.4.1 of this Circular.
"**IDRS IPs Consideration Shares Issuance**"	:	Has the meaning ascribed to it in Section 1.1(c) of this Circular.
"**Illustrative Fair Value**"	:	In respect of one or more Listing Holdco Shares, the fair value on the Listing Date determined by reference to the market capitalisation of the Listing Holdco upon commencement of trading of Listing Holdco Shares on the Nasdaq or the NYSE (as the case may be), and for the purpose of this Circular and purely for illustrative purpose, such market capitalisation assumed to be U$120 million.
"**IPO Price**"	:	The price per Listing Holdco Share at which the relevant Listing Holdco Shares will be offered to the public in connection with the Proposed Offering.
"**Latest Practicable Date**"	:	18 August 2026, being the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information in this Circular prior to its publication.
"**Listing Date**"	:	The date of commencement of dealing in the Listing Holdco Shares on the Nasdaq or the NYSE (as the case may be).
"**Listing Holdco**"	:	An entity to be incorporated under the laws of the Cayman Islands and which is intended to be the holding company and listing entity of the Spin-Off Group for the purposes of the Proposed Listing.
"**Listing Holdco Board**"	:	The proposed board of directors of the Listing Holdco.
"**Listing Holdco Shares**"	:	Ordinary shares in the capital of the Listing Holdco.
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time.
"**Mr. KP Tan**"	:	Mr. Tan Khai Pang.
"**Nasdaq**"	:	Nasdaq Stock Market.
"**Notice of EGM**"	:	The Notice of EGM dated 1 September 2026 which is set out on pages N-1 to N-4 of this Circular.
"**NTA**"	:	Net tangible assets.

"**NYSE**"	:	New York Stock Exchange.
"**Ordinary Resolutions**"	:	Ordinary Resolution 1 and Ordinary Resolution 2, collectively.
"**Ordinary Resolution 1**"	:	Has the meaning ascribed to it in Section 1.2(a) of this Circular.
"**Ordinary Resolution 2**"	:	Has the meaning ascribed to it in Section 1.2(b) of this Circular.
"**Project Consultant Team**"	:	Has the meaning ascribed to it in Section 1.1(e) of this Circular.
"**Proposed Dilution**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular.
"**Proposed Listing**"	:	The listing and quotation of the Listing Holdco Shares on the Nasdaq or the NYSE (as the case may be) and, unless the context so requires otherwise, includes the Proposed Offering.
"**Proposed Offering**"	:	The proposed initial public offering of the Listing Holdco Shares to be made by the Listing Holdco.
"**Proposed Restructuring**"	:	Has the meaning ascribed to it in Section 1.1(a) of this Circular.
"**Proposed Spin-Off**"	:	The proposed spin-off of the Spin-Off Group via the Proposed Listing.
"**Proxy Form**"	:	The proxy form in respect of the EGM.
"**Remaining AVT Group**"	:	The Group excluding the Spin-Off Group.
"**Remaining AVT Group's Business**"	:	Has the meaning ascribed to it in Section 2.6B(a) of this Circular.
"**RF**"	:	Has the meaning ascribed to it in Section 2.2.2(b) of this Circular.
"**Satcom Connectivity Business**"	:	Has the meaning ascribed to it in Section 2.2.2(c) of this Circular.
"**SDR**"	:	Has the meaning ascribed to it in Section 2.2.2(b) of this Circular.
"**SDS Business**"	:	Has the meaning ascribed to it in Section 2.2.2(d) of this Circular.
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP but does not include a securities subaccount maintained with a Depository Agent.
"**SFA**"	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time.
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited.

"**SGX-ST Pre-Clearance Decision**"	:	Has the meaning ascribed to it in Section 2.1.1 of this Circular.
"**SGX-ST Pre-Clearance Letter**"	:	Has the meaning ascribed to it in Section 2.1.1 of this Circular.
"**Shareholders**" or "**Members**"	:	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 Shares.
"**Shares**"	:	Ordinary shares in the paid-up share capital of the Company.
"**Spin-Off Group**"	:	The Listing Holdco and AVS.
"**Spin-Off Guidance**"	:	The spin-off guidance provided by the SGX-ST in its regulator's columns dated 3 February 2010 and 24 February 2011.
"**Substantial Shareholder**"	:	A person (including a corporation) who has an interest or interests in one or more voting shares (excluding treasury shares) in the Company and the total votes attached to that share, or those shares, is not less than 5.0% of the total votes attached to all the voting shares (excluding treasury shares) in the Company.
"**Subsidiary Holdings**"	:	Shares referred to in sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.
"**Transactions**"	:	Has the meaning ascribed to it in Section 1.1 of this Circular.
"**treasury shares**"	:	Issued Shares which were (or are treated as having been) purchased by the Company in circumstances which section 76H of the Companies Act applies and have since been continuously held by the Company.
"**%**" or "**per cent**"	:	Per centum or percentage
"**S$**" or "**cents**"	:	Singapore dollars and cents respectively.
"**Underwriter**"	:	The underwriter appointed in respect of the Proposed Listing of the Spin-Off Group.
"**Underwriter Fee Shares**"	:	The new Listing Holdco Shares to be issued and allotted upon exercise of the Underwriter Fee Warrants.
"**Underwriter Fee Warrants**"	:	Has the meaning ascribed to it in Section 1.1(e) of this Circular.
"**Underwriter Warrants Issuance**"	:	Has the meaning ascribed to it in Section 1.1(e) of this Circular.

"**US**"	:	United States of America.
"**US SEC**"	:	United States Securities and Exchange Commission.
"**US$**"	:	United States dollars.

The terms "**Depositor**", "**Depository**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in section 81SF of the SFA.

The terms "**subsidiary**" and "**related corporations**" shall have the meanings ascribed to them respectively in the Companies Act.

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

Any reference in this Circular to "**Rule**" or "**Chapter**" is a reference to the relevant rule or chapter in the Listing Manual.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Listing Manual or such statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference in this Circular to Shares being allotted to a person includes allotment to CDP for the account of that Depositor.

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

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

Morgan Lewis Stamford LLC has been appointed as the legal adviser to the Company as to Singapore law in relation to this Circular. No other legal advisors were previously engaged by the Company in relation to this Circular.

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

LETTER TO SHAREHOLDERS

Directors:	**Registered Office:**
Mr. Richard John Denny (Independent and Non-Executive Chairman)	202 Bedok South Ave 1
Mr. Tan Khai Pang (Chief Executive Officer and Executive Director)	#01-11
Mr. Kelvin Chow Chung Yip (Independent and Non-Executive Director)	Singapore 469332
Ms. Gwendolyn Gn Jong Yuh (Independent and Non-Executive Director)	

1 September 2026

To: The Shareholders of Addvalue Technologies Ltd

Dear Sir/Madam,

(1) THE PROPOSED SPIN-OFF BY THE COMPANY OF ITS IDRS BUSINESS VIA THE PROPOSED LISTING AND QUOTATION OF THE SHARES OF A LISTING HOLDCO TO BE SET UP AS THE HOLDING COMPANY OF THE SPIN-OFF GROUP ON THE NASDAQ STOCK MARKET OR THE NEW YORK STOCK EXCHANGE (AS THE CASE MAY BE)

(2) THE PROPOSED ISSUANCE OF NEW LISTING HOLDCO SHARES REPRESENTING UP TO 30% OF THE FURTHER ENLARGED SHARE CAPITAL OF THE LISTING HOLDCO IN CONNECTION WITH THE PROPOSED SPIN-OFF AND THE PROPOSED LISTING (WHICH INCLUDES THE PROPOSED OFFERING) AND THE UNDERWRITER FEE WARRANTS ISSUANCE

1. INTRODUCTION

1.1. Background

The Company had on 27 April 2026 announced its intention to undertake the Proposed Spin-Off of the IDRS Business via a proposed listing of the Spin-Off Group on the Nasdaq or the NYSE (as the case may be). It is contemplated that the Proposed Spin-Off and the Proposed Listing will be put into effect in the following manner:

(a) an internal restructuring exercise will be conducted in order to consolidate the Spin-Off Group as a standalone business unit for the Proposed Spin-Off and the Proposed Listing. In this regard, the Listing Holdco, which is intended to be the holding company and listing entity of the Spin-Off Group for the purposes of the Proposed Listing, will acquire 100% of AVS from AVI by way of a proposed share swap pursuant to which AVI will be issued and allotted new Listing Holdco Shares and will hold 100% of the issued and paid-up capital of the Listing Holdco (the "**Proposed Restructuring**"). The Proposed Restructuring will only be put into effect after the requisite approvals are obtained in respect of Ordinary Resolution 1 and Ordinary Resolution 2 at the EGM;

(b) immediately upon completion of the Proposed Restructuring, it is expected that the Company will (indirectly through AVI) continue to hold 100% of the Enlarged Share Capital of the Listing Holdco prior to and until the successful completion of the Proposed Listing;

(c) upon completion of the book-building process in connection with the Proposed Listing, and upon determination of the IPO Price, the Listing Holdco will issue and allot to AVI such number of new Listing Holdco Shares at the IPO Price per Listing Holdco Share for an aggregate value of US$30 million as settlement for the transfer of the IDRS IPs from AVI to AVS (the "**IDRS IPs Consideration Shares Issuance**");

(d) concurrently with the launch of the Proposed Offering, AVI will transfer[(1)] such number of Listing Holdco Shares held by it representing 3% of the share capital of the Listing Holdco assuming completion of the Proposed Restructuring and the IDRS IPs Consideration Shares Issuance only, which would represent approximately 2.4%[(2)] of the Further Enlarged Share Capital of the Listing Holdco (the "**Consultancy Fee Shares**"), to the consultant team engaged by the Company (the "**Project Consultant Team**") to provide business advisory and consultancy support[(3)] in the Company's strategic review of the monetisation of the Group's IDRS Business, including but not limited to the listing of AVS on a reputable stock exchange, as the Project Consultant Team's fees and compensation for such advisory and consultancy support as well as introductions made by the Project Consultant Team to capital markets professionals including listing sponsors and underwriters (the "**Consultancy Fee In-Kind Payment**"). The Consultancy Fee Shares will be beneficially owned and held by the Project Consultant Team;

Notes:

(1) The Consultancy Fee In-Kind Payment is a "non-discloseable" transaction for the `purposes of Chapter 10 of the Listing Manual as none of the relative figures computed on the applicable bases set out in Rule 1006 of the Listing Manual based on the latest announced audited financial statements of the Group for FY2026 exceed 5%.

(2) The actual percentage of the Further Enlarged Share Capital of the Listing Holdco represented by the Consultancy Fee Shares is subject to the IPO Price and the number of new Listing Holdco Shares issued and allotted pursuant to the Proposed Listing.

(3) The business advisory and consultancy support which has been provided includes but is not limited to: (I) provision of market analysis and intelligence in respect of the market trends, competitive landscape, industry developments; (II) advising on general business strategy including growth initiatives, strategic partnerships, and corporate development matters as well as identifying and making introductions to strategic investors/partners; and (III) introduction of professionals and service providers for the Proposed Spin-Off and the Proposed Listing.

(e) in connection with the Proposed Offering, the Listing Holdco will issue the relevant number of new Listing Holdco Shares, as well as issue and allot to the Underwriter as part of its underwriting compensation, warrants which in aggregate are exercisable into new Listing Holdco Shares representing 5% of the total number of Listing Holdco Shares offered under the Proposed Offering, such warrants being exercisable at any time and from time to time within 36 months from the Listing Date at a conversion price equivalent to 120% of the IPO Price per Listing Holdco Share (the "**Underwriter Fee Warrants**", and the issuance of Underwriter Fee Warrants, the "**Underwriter Fee Warrants Issuance**").

For the avoidance of doubt, it is currently envisaged that the Company will (indirectly through AVI) continue to hold at least 70% of the Further Enlarged Share Capital of the Listing Holdco, and that the Spin-Off Group will, as a result, continue to be consolidated with the Group. Please refer to the table in Section 3 of this Circular for further details.

For the corporate group structures of the Group: (i) as at the Latest Practicable Date; (ii) following completion of the Proposed Restructuring; and (iii) following completion of the Proposed Restructuring, the Consultancy Fee In-Kind Payment, the Proposed Spin-Off and the Proposed Listing (which includes the Proposed Offering), the IDRS IPs Consideration Shares Issuance as well as the Underwriter Fee Warrants Issuance (collectively, the "**Transactions**"), please see Section 2.2.3 of this Circular. The Company will update Shareholders on the Proposed Restructuring as and when there are material developments.

The Proposed Spin-Off and the Proposed Listing, as well as the issue and allotment of the Underwriter Fee Shares (assuming the Underwriter Fee Warrants are exercised in full) entail the issue and allotment of new Listing Holdco Shares which will result in a percentage reduction of no more than 30% of the Company's indirect equity interest in AVS (the "**Proposed Dilution**"), being a principal subsidiary of the Company (for the reasons set out in Section 3 of this Circular), and the Company intends to seek the approval of Shareholders for the Proposed Dilution pursuant to Rule 805(2)(b) of the Listing Manual

For completeness, the Company would like to also note that in connection with the Proposed Offering and subject to the recommendation of the Underwriter as well as meeting the applicable securities offering regulations, the key management personnel and employees of the Group would be invited to subscribe for the Listing Holdco Shares that are offered during the Proposed Offering at the IPO Price.

1.2. **Purpose of this Circular**

The Directors are convening an extraordinary general meeting to be held in person at 202 Bedok South Ave 1, #01-11, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3) on 24 September 2026 at 3.00 p.m. to seek Shareholders' approval for:

(a) the Proposed Spin-Off via the Proposed Listing on the Nasdaq or the NYSE (as the case may be), to be approved by way of an ordinary resolution of the Shareholders ("**Ordinary Resolution 1**"); and

(b) the Proposed Dilution as a result of the Proposed Spin-Off and the Proposed Listing, as well as the issue and allotment of the Underwriter Fee Shares upon exercise of the Underwriter Fee Warrants, pursuant to Rule 805(2)(b) of the Listing Manual, to be approved by way of an ordinary resolution of the Shareholders ("**Ordinary Resolution 2**"),

(collectively, the "**Ordinary Resolutions**").

The purpose of this Circular is to (i) provide Shareholders with, among other things, information relating to, the rationale for, the benefits of and the financial effects of the Transactions; and (ii) provide Shareholders with information on the Transactions. Shareholders' approval for the Proposed Spin-Off, the Proposed Listing and the Proposed Dilution will be sought at the EGM by way of Ordinary Resolutions.

1.3. **Inter-conditionality of the Ordinary Resolutions**

Shareholders should note that Ordinary Resolution 1 and Ordinary Resolution 2 are inter-conditional upon the passing of one another. In the event Shareholders do not approve Ordinary Resolution 1 or Ordinary Resolution 2, none of Ordinary Resolution 1 or Ordinary Resolution 2 would be passed and the Proposed Spin-Off via the Proposed Listing on the Nasdaq or the NYSE (as the case may be) and the Proposed Dilution will not proceed. In particular, the Proposed Spin-Off and the Proposed Listing, as well as the Underwriter Fee Warrants Issuance are conditional upon the passing of Ordinary Resolution 2. Accordingly, in the event Shareholders do not approve Ordinary Resolution 1 and/or Ordinary Resolution 2, the Underwriter Fee Warrants Issuance will not proceed as the benefit of and the corresponding rationale for the Underwriter Fee Warrants Issuance are dependent on the Proposed Spin-Off via the Proposed Listing on the Nasdaq or the NYSE (as the case may be), and therefore, the Proposed Dilution, taking place.

1.4. **Cautionary Statement**

The Proposed Spin-Off and the Proposed Listing are subject to, amongst other things, requisite approvals from all relevant regulatory authorities, including but not limited to the SGX-ST and the US SEC, consents from or notifications to certain third parties as required by the terms of the contracts entered into by the Spin-Off Group, market conditions prevailing at the relevant time and Shareholders' approval for Ordinary Resolution 1 and Ordinary Resolution 2 as set out in the Notice of EGM. The Board wishes to caution Shareholders that there is no certainty or assurance as at the date of this Circular that the relevant approvals will be obtained and that the Proposed Spin-Off and the Proposed Listing as well as the Proposed Dilution will materialise.

This Circular does not constitute, and is not intended to be, an offer or an initial public offering or a notice, circular or advertisement calling or drawing attention to an offer or an initial public offering to the public to subscribe for and/or purchase any shares or a statement intended to induce any person to apply for any shares in the Proposed Listing.

Whilst the information and terms relating to the Proposed Listing as set out in this Circular are, to the best knowledge and belief of the Directors having made due and careful enquiries, true and accurate as at the Latest Practicable Date, such information or terms may be subject to further amendments or modifications pending finalisation of the same prior to the issue of the SEC Form F-1 to be registered with the US SEC in connection with the Proposed Listing. As the Proposed Listing will be conducted in the US, the SEC Form F-1 will not be issued nor registered in Singapore, Hong Kong or any other jurisdictions.

As the Proposed Listing is still at its initial stage of preparation as at the Latest Practicable Date, any indicative IPO Price, percentage of dilution, and the number of Listing Holdco Shares to be issued as stated in this Circular in relation to or in connection with the Proposed Listing is strictly for illustration purposes only and should not be taken to be in any way as a statement or indication of the expected, forecasted or actual IPO Price, percentage of dilution, or number of Listing Holdco Shares to be issued. These details will be determined by the Directors and/or the Listing Holdco Board in due course, in consultation with the Company's advisers for the Proposed Listing, closer to the date of the Proposed Listing through a book-

building process, after taking into consideration, *inter alia*, the historical financial information of the Spin-Off Group, the valuation of the Listing Holdco Shares, the size of the Proposed Listing, the level of investors' interest and the then prevailing market conditions. Accordingly, there is no assurance that the actual IPO Price and the percentage of dilution will not vary from the illustration(s) used in this Circular.

Further, the Company reserves the right to not proceed with the Proposed Spin-Off and the Proposed Listing if, after assessing various factors, including the prevailing general economic and capital market conditions and any other relevant factors, the Company does not consider the Proposed Spin-Off and the Proposed Listing to be in the best interests of the Company and/or if the requisite approval(s) required for the Proposed Spin-Off and the Proposed Listing have not been or cannot practicably be obtained. The Company will make further announcements as and when required and as and when material developments arise in respect of the Proposed Spin-Off and the Proposed Listing.

Certain descriptions and disclosures (including but not limited to the financial information) in respect of the Spin-Off Group and its business have been included in this Circular. If and when the SEC Form F-1 is issued and registered by the Listing Holdco, it should be noted that the information in relation to the Listing Holdco and the Spin-Off Group and its business as set out in the SEC Form F-1 may be more comprehensive than that set out in this Circular, as it will be prepared in compliance with the US Securities Act, 1933 and other applicable laws and regulations, and will contain prescribed information and presentation of information.

Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests and to exercise caution when dealing with the Shares. In the event that the Shareholders and/or potential investors wish to deal in the Shares, they should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

2. THE PROPOSED SPIN-OFF AND THE PROPOSED LISTING

2.1. Pre-Clearance with the SGX-ST

2.1.1. Pre-Clearance

As announced by the Company on 27 April 2026, the Company has submitted an application to the SGX-ST (the "**SGX-ST Pre-Clearance Letter**") to seek its confirmation that the Proposed Spin-Off would not amount to a chain listing in contravention of Rule 210(6) of the Listing Manual.

Pursuant to the SGX-ST Pre-Clearance Letter, the SGX-ST has advised the Company that, based on the Company's submissions and representations to the SGX-ST, the SGX-ST concurs with the Company's view that the Proposed Spin-Off would not amount to a chain listing, subject to compliance with the SGX-ST's listing requirements and guidelines (the "**SGX-ST Pre-Clearance Decision**"). The SGX-ST reserves the right to amend and/or vary the SGX-ST Pre-Clearance Decision and such decision is subject to changes in the SGX-ST's policies.

2.1.2. Preparatory work for the Proposed Spin-Off and the Proposed Listing

Since the Company's receipt of the SGX-ST Pre-Clearance Decision, preparatory work for the Proposed Spin-Off and the Proposed Listing has commenced. As at the Latest Practicable Date, AVS has appointed the Underwriter as the underwriter in respect of the Proposed Listing of the Spin-Off Group, and is preparing the relevant offering documents (including without limitation the SEC Form F-1) for submission to, among others and as the case may be, the US SEC. In addition, AVS has appointed other professional advisors including the US issuer counsel, Singapore and Cayman Islands local counsel and US auditor to assist with and support the Proposed Listing.

2.2. **Information on the Group**

2.2.1. Overview

The Company is currently admitted to, and its ordinary shares have been listed and quoted, on the Mainboard of the SGX-ST since June 2000. As at the Latest Practicable Date, the Company has a market capitalisation of approximately S$560 million. The Group is a communications technology products developer that provides state-of-the-art satellite-based communication and other innovative digital broadband products and solutions for a variety of connectivity for applications at seas, on land, on flight and even in space. The Group's technical competencies include radio and antenna design, embedded system design and software defined radio platform. Its customers include leading organisations in commercial, defence and space industries.

2.2.2. Business Segments

As at the Latest Practicable Date, the Group has four main business segments as follows:

(a) IDRS Business

The space connectivity business (the "**IDRS Business**") focuses on enabling continuous and near real-time communications for satellites, spacecraft and other space assets through satellite relay infrastructure, rather than relying solely on conventional ground stations. A key product within this segment is the Inter-Satellite Data Relay System ("**IDRS**"), which enables satellites in low earth orbit to maintain near real-time communications with operators via commercial satellite networks such as Inmarsat. This capability reduces communication latency and enhances mission responsiveness for applications including earth observation, maritime surveillance, space debris removal and future commercial space stations. Through the IDRS Business, the Group provides IDRS terminals and onboard communication hardware, space-resilient connectivity systems, software-defined radio and edge-processing capabilities, as well as data relay services for satellite and spacecraft operators. The Group's customers include commercial space companies in the United States, Europe and Japan, particularly operators of satellite constellations and earth observation systems.

(b) Advance Digital Radio Business

The advance digital radio business (the "**Advance Digital Radio Business**") focuses on the development and provision of high-performance software-defined radio ("**SDR**") technologies, embedded digital electronics and radio frequency ("**RF**") communication systems for advanced wireless and mission-critical applications. This business segment leverages the Group's expertise in RF engineering, embedded systems, digital signal processing and reconfigurable computing technologies to deliver highly adaptable and scalable communication and sensing solutions. Key areas within the Advance Digital Radio Business include SDR platforms, RF communication modules, embedded digital processing systems, edge-computing and artificial intelligence-capable electronics, as well as reconfigurable wireless systems designed for specialised applications. These technologies enable flexible and software-configurable communication architectures that can support evolving operational requirements across a wide range of industries and environments. The Advance Digital Radio Business targets several high-growth and technology-driven markets, including anti-drone and unmanned aerial systems, phased-array radar, smart RF sensing, 5G and non-terrestrial networks, satellite communication infrastructure, aerospace and defence electronics, and advanced test-and-measurement systems. Through this business segment, the Group seeks to capitalise on increasing global demand for next-generation wireless connectivity, autonomous systems, intelligent sensing capabilities and secure communication technologies.

(c) Satcom Connectivity Business

The satcom connectivity business (the "**Satcom Connectivity Business**") will focus on providing new satellite-connectivity technologies, such as 5G non-terrestrial networks, for remote, offshore or underserved areas where terrestrial communication networks are unavailable, unreliable or impractical. Through this business segment, the Group will deliver reliable communication solutions that support mission-critical operations and maintain connectivity in challenging environments.

(d) Strategic Design Services Business

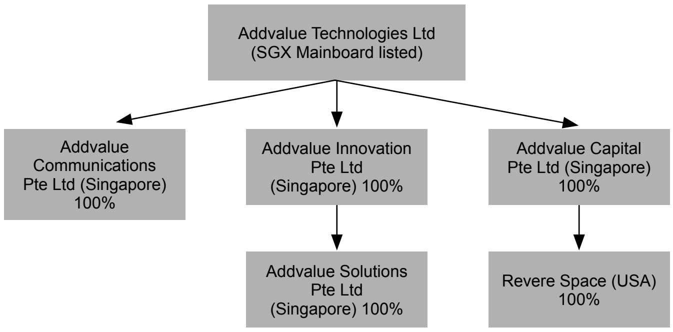
The strategic design services business (the "**SDS Business**") is the Group's engineering services and technology development arm, focused on delivering specialised design, research and development and engineering capabilities to external customers. This segment functions as a contract-based technical partner, supporting customers in the design, development and validation of complex communication, electronic and embedded systems. The SDS Business provides a broad range of services, including custom hardware design, RF and antenna engineering, embedded systems development, SDR development, satellite communication system integration, as well as product prototyping, testing and verification. These capabilities enable customers to accelerate product development cycles and access specialised engineering expertise that may not be readily available in-house.

Key customers of the SDS Business include aerospace companies, satellite operators, telecommunications equipment manufacturers and industrial technology firms. These customers typically operate in highly technical and regulated industries where precision engineering, system reliability and performance optimisation are critical to product success and operational deployment.

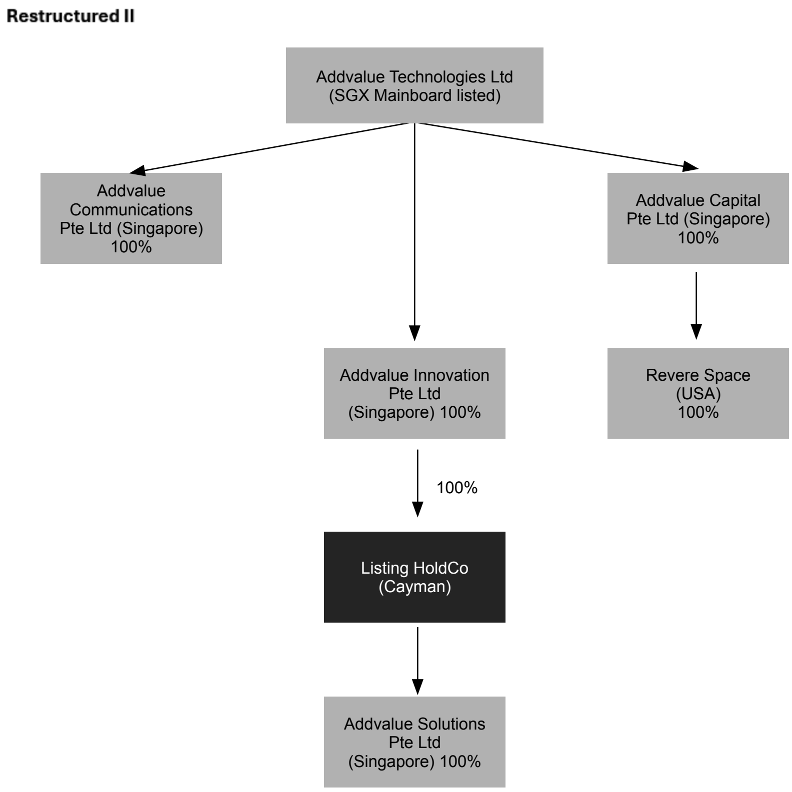
2.2.3. Group Structure

The corporate group structures of the Group: (i) as at the Latest Practicable Date; (ii) following completion of the Proposed Restructuring; and (iii) following completion of the Transactions (assuming full exercise and conversion into the Underwriter Fee Shares) are set out below:

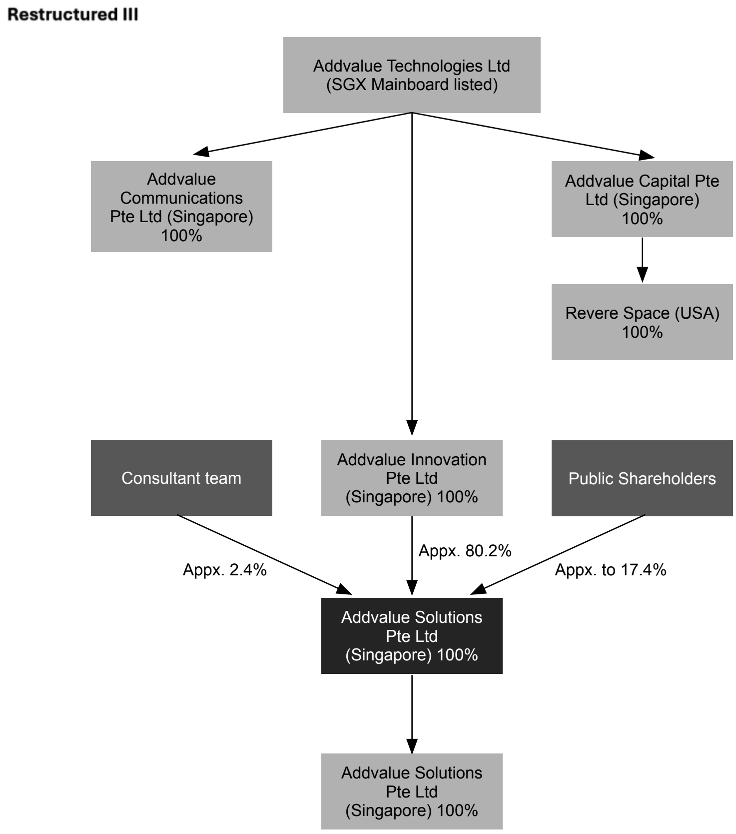
(i) As at the Latest Practicable Date



(ii) Following completion of the Proposed Restructuring



(iii) Following completion of the Transactions (assuming full exercise and conversion into the Underwriter Fee Shares)



Note:

(1) The Underwriter Fee Shares to be issued and allotted to the Underwriter have been accounted for under "Public Shareholders".

Please also refer to Sections 2.6A(b) and 2.6C(a) of this Circular for further historical financial information on the businesses of the Remaining AVT Group and the Spin-Off Group.

Shareholders are to note that all of the historical financial information of the businesses of the Remaining AVT Group and the Spin-Off Group as set out in this Circular is purely for illustrative purposes only. As the Company will hold a majority interest in the Spin-Off Group upon completion of the Proposed Spin-Off and the Proposed Listing, the Listing Holdco and its subsidiaries will continue to be subsidiaries of the Company and the Company will continue to consolidate the financial results of the Spin-Off Group. Shareholders are also to note the cautionary statements as set out in Section 1.4 of this Circular.

2.3. Rationale for and Benefits of the Proposed Spin-Off and the Proposed Listing

The Board is of the view that the Proposed Spin-Off via the Proposed Listing would bring the following tangible economic benefits to the Shareholders:

2.3.1. Unlocking Shareholders' value

The Proposed Spin-Off is expected to increase the Shareholders' value in the following ways:

(a) the Proposed Spin-Off will enable the Spin-Off Group to be listed and valued separately from the other businesses of the Remaining AVT Group. The Proposed Spin-Off will assist analysts, Shareholders and the investing public to better appraise the value of the Company's different underlying businesses and assets. This will consequently allow for the value of such businesses and assets to be better reflected, thereby reducing any possible conglomerate discount; and

(b) the Proposed Spin-Off also increases the marketability of the Company's investment in the Listing Holdco and provides the Company with more options with regard to its long-term strategy for its equity stake in the Listing Holdco. As it is intended that the Company will retain a controlling stake in the Listing Holdco, Shareholders of the Company will be able to continue to participate in the growth of the Spin-Off Group through the Company's shareholding interest in the Listing Holdco.

The Proposed Spin-Off and the Proposed Listing will allow the Spin-Off Group (and the IDRS Business) to be listed separately, thereby substantially increasing the visibility of the IDRS Business and enhancing its public image. As an independently listed entity, the Spin-Off Group will be made more prominent to the investing community, especially the US capital market where space businesses are highly appreciated and this will allow analysts, shareholders and investors to better appraise the value of the IDRS Business independently from the other businesses and assets of the Remaining AVT Group. This allows for a clearer and more transparent valuation of the Spin-Off Group (and the IDRS Business) as a separately listed group with a business that is distinct from the other business segments of the Remaining AVT Group as it will be represented by shares in a listed entity with its own market price and investor following.

Moreover, the Proposed Spin-Off provides the Company with more options with regards to its equity stake in the Spin-Off Group including allowing the Spin-Off Group to gain direct access to public capital to support its expansion and growth plans independently, rather than raising funds at the Company level. A separate listing of the Spin-Off Group also provides the Remaining AVT Group with the option of monetising some of its equity stake in the Spin-Off Group and returning capital to its Shareholders or using it to fund other business opportunities for the Remaining AVT Group while maintaining a controlling stake in the Spin-Off Group. Any expansion and growth of the Spin-Off Group would augur well for the Remaining AVT Group, and therefore, the Shareholders of the Company, given the retained significant shareholding interest that the Company would have in the Listing Holdco upon completion of the Proposed Spin-Off and the Proposed Listing.

2.3.2. Enable management's focus on core businesses

As the nature of the Spin-Off Group's IDRS Business differs significantly from that of the Remaining AVT Group's remaining businesses, the Board believes that the

Proposed Spin-Off will provide the management of the Spin-Off Group with greater autonomy to better focus on its core business and strategies as a separately-listed entity with its own board and management team, save for Mr. Tan Khai Pang ("**Mr. KP Tan**"), who is the Chief Executive Officer and an Executive Director of the Company (as well as certain subsidiaries which will come under the Remaining AVT Group), as well as the proposed Executive Chairman of the Listing Holdco. This is also expected to enable the Spin-Off Group to react to its market conditions faster and more effectively.

2.3.3. Financial independence and direct access to capital markets for the Spin-Off Group

Following the Proposed Spin-Off and the Proposed Listing, it is open to the Spin-Off Group to independently and directly access capital markets based on its own merits. The Proposed Listing will raise immediate funds for the Spin-Off Group to pursue its growth strategy and pave the way for future capital raising in the capital markets to fund its expansion plans without imposing financial burden on the Remaining AVT Group. In addition, the Remaining AVT Group will be able to refocus its resources towards growing the remaining businesses with a view to improving shareholder value in the long term.

2.3.4. Greater investment flexibility

The Proposed Spin-Off and the Proposed Listing may entice potential investors who are keen only on investing in IDRS-related businesses to invest in the Spin-Off Group as a pure play, whereas without the Proposed Spin-Off, they may not have considered such an investment decision due to the nature of the various businesses of the Group. As such, both Shareholders and new investors will benefit from the flexibility to invest in the shares of either or both listed entities, in accordance with their personal preferences, investment goals and risk appetites.

2.3.5. Ability to better align the commitment and interests of the management and employees of, as well as those contributing to the growth and success of the Spin-Off Group

A separate listing of the Spin-Off Group (i.e., via the Listing Holdco) would provide a more effective platform for aligning interests of the management and employees of the Spin-Off Group with those of the Listing Holdco and for the aligning of their incentives with the Spin-Off Group's performance and growth. By establishing an independent public market valuation and a separately traded equity currency, the Listing Holdco is able to grant equity-based incentives, such as share options or performance shares, that are directly linked to the Spin-Off Group's own financial results and share price performance. This would also enable the Spin-Off Group to more effectively attract, retain, and motivate management and employees of the Spin-Off Group, and other key contributors whose efforts drive the Spin-Off Group's success (including management and employees of the Listing Holdco's related companies such as the Company and AVI), as the value of their awards reflects the Spin-Off Group's achievements rather than those of the broader parent group. In turn, this stronger alignment of interests can foster greater entrepreneurial focus, accountability, and long-term value creation at the Spin-Off Group level.

For the purposes of the aforesaid objectives of attracting, retaining, and motivating management and employees as well as other key contributors, the Listing Holdco will be proposing the adoption of an equity incentive scheme (comprising either grants of share options or awards of performance shares) that aligns with market practice generally adopted by issuers listed on Nasdaq or, as the case may be, the NYSE. The terms and conditions applicable to such equity incentive scheme will be included in the SEC Form F-1 to be registered with the US SEC in connection with the Proposed Offering. Besides enhancing the Spin-Off Group's ability to attract, motivate and retain talent critical to its long-term success, the equity incentive scheme would also provide eligible participants from both the Listing Holdco and its related companies (including the Company and AVI) with the opportunity to participate in the ownership and future growth of the Spin-Off Group – serving as a meaningful incentive for sustained performance and commitment. It will be designed to reward contributions that drive the growth, profitability and expansion of the Spin-Off Group, while encouraging participants to focus on the achievement of long-term strategic objectives and the creation of sustainable shareholder value. All the aforesaid will, in turn, augur well for the Company and the Shareholders as a whole given that the Company (through AVI) will remain a shareholder with significant majority interest in the Spin-Off Group (through the Listing Holdco).

The Board is of the view that maintaining the current listing structure would not be as beneficial to Shareholders as: (i) it would not allow the Company (and in turn, the Shareholders) to realise the net tangible economic benefits to Shareholders set out above; and (ii) it would also limit the Company's ability to efficiently utilise the capital, financial and operational resources for the Remaining AVT Group. The Board further believes that the Proposed Spin-Off and the Proposed Listing will be able to unlock value for Shareholders more effectively by positioning the Spin-Off Group at the centre of one of its most important commercial ecosystems and market for space communications and commercial activities relating to the space industry. The Proposed Spin-Off and the Proposed Listing is expected to enhance the Spin-Off Group's (and corresponding, the Remaining AVT Group's) credibility and visibility vis-à-vis its key customers, suppliers and business partners, many of whom are or have strong presence in the United States.

2.4. Information on the Spin-Off Group

2.4.1. Overview

As at the Latest Practicable Date, AVS is wholly-owned by AVI, which is in turn wholly owned by the Company. AVS was incorporated on 13 August 2014 under the laws of Singapore. As at the Latest Practicable Date, AVS: (a) has an issued and paid-up share capital of S$2 comprising 2 ordinary shares; and (b) has no outstanding instruments convertible into, rights to subscribe for, or options in respect of its shares. AVS has been an indirect wholly-owned subsidiary of the Company since its incorporation. Pursuant to the Proposed Restructuring, the Listing Holdco will acquire 100% of AVS from AVI by way of a proposed share swap on terms and conditions to be determined at a later date. For the reasons set out in Section 3 of this Circular, AVS is a principal subsidiary of the Company.

A description of the business of the Spin-Off Group (namely, the IDRS Business) is set out in Section 2.2.2 of this Circular.

Further, it should be noted that in order to enable the Spin-Off Group to carry out the IDRS Business, prior to completion of the Proposed Spin-Off and the Proposed Listing, AVI will transfer to AVS all of the intellectual property rights (the "**IDRS IPs**") relating to IDRS technologies for the development, sale, marketing and distribution of IDRS-related products and services for a pre-agreed consideration of USD 30 million to be settled through the IDRS IPs Consideration Shares Issuance. The consideration amount of USD 30 million was determined based on a valuation obtained from an independent third party valuer. The transfer of the IDRS IPs is not expected to have any material impact on the EPS, NTA per Share or financial position of the Company and the Group.

2.4.2. Proposed directors and management of the Spin-Off Group

It is currently envisaged that the Listing Holdco Board will comprise a total of 4 directors comprising three independent non-executive directors and one executive director (being Mr. KP Tan). There would be no change to the Board and the senior management team of the Company (and the Remaining AVT Group) save for the re-assignment and transfer of its Head of Solutions & Managed Services, Mr. K. Kalaivanan, to the senior management team of the Spin-Off Group on account of his role and functions being solely focussed on the IDRS Business. Except for Mr. KP Tan who will be holding concurrent directorships on both the Board and the Listing Holdco Board as well as executive positions in the Remaining AVT Group and the Spin-Off Group for reasons set out below, no member of the senior management team of the Spin-Off Group will hold any concurrent position or play any role in the Remaining AVT Group or any business of the Remaining AVT Group.

In particular, the Company and the Listing Holdco will have separate boards of directors and senior management, save in respect of Mr. KP Tan who is the Chief Executive Officer and Executive Director of the Company (as well as certain subsidiaries which will come under the Remaining AVT Group), as well as the proposed Executive Chairman of the Listing Holdco.

The Company has proposed that Mr. KP Tan take on such dual appointment to:

(a) continue his contributions to the development and growth of the Spin-Off Group as the Executive Chairman of the Listing Holdco Board (in terms of charting the directions as well as business and technical strategies, and in terms of the strength of the customer relationships that he has developed over the last two decades or so); and

(b) take leadership and continue to be the primary driver of the day-to-day operations as well as the development and growth of the Remaining AVT Group as the Chief Executive Officer and an Executive Director of the Company (as well as certain subsidiaries which will come under the Remaining AVT Group).

The Board considers such a dual appointment to be mutually beneficial and helpful for both the Remaining AVT Group and the Spin-Off Group as each group would be able to continue to tap on the expertise, experience, technical skillsets as well as business and commercial connections and network which Mr. KP Tan has helped develop and secure over the last two decades for the Group (including, for the avoidance of doubt, the Spin-Off Group). In endorsing such a dual appointment, the Board has also taken into consideration that Mr. KP Tan is one of the pioneers of the IDRS technology and has been instrumental to the implementation, development and growth of the IDRS Business and his position as Chairman of the Spin-Off Group would be particularly appropriate. It is noted that the expansion and growth of the IDRS Business of the Spin-Off Group would present a direct and positive uplift to the financial performance of the Company being the majority shareholder of the Listing Holdco and, in turn, be of benefit to the Shareholders.

Notwithstanding the foregoing, the Board is of the opinion that this will not affect the independence of management between the Remaining AVT Group and the Spin-Off Group as:

i. Mr. KP Tan's role in the Remaining AVT Group will remain unchanged;

ii. in his capacity as Executive Chairman of the Spin-Off Group, Mr. KP Tan is expected to only undertake an oversight role and be involved in the broad-based strategic decision making concerning the Spin-Off Group, as well as continue to assist and support the Spin-Off Group in terms of growing and securing the customer and supplier relationships which are material to the Spin-Off Group;

iii. given the difference in the nature of the businesses of the Remaining AVT Group (namely, the Advance Digital Radio Business, the Satcom Connectivity Business and the SDS Business) and the nature of the business of the Spin-Off Group (namely, the IDRS Business), there will not be any competition between the businesses of the Remaining AVT Group and the business of the Spin-Off Group. As such, having Mr. KP Tan as a member of both the Board and the Listing Holdco Board and as a director of all or some of the existing as well as future subsidiaries and associated companies (if any) of the Spin-Off Group, would not cause any material adverse impact on the business operations of the Remaining AVT Group;

iv. the independent and non-executive directors of the Company and the Listing Holdco will not overlap (i.e., there will be no common non-executive independent directors between the two boards) and both boards will have strong elements of independence as the majority of in respect of each of the boards will comprise independent and non-executive directors; and

v. with respect to any transaction between the Remaining AVT Group and the Spin-Off Group, Mr. KP Tan will abstain from voting at board meetings of both the Remaining AVT Group and the Spin-Off Group to ensure independence though he will still participate in the deliberation process during such meetings to assist and support the other board members in making meaningful assessments. To the extent that there is any direct conflict of interests that pertains to Mr. KP Tan personally and if so advised by either group's legal counsel, Mr. KP Tan will recuse and abstain from participating in the relevant board meetings (including the decision-making).

As regards the other members of the key management of the Spin-Off Group, they are generally personnel who are currently and primarily involved in and supporting the business and commercial activities of the Spin-Off Group, with such additional members (including persons recruited from outside the Group) to be added to the management team as and when appropriate or necessary.

It should be noted that at present, Mr. KP Tan is taking on executive roles that involve the management of all the businesses of the Remaining AVT Group (i.e., the Advance Digital Radio Business, the Satcom Connectivity Business and the SDS Business) as well as the business of the Spin-Off Group (i.e., the IDRS Business). Hence, the amount of time and resources required to be committed by Mr. KP Tan to each such role are not expected to be significantly more after completion of the Proposed Spin-Off and the Proposed Listing. In addition, Lawrence Paul Budd, a US citizen who is currently the vice-president of the IDRS Business in the USA for the past two years will be taking on an additional role as the designated Chief Executive Officer of the Listing Holdco, and Mr. Fong Thian Loong will be appointed as the Chief Financial Officer cum General Manager of the Listing Holdco, with both undertaking the leadership of the day-to-day management and operational matters of the Spin-Off Group. Hence, it is expected that the amount of time and resources required from Mr. KP Tan will be focused on business and technical strategies as well as growing and securing the customer and supplier relationships which are material to the Spin-Off Group.

In view of the above, the Company is of the view that the Remaining AVT Group and the Spin-Off Group will be regarded as managed independently of each other after the Proposed Spin-Off.

In connection with the proposed dual appointment of Mr. KP Tan, Mr. KP Tan has confirmed to the SGX-ST that he has the ability, and has irrevocably and unconditionally undertaken, to allocate sufficient time to properly discharge his duties as the Chief Executive Officer and Executive Director of the Remaining AVT Group and as the Executive Chairman of the Spin-Off Group following completion of the Proposed Spin-Off and the Proposed Listing. Further, the Nominating Committee of the Company has also irrevocably and unconditionally undertaken to the SGX-ST as follows:

(1) to conduct an annual review on the adequacy of time committed and spent by Mr. KP Tan to properly discharge his duties as the Chief Executive Officer and Executive Director of the Remaining AVT Group and as the Executive Chairman of the Spin-Off Group following completion of the Proposed Spin-Off and the Proposed Listing;

(2) following such annual review, to make such recommendation (or recommendations) to the Board of the Company as appropriate or necessary; and

(3) to ensure that each member of the Nominating Committee of the Company (including additional or replacement member(s) appointed to such Nominating Committee) be made aware of the obligations of the Nominating Committee in respect of the preceding sub-paragraphs (1) and (2).

2.4.3. Independence of the finance teams and administrative capabilities

To ensure the independence of the Remaining AVT Group and the Spin-Off Group, both the Remaining AVT Group and the Spin-Off Group will have their own independent finance and administrative capabilities to support their respective businesses.

(a) Finance Team

The finance team of the Remaining AVT Group will continue to be headed by the Group's Chief Financial Officer, Mr. Wong Tat Yang, and his team of over 3 finance employees, while the Listing Holdco's Chief Financial Officer cum General Manager, Mr. Fong Thian Loong, and his team will be independently responsible for the tax, accounting, financial management and general administrations matters of the Spin-Off Group.

The preparation and maintenance of the Spin-Off Group's accounts and financial statements will be conducted separately from that of the Remaining AVT Group. As a matter of process, Mr. Fong Thian Loong and his team will prepare the financial statements of the Spin-Off Group for review and approval by the board of directors of the Listing Holdco. Further, as the Listing Holdco would remain a subsidiary of the Company, the Spin-Off Group will be expected to provide relevant financial and other information relating to the Spin-Off Group strictly on a 'need-to-know' basis and only to a limited team of personnel from the finance team of the Remaining AVT Group for the sole purpose of facilitating the preparation by the Remaining AVT Group of its periodic consolidated group financial statements and reporting.

(b) Administrative Capabilities

The Remaining AVT Group and the Spin-Off Group will have separate teams and personnel carrying out administrative functions, including human resources and information technology. The two groups will also have respective headquarters and separate office spaces.

2.5. Information on the Proposed Listing

Although the Company's indirect equity interest in the Listing Holdco will be diluted pursuant to the Proposed Restructuring, the Proposed Spin-Off and the Proposed Listing, as well as the issue and allotment of the Underwriter Fee Shares, the Company will (indirectly through AVI) hold at least 70% of the Further Enlarged Share Capital of the Listing Holdco upon completion of the Proposed Listing. Accordingly, the Listing Holdco and its subsidiaries will remain as subsidiaries of the Company after the completion of the Proposed Listing, and the Company will continue to consolidate the financial results of the Listing Holdco and its subsidiaries. As for after completion of the Proposed Listing, the Company currently does not envisage any circumstance where it will hold less than 51% indirect equity interest in the Listing Holdco, save for future merger and acquisition's opportunities. Read together with the rationale for and benefits of the Proposed Spin-Off and the Proposed Listing as set out in Section 2.3 of this Circular, the Board is of the view that the Proposed Spin-Off and the Proposed Listing are not expected to have any material adverse impact on the interests of the

Shareholders. The Proposed Listing is expected to take place within 6 months to 9 months from the date of the EGM.

The actual level of dilution of the Company's shareholding interest in the Listing Holdco pursuant to the Proposed Listing will depend on, among other things, the IPO Price and the total number of Listing Holdco Shares issued in connection with the Proposed Listing. **As at the Latest Practicable Date, the offer structure has not been finalised and the IPO Price, the number of Listing Holdco Shares to be issued and the amount of proceeds to be raised from the Proposed Listing have not been determined, and will be subject to, among other things, the market conditions prevailing at the time of the Proposed Listing.**

As the Proposed Listing is still at its initial stage of preparation as at the Latest Practicable Date, the amount of proceeds to be raised by the Listing Holdco has not been ascertained at this stage. The amount to be raised will be dependent upon, *inter alia,* the historical financial information of the Spin-Off Group, the valuation of the Listing Holdco Shares, the size of the Proposed Listing, the level of investors' interest and the then prevailing market conditions. As at the Latest Practicable Date, it is intended that the proceeds raised by the Listing Holdco from the issue of new Listing Holdco Shares pursuant to the Proposed Listing will be used for the following purposes: (a) accelerating market growth of the Spin-Off Group; (b) expansion of business of the Spin-Off Group; (c) new product development; and (d) general working capital purposes, including operational expenses such as manpower costs, marketing expenses and professional fees. The final details on the proposed use of the proceeds to be raised by the Listing Holdco will be contained in the SEC Form F-1 to be issued and registered in connection with the Proposed Listing and there is no assurance that there will not be changes to the intended use of proceeds in the SEC Form F-1 as compared to what is set out above.

Please refer to Section 5 of this Circular for the illustrative pro forma financial effects of the Transactions.

2.6. Spin-Off Guidance in Singapore

It is stated in the Spin-Off Guidance that:

(a) the remaining businesses of the listed entity after the spin-off should be viable and profitable and comply with the Mainboard admission criteria;

(b) new entities seeking to list in Singapore or elsewhere should comply with the principle set out under the chain listing provisions of the Listing Manual; and

(c) the entities seeking separate listing are expected to have businesses and assets that are clearly differentiated and managed independently.

The Company is of the view that the Proposed Spin-Off satisfies the abovementioned criteria based on the following considerations.

A. Compliance with Chain Listing Provisions

Rule 210(6) of the Listing Manual states that a subsidiary or parent company of an existing listed issuer will not normally be considered suitable for listing if the assets and operations of the applicant are substantially the same as those of the existing issuer. In arriving at a decision, the SGX-ST will consider the applicant's business or commercial reasons for listing (the "**Chain Listing Provision**").

The Company has considered the Chain Listing Provision and is of the view that the Proposed Spin-Off will not constitute a chain listing under the Chain Listing Provision for the reasons set out below. Additionally, as disclosed in Section 2.1.1 of this Circular, pursuant to the SGX-ST Pre-Clearance Letter, the SGX-ST has advised the Company that, based on the Company's submissions and representations to the SGX-ST, the SGX-ST concurs with the Company's view that the Proposed Spin-Off would not amount to a chain listing, subject to compliance with the SGX-ST's listing requirements and guidelines.

In addition to this Section 2.6, please refer to Sections 2.2 and 2.4 of this Circular for more details on the assets and operations of the Spin-Off Group being substantially different from those of the Remaining AVT Group.

(a) **<u>Segregation and differentiation between the Group's existing businesses and clearly differentiated businesses and assets</u>**

As set out below and in Section 2.2 of this Circular, the principal business divisions of the Remaining AVT Group are entirely distinct and different from the IDRS Business of the Spin-Off Group in terms of nature, products, geography, and customers. A summary of the principal activities, customers and assets of, and the current markets served by, the IDRS Business of the Spin-Off Group and the principal business divisions of the Remaining AVT Group is set out below:

[Table to follow on the next page.]

Business	Principal Activities	Current Markets Served	Customers	Assets
Spin-Off Group				
IDRS Business	Provides IDRS terminals and onboard communication hardware, space-resilient connectivity systems, software-defined radio and edge-processing capabilities, as well as data relay services for satellite and spacecraft operators	Global – however, the customers served by the IDRS Business are distinct and independent of the customers served by the Remaining AVT Group's Businesses	Commercial space companies, particularly operators of satellite constellations and earth observation systems	IDRS terminal inventory, test equipment related to IDRS product support, IDRS data network equipment to support airtime services
Remaining AVT Group				
Advance Digital Radio Business	Supplies high-performance SDR technologies, embedded digital electronics and RF communication systems for advanced wireless and mission-critical applications	Global – however, the customers served by the Remaining AVT Group's Businesses are distinct and independent of the customers served by the IDRS Business	Local and international defence technology companies	Intellectual property rights and products developed in-house and through collaborative projects, ADR inventory, lab equipment, computers and software
Satcom Connectivity Business	Provides new satellite-connectivity solutions operating in remote, offshore or underserved areas	Global – however, the customers served by the Remaining AVT Group's Businesses are distinct and independent of the customers served by the IDRS Business	Companies in a diverse range of industries, including maritime and fisheries, defence and public safety, oil and gas, transportation and logistics, and aviation	Intellectual property rights and products developed in-house and through collaborative projects
SDS Business	Provides specialised design, research and development and engineering capabilities to external customers	Global – however, the customers served by the Remaining AVT Group's Businesses are distinct and independent of the customers served by the IDRS Business	Local and international defence technology companies	Intellectual property rights and products developed in-house and through collaborative projects

As noted in the table above, the key assets deployed or used (or deployable or usable) by the business divisions of the Remaining AVT Group and by the Spin-Off Group are distinct and separate. To the extent that any of such key assets are deployable or usable by both the Remaining AVT Group and the Spin-Off Group, there will only be shared deployment or use (or cross-deployment or use) of such key assets where there are clear commercial benefits (such as cost-savings and efficient use of limited resources) for the Group (including the Spin-Off Group), with such shared deployment or use (or cross-deployment or use) being on terms and subject to conditions that are equitable, fair and reasonable for both the Remaining AVT Group and the Spin-Off Group and which are independently negotiated on arm's length basis between independent representatives of the Remaining AVT Group and of the Spin-Off Group, and further subject to compliance with the applicable provisions of the Listing Manual, including without limitation, Chapter 9 of the Listing Manual relating to interested person transactions. Please see Section 2.8 of this Circular for further information.

(b) <u>Contribution by the Spin-Off Group</u>

The Spin-Off Group's revenue, profit before tax from continuing operations, net assets and cashflow from operating activities as a proportion of that of the Group's (which, for the avoidance of doubt, includes the Spin-Off Group) for FY2023, FY2024, FY2025 and FY2026, are as follows:

[Table to follow on the next page.]

S$'000	FY2023 (S$'000)				FY2024 (S$'000)				FY2025 (S$'000)				FY2026 (S$'000)			
	Remaining AVT Group	Elimination	Spin-Off Group	Total (audited)	Remaining AVT Group	Elimination	Spin-Off Group	Total (audited)	Remaining AVT Group	Elimination	Spin-Off Group	Total (audited)	Remaining AVT Group	Elimination	Spin-Off Group	Total (audited)
Revenue	8,352	(2,041)	3,502	9,813	14,699	(4,924)	6,830	16,605	17,902	(8,514)	10,798	20,186	26,652	(12,203)	17,337	31,786
As a % of the Group	*64%*		*36%*		*59%*		*41%*		*47%*		*53%*		*45%*		*55%*	
Profit before tax from continuing operations	(3,888)	(604)	637	(3,855)	(59)	(844)	1,296	393	20,379	(18,630)	371	2,120	8,202	(4,247)	1,283	5,238
As a % of the Group	*N.M.*		*N.M.*		*N.M.*		*N.M.*		*82%*		*18%*		*76%*		*24%*	
Net asset value	10,138	(3,185)	627	7,580	10,097	(4,047)	1,923	7,973	12.440	(4,262)	2,271	10,449	24,140	(4,113)	3,280	23,307
As a % of the Group	*92%*		*8%*		*76%*		*24%*		*78%*		*22%*		*86%*		*14%*	
Cashflow from operating activities	(4,012)	-	458	(3,554)	3,140	-	(798)	2,341	3,863	-	766	4,629	4,344	-	6,700	11,044
As a % of the Group	*N.M.*		*N.M.*		*N.M.*		*N.M.*		*83%*		*17%*		*39%*		*61%*	

For easier reference, the net profits (both before and after taxation and extraordinary items) attributable to the Spin-Off Group for FY2023, FY2024, FY2025 and FY2026 are set out separately in the table below. For FY2023 and FY2024, the Spin-Off Group did not have any tax expenses or tax income.

Spin-Off Group (S$'000)	FY2023	FY2024	FY2025	FY2026
Net profit before taxation	637	1,296	371	1,283
Net profit after taxation	637	1,296	348	1,044

B. Entities seeking separate listings are expected to have businesses and assets that are clearly differentiated and managed independently

(a) Clearly differentiated businesses and assets

Upon completion of the Proposed Spin-Off and the Proposed Listing, the Spin-Off Group will undertake the IDRS Business, while the Remaining AVT Group will undertake the Advance Digital Radio Business, the Satcom Connectivity Business and the SDS Business (collectively, the "**Remaining AVT Group's Business**"). As noted in Section 2.6A(a) of this Circular, the IDRS Business is separate and distinct from the Remaining AVT Group's Business, and is clearly differentiated in terms of principal activities, current markets served, customers and assets as described in table therein.

The revenue potential of the IDRS Business is closely tied to the growth of the low earth orbit satellite industry, whereas the principal engine of growth for the Remaining AVT Group remains focused on complex software defined applications including artificial intelligence edge processing in respect of the Advance Digital Radio Business, new satellite-connectivity solutions such 5G non-terrestrial networks for terrestrial application in respect of the Satcom Connectivity Business and new design opportunities for business strategic expansions in respect of the SDS Business.

(b) Different risk profiles

The Remaining AVT Group and the Spin-Off Group have different business risk profiles which arise from, *inter alia*, the difference in their principal activities.

The key risks relating to the Remaining AVT Group are as follows:

1. *Advance Digital Radio Business*: this business segment operates in highly competitive and rapidly evolving technology markets involving software-defined radio, RF systems, advanced communications platforms and related technologies. The success of this business segment depends substantially on the Remaining AVT Group's ability to develop commercially viable products, secure customer adoption

and maintain technological competitiveness. In addition, the commercialization cycle for advanced digital radio solutions may be prolonged and uncertain. Customers in sectors such as defense, aerospace, telecommunications and autonomous systems typically require extensive testing, qualification and integration processes prior to deployment. The success of this business segment is highly dependent on whether its products and services achieve widespread market acceptance or generate sustainable commercial demand.

2. *Satcom Connectivity Business*: this business segment operates in the satellite communications industry, which is subject to technological disruption, pricing pressure and evolving customer requirements. Certain segments of the satellite communications market, including maritime, remote land mobility and industrial connectivity, are relatively mature and highly competitive. Competitive pressures may result in reduced pricing, lower margins, loss of market share and increased customer acquisition costs.

3. *SDS Business*: this business segment primarily involves the provision of engineering design, development and related technical services to customers across various industries. The financial performance of this business is dependent on the Remaining AVT Group's ability to secure and execute customer projects on commercially acceptable terms. In addition, this business segment is subject to fluctuations in customer demand and project timing, and may also be exposed to customer concentration risk, as a significant portion of revenue may be derived from a limited number of customers or projects.

On the other hand, as the IDRS Business operates in the emerging and rapidly evolving commercial space industry, the key risks relating to the Spin-Off Group include uncertain long-term market demand, commercial viability and adoption rates for certain space connectivity solutions, dependency on the successful development, deployment, operation and commercialisation of sophisticated space-qualified technologies and systems as well as exposure to substantial capital requirements and ongoing research and development expenditure. In addition, the success of the IDRS Business is currently solely dependent on the geostationary earth orbit satellite infrastructure provided by Viasat and other related ground network services providers.

(c) Board of directors and management

As illustrated in Section 2.4.2 of this Circular, the Company and the Listing Holdco will have separate boards of directors and senior management, save in respect of Mr. KP Tan who is the Chief Executive Officer and an Executive Director of the Company (as well as certain subsidiaries which will come under the Remaining AVT Group), as well as the proposed Executive Chairman of the Listing Holdco.

(d) **Independence of the finance teams and administrative capabilities**

As illustrated in Section 2.4.3 of this Circular, to ensure the independence of the Remaining AVT Group and the Spin-Off Group, both the Remaining AVT Group and the Spin-Off Group will have their own independent finance and administrative capabilities to support their respective businesses.

C. The businesses of the Remaining AVT Group will be viable and profitable and comply with the Mainboard admission criteria

(a) **Rule 210 of the Listing Manual**

The respective audited revenue, profit before tax from continuing operations, net assets and cashflow from operating activities of the Remaining AVT Group, Spin-Off Group and the Group for each of FY2023, FY2024, FY2025 and FY2026, as well as the percentage of the relevant figures of the Remaining AVT Group as a proportion of the Group are set out below:

	FY2023 (S$'000)				
S$'000	**Remaining AVT Group**	**Elimination**	**Spin-Off Group**	**Total**	**% of Remaining AVT Group as a proportion of the Group**
Revenue	8,352	(2,041)	3,502	9,813	64%
Profit before tax from continuing operations	(3,888)	(604)	637	(3,855)	N.M.
Net assets	10,138	(3,185)	627	7,580	92%
Cashflow from operating activities	(4,012)	-	458	(3,554)	N.M.

	FY2024 (S$'000)				
S$'000	**Remaining AVT Group**	**Elimination**	**Spin-Off Group**	**Total**	**% of Remaining AVT Group as a proportion of the Group**
Revenue	14,699	(4,924)	6,830	16,605	59%
Profit before tax from continuing operations	(59)	(844)	1,296	393	N.M.
Net assets	10,097	(4,047)	1,923	7,973	76%
Cashflow from operating activities	3,140	-	(798)	2,341	N.M.

	FY2025 (S$'000)				
S$'000	**Remaining AVT Group**	**Elimination**	**Spin-Off Group**	**Total**	**% of Remaining AVT Group as a proportion of the Group**
Revenue	17,092	(8,514)	10,798	20,186	47%
Profit before tax from continuing operations	20,739	(18,630)	371	2,120	82%
Net assets	12,440	(4,262)	2,271	10,449	78%
Cashflow from operating activities	3,863	-	766	4,629	83%

	FY2026 (S$'000)				
S$'000	**Remaining AVT Group**	**Elimination**	**Spin-Off Group**	**Total**	**% of Remaining AVT Group as a proportion of the Group**
Revenue	26,652	(12,203)	17,337	31,786	45%
Profit before tax from continuing operations	8,202	(4,247)	1,283	5,238	76%
Net assets	24,140	(4,113)	3,280	23,308	86%
Cashflow from operating activities	4,344	-	6,700	11,044	39%

Based on the above, the Remaining AVT Group contributed, on average, approximately 51% of the Group's total revenue and approximately 84% of the Group's total net assets over the past four financial years.

The total net assets of the Remaining AVT Group amounted to approximately S$7.0 million, S$6.1 million, S$8.2 million and S$20.0 million as at 31 March 2023, 31 March 2024, 31 March 2025 and 31 March 2026 respectively, representing approximately 92%, 76%, 78% and 86% of the total net assets of the Group as at the respective aforementioned dates.

Following the Proposed Spin-Off, the Remaining AVT Group will continue to have three main business segments, namely, the Advance Digital Radio Business, the Satcom Connectivity Business and the SDS Business.

The revenue, profit before tax from continuing operations and net assets for each of FY2023, FY2024, FY2025 and FY2026 of the pro forma Remaining AVT Group is set out below:

	Pro Forma Remaining AVT Group (S$'000)			
S$'000	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Revenue	6,311	9,775	9,387	14,449
Profit before tax from continuing operations	(4,492)	(903)	1,749	3,955
Net assets	6,953	6,050	8,178	20,027

The revenue, profit before tax from continuing operations and net assets for each of FY2023, FY2024, FY2025 and FY2026 of the pro forma Spin-Off Group is set out below:

	Pro Forma Spin-Off Group (S$'000)			
S$'000	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Revenue	3,502	6,830	10,798	17,337
Profit before tax from continuing operations	637	1,296	371	1,283
Net assets	627	1,923	2,271	3,280

Rule 210(2) of the Listing Manual requires an issuer applying for the listing of its equity securities on the Mainboard of the SGX-ST to satisfy certain prescribed quantitative criteria. In particular, Rule 210(2)(b) of the Listing Manual requires that the issuer be profitable in the latest financial year (pre-tax profit based on the latest full year consolidated audited accounts), has an operating track record of at least three years and has a market capitalisation of not less than S$150 million based on the issue price and post-invitation issued share capital.

Profitable in the latest financial year (pre-tax profit based on the latest full year consolidated audited accounts). The Remaining AVT Group's (loss)/profit before tax from continuing operations for FY2023, FY2024, FY2025 and FY2026 was S$(4.5) million, S$(0.9) million, S$1.7 million and S$4.0 million respectively. The Remaining AVT Group was profitable in FY2026, being the most recently completed financial year.

Operating track record of at least three years. Upon completion of the Proposed Spin-Off and the Proposed Listing, the Remaining AVT Group will undertake the Advance Digital Radio Business, the Satcom Connectivity Business and the SDS Business. The Remaining AVT Group has an operating track record of at least three years in each of these business segments.

Market capitalisation of not less than S$150 million based on the issue price and post-invitation issued share capital. Based on the sum of the parts valuation method, and the closing price of the Company's Shares on the Latest Practicable Date, the implied market capitalisation of the Remaining AVT Group is S$370 million. The sum of the parts valuation method entails valuing each business segment of the Remaining AVT Group, aggregating each value to calculate the total enterprise value, followed by adjusting for non-operating assets and liabilities.

On the basis of the above, the Board is of the opinion that the Remaining AVT Group would be able to meet the requirements of Rule 210(2)(b) of the Listing Manual.

Rule 210(4)(a) of the Listing Manual states that the group must be in a healthy financial position, having regard to whether the group has a positive cash flow from operating activities. With reference to paragraph (a) above, the Remaining AVT Group recorded (negative)/positive cash flow from operating activities of S$(4.0) million, S$3.1 million, S$3.9 million and S$4.4 million for FY2023, FY2024, FY2025 and FY2026 respectively. Accordingly, the Remaining AVT Group will continue to fulfil the admission criteria for listing on the Mainboard of the SGX-ST under Rule 210(4)(a) of the Listing Manual.

In view of the foregoing and in the absence of unforeseen circumstances as well as excluding non-cash impairment-related accounting adjustments arising from the Consultancy Fee In-Kind Payment and the Underwriter Fee Warrants Issuance, the Board is of the view that the businesses of the Remaining AVT Group will continue to be viable and profitable.

(b) <u>Shareholding spread requirements</u>

The Company currently meets the SGX-ST's public shareholding requirements with a public float of approximately 85% as at the Latest Practicable Date. The Proposed Spin-Off is not expected to have any direct impact on the shareholding structure of the Company.

2.7. Material Conditions for the Proposed Spin-Off and the Proposed Listing

The Proposed Spin-Off and the Proposed Listing shall only take effect upon, among other things, the satisfaction of the following conditions:

(a) Shareholders' approval for the Proposed Spin-Off and the Proposed Listing as well as the Proposed Dilution being obtained at the EGM;

(b) the underwriting agreement and all other relevant agreements in connection with the Proposed Listing being entered into by the Underwriter, the Listing Holdco and all other relevant persons (as may be applicable) and the terms of the Proposed Listing, including but not limited to the IPO Price, being on terms acceptable to and agreed by, *inter alia*, the Company; and

(c) such other regulatory or other approvals, confirmations or consents as may be required or advisable in connection with the Proposed Listing being obtained on terms acceptable to the Company and the Listing Holdco and the same remaining in full force and effect.

The Company will make the relevant announcement(s) in due course at the appropriate stage regarding any material developments or updates in relation to the Proposed Spin-Off and the Proposed Listing, including any requisite approvals from all relevant regulatory authorities, including but not limited to the SGX-ST and the US SEC, in connection with the Proposed Spin-Off and the Proposed Listing.

The Company wishes to highlight that there can be no assurance that the requisite approvals for the Proposed Listing will be granted by the relevant regulatory authorities, including but not limited to the SGX-ST and the US SEC, or that the Proposed Listing will materialise or otherwise proceed in a timely fashion. In the event that any of the foregoing is not achieved or fulfilled, the Company will not be able to proceed with the Proposed Listing.

2.8. **Conflicts of Interest after completion of the Proposed Spin-Off and the Proposed Listing**

It is envisaged that the Remaining AVT Group may transact or enter into agreements and arrangements with the Spin-Off Group and that potential conflicts of interests may arise from time to time. Therefore, the Company, for as long as it remains the Controlling Shareholder of the Listing Holdco, will ensure that the Company and the Listing Holdco, as the case may be, put in place adequate procedures and/or arrangements to address any potential conflict of interest situations and that both the Remaining AVT Group and the Spin-Off Group will implement appropriate procedures to ensure that all transactions, agreements and arrangements between the Remaining AVT Group and the Spin-Off Group are carried out on arm's-length and normal commercial terms and will not be prejudicial to the interests of each of their minority shareholders.

Such arrangements may include (i) the entry into a non-compete agreement between the Remaining AVT Group and the Spin-Off Group such that each party shall undertake to the other party that it shall not engage in, carry on or otherwise be interested in the management and operation of similar businesses, and (ii) the provision of a first right of refusal to each party for the acquisition of any intellectual property rights that are jointly created or developed or that are relied upon and made available (whether by way of licensing or otherwise) in certain events such as a proposal by a party to dispose of any of such intellectual property rights.

As at the Latest Practicable Date, it is envisaged that after completion of the Proposed Listing and the Proposed Spin-Off, the Remaining AVT Group and the Spin -Off Group may enter into the following transactions:

(a) the Spin-Off Group may appoint AVI to develop IDRS terminals, as well as to provide IDRS-based bespoke solutions, customised for the specific needs of the customers of the Spin-Off Group undertaking the IDRS Business and such arrangement may involve the payment of an engagement well as well as the sharing of profits between AVI and the Spin-Off Group; and

(b) the Spin-Off Group may appoint AVI to undertake development, research or engineering works to enhance or further support the IDRS Business (including improvements to the existing IDRS terminals and the provision of IDRS-related bespoke solutions).

The Board has assessed that the abovementioned transactions will not affect the operational independence of the Spin-Off Group based on the following considerations:

(i) where AVI is appointed by the Spin-Off Group to produce the IDRS terminals, such arrangement will enable the Spin-Off Group to focus on the solutions-based aspects of the IDRS Business while outsourcing the production of hardware (namely, the IDRS terminals) to the Remaining AVT Group. This would be more cost effective compared to the Spin-Off Group having to deploy capital to acquire or lease its own equipment and facilities, as well as employ manpower to product the presently limited number of IDRS terminals required for the IDRS Business. In the event that the Remaining AVT Group is, for any unforeseen reason, no longer able to continue with the aforementioned outsourcing arrangement, the Spin-Off Group may look to third parties to fulfil its role. There is also no limitation on the Spin-Off Group's ability to invest in the relevant equipment or facilities, as well as the requisite manpower, in order to undertake the production of the IDRS terminals on its own should the demand for IDRS terminals increase such that it becomes cost effective for the Spin-Off Group to do so; and

(ii) the appointment of AVI by the Spin-Off Group to undertake development, research or engineering works to enhance or further support the IDRS Business is optional and the absence of such works would not affect the operations of the Spin-Off Group in its ordinary course of business nor the operational independence of the Spin-Off Group.

To the extent relevant, the Remaining AVT Group will ensure that the provisions of the Listing Manual, including but not limited to Chapter 9 and Chapter 10 of the Listing Manual, are adhered to with respect of the aforementioned transactions.

2.9. **Non-applicability of Chapter 10 of the Listing Manual**

Chapter 10 of the Listing Manual is not applicable to the Proposed Spin-Off as there is no acquisition or disposal of assets, or the provision of financial assistance by the Company or a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange, including an option to acquire or dispose of assets, in the Proposed Spin-Off. Depending on whether there are any vendor sale tranche(s) as part of the Proposed Listing and the relevant percentage of such vendor sale tranche(s), the Company will conduct an assessment of the relative figures under Chapter 10 of the Listing Manual then.

3. THE PROPOSED DILUTION

To the extent that: (a) new Listing Holdco Shares are to be issued in connection with the Proposed Listing (which includes the Proposed Offering); and/or (ii) new Listing Holdco Shares are to be issued further and pursuant to the Underwriter Fee Warrants Issuance if and when such Underwriter Fee Warrants are exercised, the share capital of the Listing Holdco will be further enlarged. Accordingly, the Proposed Spin-Off and the Proposed Listing (which includes the Proposed Offering), as well as the issuance of the Underwriter Fee Shares (upon exercise of the Underwriter Fee Warrants), will result in a dilution of the Company's indirect equity interest in AVS.

For further details on the Proposed Dilution and strictly for illustration purposes only, please refer to the table below. Shareholders should note that the actual level of dilution of the Company's indirect equity interest in AVS will depend on, among other things, the IPO Price and the total number of Listing Holdco Shares issued in connection with the Proposed Listing (which includes the Proposed Offering).

	Immediately prior to the Proposed Restructuring	Upon completion of the Proposed Restructuring	Upon completion of the Transactions (assuming the Underwriter Fee Warrants are exercised in full)
	% of Existing Share Capital of the Listing Holdco	**% of Enlarged Share Capital of the Listing Holdco**	**% of Further Enlarged Share Capital of the Listing Holdco[(2)]**
Company	100%	100%	76.8
Project Consultant Team	-	-	2.4
Public shareholders[(1)]	-	-	20.8

Notes:

(1) This includes the Underwriter Fee Shares to be issued and allotted to the Underwriter.

(2) The actual percentage is subject to the IPO Price and the number of new Listing Holdco Shares issued and allotted pursuant to the Proposed Listing.

Rule 805(2)(b) of the Listing Manual requires an issuer to obtain the prior approval of shareholders in general meeting if a principal subsidiary issues shares or convertible securities or options that will or may result in a percentage reduction of 20.0% or more of the issuer's equity interest in the principal subsidiary. The Listing Manual defines a principal subsidiary as "*a subsidiary whose latest audited consolidated pre-tax profits (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to that subsidiary) as compared with the latest audited consolidated pre-tax profits of the group (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to that subsidiary) accounts for 20.0% or more of such pre-tax profits of the group*".

The latest audited consolidated pre-tax profit (including discontinued operations that have not been disposed and excluding non-controlling interests) of the Group for FY2026 and the pre-tax profit (including discontinued operations that have not been disposed and excluding non-controlling interests) of the Spin-Off Group for FY2026 are set out below:

Profit before Tax (FY2026)	FY2026 (S$'000)	As a percentage of the Group's Profit before Tax
Group (audited)	5,238	-
AVS (audited) under which the IDRS Business is currently operated	1,283	24%

As illustrated above, the audited pre-tax profit of AVS (including discontinued operations that have not been disposed and excluding non-controlling interests) for FY2026 was approximately S$1.3 million, whilst the audited consolidated pre-tax profit of the Group (including discontinued operations that have not been disposed and excluding non-controlling interests) for FY2026 was approximately S$5.2 million. Accordingly, the pre-tax profits of AVS accounted for 24% of the Group's pre-tax profit for FY2026. Therefore, AVS is a principal subsidiary of the Company for the purposes of Rule 805(2)(b) of the Listing Manual.

As stated in Section 1.1 of this Circular and as illustrated in the table above, it is currently envisaged that the Proposed Spin-Off and the Proposed Listing, as well as the issue and allotment of the Underwriter Fee Shares (assuming the Underwriter Fee Warrants are exercised in full) entail the issue and allotment of new Listing Holdco Shares which will result in a percentage reduction of no more than 30% of the Company's indirect equity interest in AVS (i.e., the Proposed Dilution). Accordingly, the approval of Shareholders will be sought at the EGM for the Proposed Dilution in order to ensure that the Company and the Directors will have the necessary authority and sufficient flexibility in order to effect the Proposed Spin-Off and the Proposed Listing, as well as the Underwriter Fee Warrants Issuance.

4. THE CONSULTANCY FEE IN-KIND PAYMENT AND UNDERWRITER FEE WARRANTS ISSUANCE

In connection with the Consultancy Fee In-Kind Payment, AVI will transfer such number of Listing Holdco Shares held by it representing 3% of the share capital of the Listing Holdco assuming completion of the Proposed Restructuring and the IDRS IPs Consideration Shares Issuance only, which would represent approximately 2.4%[1] of the Further Enlarged Share Capital, to the Project Consultant Team as the Project Consultant Team's fees and compensation for such advisory and consultancy support given as well as introductions made by the Project Consultant Team to capital markets professionals including listing sponsors and underwriters.

Further, immediately upon successful completion of the Proposed Listing, the Listing Holdco will issue and allot to the Underwriter as part of its underwriting compensation, the Underwriter Fee Warrants, such warrants being exercisable at any time and from time to time within 36 months from the Listing Date at a conversion price equivalent to 120% of the IPO Price per Listing Holdco Share.

The Company has decided to undertake the Consultancy Fee In-Kind Payment to enable it to satisfy the aforementioned advisory fee and compensation in equity rather than cash, thereby conserving cash that could be applied towards other costs associated with the Proposed Spin-Off and the Proposed Listing. The Consultancy Fee In-Kind Payment serves also to align the interests of the Project Consultant Team with that of the shareholders of the Listing Holdco by linking their fees and compensation with the value of the Listing Holdco Shares following the successful completion of the Proposed Spin-Off and the Proposed Listing, thereby supporting a long-term focus on shareholder value creation. The Listing Holdco Shares transferred to the Project Consultant Team pursuant to the Consultancy Fee In-Kind Payment are not subject to any moratorium for the purposes of the listing of the Listing Holdco on the Nasdaq or the NYSE (as the case may be). The Company would like to highlight to Shareholders that the Consultancy Fee In-Kind Payment is as per the terms and conditions of the service and support required of the Project Consultant Team.

In addition, the Underwriter Fee Warrants are to be issued as part of the underwriting compensation due to the Underwriter. The conversion price, which is set at 120% of the IPO Price, is a commercially negotiated term of the underwriting arrangements and is subject to

[1] The actual percentage of the Further Enlarged Share Capital of the Listing Holdco represented by the Consultancy Fee Shares is subject to the IPO Price and the number of new Listing Holdco Shares issued and allotted pursuant to the Proposed Listing

the applicable requirements of FINRA Rule 5110 which regulates underwriting terms, sets compensation limits and review conflicts of interest for public securities offerings.

The Company notes that none of its Directors and none of the members of its management has any interest, direct or indirect, in the Consultancy Fee In-Kind Payment and/or the Underwriter Fee Warrants Issuance.

Having considered the above, the Directors are of the opinion that each of the Consultancy Fee In-Kind Payment and the Underwriter Fee Warrants Issuance is in the interests of the Company and its Shareholders.

5. PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTIONS

5.1. Bases and Assumptions

The pro forma financial effects of the Transactions, including the key assumptions listed below, are presented **strictly for illustration purposes** only and are not intended to reflect the actual future financial situation of the Company after the completion of the Transactions. These illustrative pro forma financial effects have been computed based on: (a) the Group's consolidated financial statements for FY2026; and (b) the Spin-Off Group's combined financial statements for FY2026, as well as the following key assumptions:

(a) the Transactions had been completed, in respect of the profit and loss statement on 31 March 2026, and in respect of the balance sheet as at 31 March 2026;

(b) the market capitalisation of the Listing Holdco being assumed for illustrative purposes as US$120 million at the point of completion of the Proposed Listing, which is based on the lower end of the indicative market valuation range provided by a licensed US underwriter in connection with the Proposed Offering;

(c) in connection with the Proposed Offering, the Listing Holdco will issue such number new Listing Holdco Shares representing approximately 20% of the Further Enlarged Share Capital of the Listing Holdco;

(d) the Proposed Spin-Off and the Proposed Listing will raise estimated gross proceeds of approximately US$30 million;

(e) the expenses to be incurred in connection with the Transactions are estimated to be approximately US$4.67 million (excluding any discretionary incentive fees and expenses attributable to the Consultancy Fee In-Kind Payment and/or the Underwriter Fee Warrants Issuance);

(f) there will not be any vendor sale of Listing Holdco Shares by the Company via the Proposed Listing; and

(g) the Underwriter Fee Warrants have been issued but not exercised into the Underwriter Fee Shares.

Shareholders are to note that the assumptions set out above have been made purely for the purposes of calculating the financial effects of the Transactions, and are subject to change.

As at the Latest Practicable Date, the precise market capitalisation of the Listing Holdco is unable to be determined, and the offer structure and amount of proceeds to be raised from the Proposed Listing have not been finalised. The amount of proceeds to be raised in connection with the Proposed Listing will be dependent on, among other things, the IPO Price arrived at after the book-building process to be undertaken closer to the launch of the Proposed Listing and the actual total number of new Listing Holdco Shares to be issued in connection with the Proposed Listing. Although it is currently envisaged that the Listing Holdco will offer such number of new Listing Holdco Shares representing approximately 20% of the Further Enlarged Share Capital of the Listing Holdco pursuant to the Proposed Offering, this is provided for illustration purposes only. The Company reserves the right to determine the offer structure for the Proposed Listing and the Proposed Offering. Shareholders are also to note the cautionary statements as set out in Section 1.4 of this Circular.

5.2. **Share Capital**

As no new Shares will be issued by the Company in connection with the Transactions, the Transactions will not have any impact on the Company's issued share capital.

5.3. **NTA per Share**

Assuming that the Proposed Restructuring, the Consultancy Fee In-Kind Payment, the Proposed Spin-Off and the Proposed Listing (which includes the Proposed Offering) and the IDRS IPs Consideration Shares Issuance had been completed on 31 March 2026, and the Underwriter Fee Warrants had been issued (but not exercised into the Underwriter Fee Shares) on 31 March 2026, the effect of the Transactions on the Group's NTA per Share as at 31 March 2026 will be as follows:

	Before the Transactions	Adjustments	After completion of the Transactions
NTA(1) attributable to Shareholders (S$'000)	12,874	25,523(3)	45,290
Number of Shares(2) ('000)	3,683,375	-	3,683,375
NTA per Share (cents)	0.35	0.69	1.23

Notes:-

(1) NTA means total assets less the sum of total liabilities, non-controlling interests and intangible assets (net of non-controlling interests).

(2) The number of Shares excludes treasury shares.

(3) Net of the gross proceeds raised from the Proposed Spin-Off and the Proposed Listing, as well as any the expenses to be incurred in connection with the Transactions.

5.4. **EPS**

Assuming that the Proposed Restructuring, the Consultancy Fee In-Kind Payment, the Proposed Spin-Off and the Proposed Listing (which includes the Proposed Offering) and the IDRS IPs Consideration Shares Issuance, had been completed on 1 April 2025, and the Underwriter Fee Warrants had been issued (but not exercised into the Underwriter Fee Shares) on 1 April 2025, the effect of the Transactions on the Group's EPS for FY2026 will be as follows:

	Before the Transactions	Adjustments	After completion of the Transactions
Earnings attributable to Shareholders (S$'000)	6,185	(4,515)(2)	748
Weighted average number of Shares ('000)(1)	3,683,375	-	3,683,375
EPS (cents)	0.17	(0.12)	0.02

Note:-

(1) The weighted average number of Shares calculated is computed based on the weighted average number of ordinary shares (excluding treasury shares) in issue during the period.

(2) Adjustments arising from, *inter alia*, the effect of the Consultancy Fee In-Kind Payment and the Underwriter Fee Warrants Issuance, and the corresponding dilution of Spin-Off Group's profit.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1. Directors' Interests

As at the Latest Practicable Date, the Directors' interests in Shares as recorded in the Register of Directors' Shareholdings are as follows:

	Direct Interest		Deemed Interest		Total Interest	
Directors	**No. of Shares**	**(%)(1)**	**No. of Shares**	**(%)(1)**	**No. of Shares**	**(%)(1)**
Mr. Tan Khai Pang	48,601,000	1.32	Nil	Nil	48,601,000	1.32
Mr. Richard John Denny	9,100,000	0.25	Nil	Nil	9,100,000	0.25
Mr. Kelvin Chow Chung Yip	750,000	0.02	Nil	Nil	750,000	0.02
Ms. Gwendolyn Gn Jong Yuh	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Based on the issued and paid-up share capital of the Company as at the Latest Practicable Date comprising 3,683,375,063 Shares.

6.2. Substantial Shareholders' Interests

As at the Latest Practicable Date, the Substantial Shareholders' interests in Shares as recorded in the Register of Substantial Shareholders are as follows:

	Direct Interest		Deemed Interest		Total Interest	
Substantial Shareholder	**No. of Shares**	**(%)(1)**	**No. of Shares**	**(%)(1)**	**No. of Shares**	**(%)(1)**
Xu Chun Seng alias Perman Yadi(2)	32,757,000	0.89	189,139,117	5.13	221,896,117	6.02
Estate of Paul Clark Burke	192,726,406	5.23	Nil	Nil	192,726,406	5.23

Notes:

(1) Based on the issued and paid-up share capital of the Company as at the Latest Practicable Date comprising 3,683,375,063 Shares.

(2) The deemed interest is held under PY Opulence Investment Pte Ltd, an investment holding company whose major shareholder is Mr. Xu Chun Seng alias Perman Yadi as disclosed to the Company on 15 September 2025.

7. NO ABSTENTION FROM VOTING REQUIRED

None of the Shareholders nor any of their associates will be required to abstain from voting on Ordinary Resolution 1 and Ordinary Resolution 2 proposed to be tabled at the EGM.

8. DIRECTORS' RECOMMENDATION

8.1. Having reviewed and considered, *inter alia*, the rationale for and the tangible benefits of the Proposed Spin-Off and the Proposed Listing (including the Proposed Dilution), the Directors are of the view that the Proposed Spin-Off, the Proposed Listing and the Proposed Dilution are in the best interests of the Company and the Shareholders as a whole, and recommend that Shareholders vote in favour of Ordinary Resolution 1 and Ordinary Resolution 2 as set out in the Notice of EGM.

8.2. The Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require advice in the context of his or her specific investment portfolio, should consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

8.3. As the Proposed Spin-Off is subject to, among other things, the approval of the SGX-ST and the US SEC, market conditions and other considerations, Shareholders and potential investors should be aware that there is no assurance that the Proposed Spin-Off and the Proposed Listing will take place and, if so, when they may take place. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is available on https://www.addvaluetech.com/EGM, will be held 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3) on 24 September 2026 at 3.00 p.m. for the purpose of considering and, if thought fit, passing (with or without any modification) the Ordinary Resolutions set out in the Notice of EGM.

Shareholders should note that Ordinary Resolution 1 and Ordinary Resolution 2 are inter-conditional upon the passing of one another. In the event Shareholders do not approve Ordinary Resolution 1 or Ordinary Resolution 2, none of Ordinary Resolution 1 or Ordinary Resolution 2 would be passed and the Proposed Spin-Off via the Proposed Listing on the Nasdaq or the NYSE (as the case may be) and the Proposed Dilution will not proceed.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

10.1. Submission of Proxy Forms

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of EGM. A Proxy Form must be submitted to the Company in the following manner:

(a) if sent by post, be mailed to 202 Bedok South Ave 1 #01-11, Singapore 469332; or

(b) if submitted electronically, be submitted via email to proxyform@addvalue.com.sg,

in either case not less than 72 hours before the time appointed for the EGM.

A Shareholder who wishes to submit a Proxy Form must first download (where necessary), complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. In the alternative, a Shareholder may download, complete and authorise the Proxy Form by way of the affixation of an electronic signature, before sending it by email to the email address provided above.

10.2. Depositor

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by CDP, 72 hours before the time appointed for holding the EGM.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to any applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection, strictly by appointment only, at the Company's registered office located at 202 Bedok South Ave 1, #01-11, Singapore 469332 during normal business hours for three (3) months from the date of this Circular:

(a) the Constitution of the Company;

(b) the FY2026 Annual Report.

To make an appointment, please send request to appointment@addvalue.com.sg.

12. 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 enquires that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Company and its subsidiaries, the Proposed Restructuring, the Proposed Spin-Off, the Proposed Listing, the Proposed Dilution, the Consultancy Fee In-Kind Payment, the IDRS IPs Consideration Shares Issuance and the Underwriter Fee

Warrants Issuance, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information 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 these sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully

For and on behalf of the Board of Directors of
ADDAVALUE TECHNOLOGIES LTD

Tan Khai Pang
Chief Executive Officer and Executive Director

ADDVALUE TECHNOLOGIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 199603037H)

NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as ascribed to them in the circular dated 1 September 2026 issued by the Company (the "**Circular**").*

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Addvalue Technologies Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") will be held in person at 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3) on 24 September 2026 at 3.00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the resolutions set out below.

Shareholders should note that Ordinary Resolution 1 and Ordinary Resolution 2 as set out in this notice of EGM (this "Notice") are inter-conditional upon the passing of one another. In the event Shareholders do not approve Ordinary Resolution 1 or Ordinary Resolution 2, none of Ordinary Resolution 1 or Ordinary Resolution 2 would be passed and the Proposed Spin-Off via the Proposed Listing on the Nasdaq or the NYSE (as the case may be) and the Proposed Dilution will not proceed.

ORDINARY RESOLUTION 1

THE PROPOSED SPIN-OFF AND THE PROPOSED LISTING

That subject to and contingent upon Ordinary Resolution 2 as set out in this Notice being passed:

(a) approval be and is hereby given for the Company to carry out and implement the Proposed Spin-Off and the Proposed Listing on the Nasdaq Stock Market or the New York Stock Exchange (as the case may be), as well as any other transactions contemplated thereunder; and

(b) the Directors and/or each of them be and are hereby authorised to do all acts and things (including executing such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraphs of this ordinary resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

ORDINARY RESOLUTION 2

THE PROPOSED DILUTION

That subject to and contingent upon Ordinary Resolution 1 as set out in this Notice being passed:

(a) approval be and is hereby given for the Proposed Dilution, being an aggregate percentage reduction of no more than 30% (the actual percentage to be determined by the Directors and/or the Listing Holdco Board) of the Company's indirect equity interest in Addvalue Solutions Pte. Ltd., a principal subsidiary of the Company, resulting from the Proposed Spin-Off and the

Proposed Listing (which includes the Proposed Offering), as well as the issue and allotment of the Underwriter Fee Shares (upon the exercise of the Underwriter Fee Warrants); and

(b) the Directors and/or each of them be and are hereby authorised to do all acts and things (including executing such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraph of this ordinary resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

ON BEHALF OF THE BOARD

Wong Tat Yang
Company Secretary
Singapore

1 September 2026

Explanatory Notes:

NOTES ABOUT THE CONDUCT OF THE EGM:

1. The EGM will be held, in a wholly physical format, at 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3) on 24 September 2026 at 3.00 p.m. There will be no option for shareholders to participate virtually.

   Printed copies of the Notice of EGM, Proxy Form and the Request Form for a printed copy of the Circular will be despatched to the members of the Company. The Circular will not be despatched to the members of the Company. All documents (the Circular, the Proxy Form, and this Notice of EGM have been, or will be, published on SGXNET and the Company's website, https://www.addvaluetech.com/category/corporate/investor-relations/. They can also be downloaded from SGXNET at the URL https://www.sgx.com/securities/company-announcements.

2. Submission of proxies

(a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

(c) A proxy needs not be a member of the Company.

(d) A proxy form, duly completed and signed, must be submitted to the Company in the following manner:

   (i) if sent by post, be mailed to 202 Bedok South Ave 1 #01-11, Singapore 469332; or
   (ii) if submitted electronically, be submitted via email to proxyform@addvalue.com.sg,

   in either case, not later than 3 p.m. on 21 September 2026, being 72 hours before the time fixed for the EGM.

(e) This proxy form must be under the hand of the appointer or his attorney duly authorized in writing. Where this proxy form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

(f) In the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the proxy form submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM.

(g) An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the EGM in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.

3. Submission of questions

(a) Members, CPF Investors and SRS Investors may submit substantial and relevant questions related to the resolutions to be tabled at the EGM ahead of the meeting by email to shareholder@addvalue.com.sg or by post to the registered office of the Company at 202 Bedok South Ave 1 #01-11, Singapore 469332 by 3.00 p.m. on 10 September 2026.

(b) The Company will endeavour to address all substantial and relevant questions if received by the prescribed deadline in paragraph (a) above and post the answers on SGXNET and the Company's website by 18 September 2026. For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the EGM. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

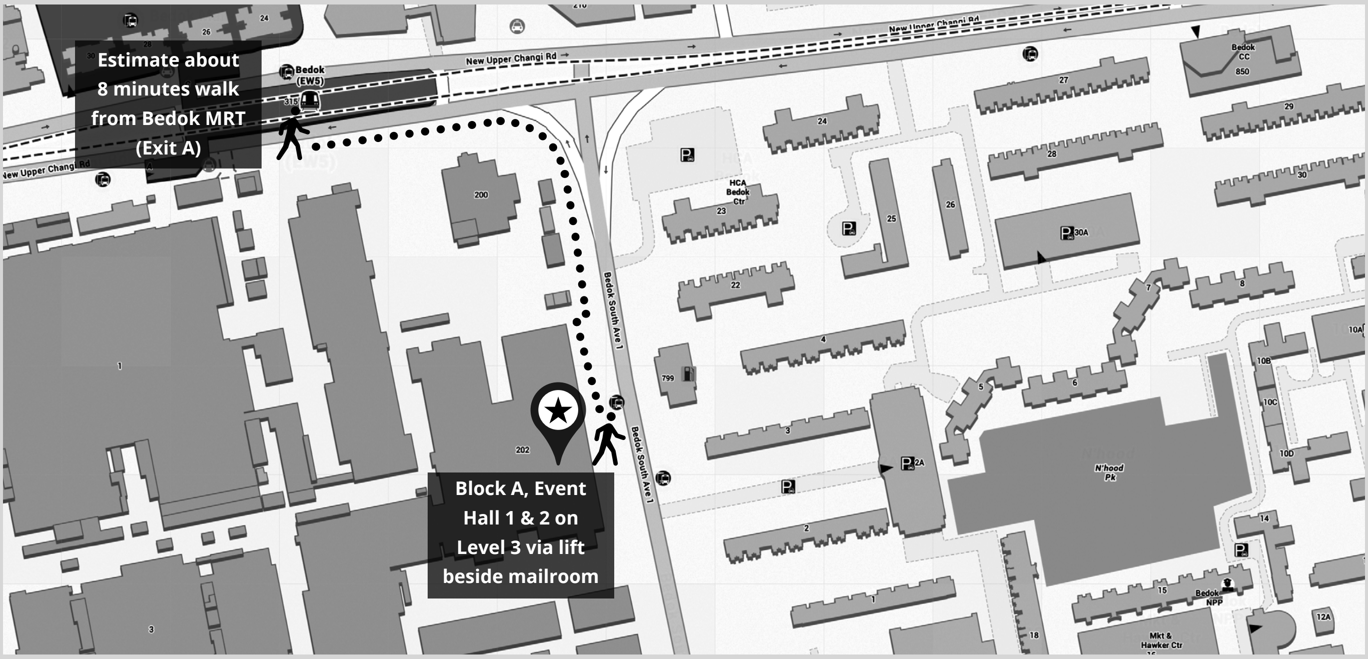
4. Minutes of EGM

The minutes of the EGM, will be posted on the SGXNET and the Company's website within one month after the date of the EGM.

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) 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.

Location Map for 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hall 1 & 2 on Level 3 via lift beside mailroom)



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

IMPORTANT
1. This proxy form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. A CPF or SRS investor may attend and cast his/her vote(s) at the EGM in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy.

PERSONAL DATA PRIVACY
By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 1 September 2026

PROXY FORM
EXTRAORDINARY GENERAL MEETING

I/We, ____ (Name)

of ____ (Address)

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	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings to be represented by proxy	
			No. of Shares	%

as my/our proxy/proxies, to vote for me/us on my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company to be held at 202 Bedok South Ave 1, Singapore 469332 (Block A, Event Hal 1 & 2 on Level 3) on 24 September 2026 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the EGM in the spaces provided hereunder.

No.	Ordinary Resolutions	No. of Votes or indicate with a cross (x) or tick (√)*		
		For	Against	Abstain
1	To approve the proposed spin-off and the proposed listing			
2	To approve the proposed dilution			

* **If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick "√" or cross (x) within the box provided. Alternatively, please indicate the number of votes as appropriate.**

Total Number of Shares Held

Dated this ________ day of ________2026

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

<u>IMPORTANT</u>: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM

Fold this Flap for sealing

NOTES:

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.

2. A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

3. A proxy needs not be a member of the Company.

4. This proxy form must be under the hand of the appointer or his attorney duly authorized in writing. Where this proxy form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with its Constitution of the Company and Section 179 of the Companies Act 1967.

6. This proxy form together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must either be (a) submitted by mail to 202 Bedok South Ave 1 #01-11, Singapore 469332; or (b) submitted by email to proxyform@addvalue.com.sg, not later than 21 September 2026 at 3.00 p.m. which is 72 hours before the time set for the meeting.

Fold along this line

AFFIX STAMP

The Company Secretary
ADDVALUE TECHNOLOGIES LTD
202 Bedok South Ave 1, #01-11
Singapore 469332

Fold along this line

7. 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.

8. The Company shall be entitled to reject this 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. In addition, in the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the proxy form submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM.

9. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his/her vote(s) at the EGM in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy.

10. Completion and return of this proxy form appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy/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 proxy form, to the 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 EGM.