

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

**MINUTES OF THE TWENTY-SEVEN ANNUAL GENERAL MEETING OF THE COMPANY HELD AT 202
BEDOK SOUTH AVENUE 1, BLOCK A SINGAPORE 469332 ON FRIDAY, 28 JULY 2023 AT 10.00 A.M.**

Directors Present : Mr Richard J Denny (Chairman of the meeting)
Mr Tan Khai Pang
Ms Goh Liang Choo
Mr Wong Ming Ghee, Bernard
Mr Chua Chwee Koh
Mr Paul J Burke

**Shareholders/
Proxies/Invitees** : As per attendance list of the meeting

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the meeting will not be published in these minutes.

INTRODUCTION

On behalf of the Board of Directors, Mr Richard J Denny, the Chairman, welcomed all present to the Twenty-Seventh Annual General Meeting of the Company. The Chairman introduced the Directors present at the meeting.

QUORUM

The Chairman confirmed that a quorum was present and he called the meeting to order at 10.00 a.m.

BRIEFING ON THE PROCEEDING OF POLL FOR THE MEETING

Before the Chairman proceeded with the business of the meeting, he informed the shareholders that the resolutions would be put to vote by way of poll in accordance with the requirements of the listing manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), and that Complete Corporate Services Pte Ltd had been appointed as the electronic polling agent and Moore Stephens LLP as the Scrutineers for the meeting. The electronic polling agent explained the rules for the poll voting process.

NOTICE OF MEETING

With the consent of the shareholders present, the notice convening the meeting was taken as read.

- 1. AUDITED FINANCIAL STATEMENTS AND DIRECTORS’ STATEMENT AND AUDITORS’ REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (ORDINARY RESOLUTION 1)**

The Chairman addressed the first item on the agenda, which was to receive and adopt the Audited Financial Statements of the Company Statement for the financial year ended 31 March 2023 (“FY2023”). The following motion was proposed by a shareholder:

“That the Audited Financial Statements and Directors’ Statement for the financial year ended 31 March 2023 together with the Auditors’ Report be and are hereby received and adopted.”

Before the motion was put to the vote, the Chairman invited questions from the shareholders.

The questions and answers are set out in Appendix 1.

After the questions and answers session, the motion was put to a vote by poll. The results were as follows:

For	% of total votes	Against	% of total votes
376,331,525	99.99	22,066	0.01

The Chairman declared the motion carried.

2. RE-ELECTION OF DIRECTOR – MR RICHARD J DENNY (ORDINARY RESOLUTION 2)

Resolution 2 concerned the re-election of Mr Richard J Denny, a director retiring pursuant to Article 104 of the Company’s Constitution.

Mr Denny being the Chairman of Board informed the shareholders that as Resolution 2 related to his re-election as the director, Mr Tan Khai Pang has been appointed to chair this segment of the meeting.

Mr Tan addressed the re-election of **Mr Richard J Denny** who retired pursuant to Article 104 of the Company’s Constitution and being eligible for re-election had signified his consent to continue in office.

Mr Richard J Denny, Non-Executive Chairman, will upon re-election, remain as Non- Executive Chairman, member of the Audit Committee, member of the Nominating and Remuneration Committee and Chairman of the Risk Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

The following motion was proposed by a shareholder:

“That Mr Richard J Denny be and is hereby re-elected as a Director of the Company.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
404,714,258	99.99	22,066	0.01

Mr Tan declared the motion carried.

3. RE-ELECTION OF DIRECTOR – MR PAUL C BURKE (ORDINARY RESOLUTION 3)

The Chairman resumed the position as Chairman of the meeting and addressed the next item of the agenda which was to re-elect Mr Paul C Burke as a director of the Company. Mr Burke had signified his consent to continue in office.

The following motion was proposed by a shareholder: -

“That Mr Paul C Burke be and is hereby re-elected as a Director of the Company.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
395,375,258	99.99	22,066	0.01

The Chairman declared the motion carried.

4. RE-ELECTION OF DIRECTOR – MS GOH LIANG CHOO (ORDINARY RESOLUTION 4)

The Chairman addressed the next agenda item which was to re-elect Ms Goh Liang Choo as a Director of the Company. Ms Goh had signified her consent to continue in office.

Ms Goh Liang Choo, a Director, will upon re-election, remains as Chairman of the Audit Committee, member of the Nominating and Remuneration Committee and the Risk Committee. She will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

The following motion was proposed by a shareholder: -

“That Ms Goh Liang Choo be and is hereby re-elected as a Director of the Company.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
465,042,258	99.64	1,672,066	0.01

The Chairman declared the motion carried.

5. DIRECTORS’ FEES (ORDINARY RESOLUTION 5)

The following motion was proposed by a shareholder : -

“That the Directors’ Fee of S\$211,583.33 for the financial year ended 31 March 2023 be and is hereby approved.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
457,069,992	99.76	1,122,032	0.24

The Chairman declared the motion carried.

6. RE-APPOINTMENT OF AUDITORS (ORDINARY RESOLUTION 6)

The Chairman informed the meeting that the Audit Committee had recommended the re-appointment of Mazars LLP as Auditors of the Company, and Mazars LLP had expressed their willingness to accept re-appointment as Auditors.

The following motion was proposed by a shareholder:

“That Mazars LLP be and are hereby re-appointed as Auditors of the Company until the conclusion of the next annual general meeting at a fee to be agreed between the Directors and the Auditors.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
448,565,359	99.75	1,122,032	0.25

The Chairman declared the motion carried.

7. SPECIAL BUSINESS

AUTHORITY TO ALLOT AND ISSUE SHARES

Resolution 7 was proposed to authorise the Directors to allot and issue shares pursuant to Section 161 of the Companies Act 1967 and the listing rules of the SGX-ST.

The following motion was proposed by a shareholder:

“That, pursuant to Section 161 of the Companies Act 1967, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

- (a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;
 - (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;
 - (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalization issues; and
- (b) (Notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:

- (i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent (50%) of the total number of issued shares excluding treasury shares and subsidiary holdings, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed twenty per cent (20%) of the total number of issued shares excluding treasury shares and subsidiary holdings, and for the purpose of this resolution, the total number of issued shares excluding treasury shares and subsidiary holdings shall be the Company's total number of issued shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for :
- (a) new shares arising from the conversion or exercise of convertible securities, or
 - (b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and
 - (c) any subsequent bonus issue, consolidation or subdivision of the Company's shares,
- and adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this resolution, and
- (ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
472,170,292	98.98	4,844,032	1.02

The Chairman declared the motion carried.

8. PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE (ORDINARY RESOLUTION 8)

The following motion was proposed by a shareholder:

"That:

- a. for the purposes of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares fully paid in the capital of the Company (the "**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period (as

hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) on-market purchase(s) ("**Market Purchase**"), transacted on SGX-ST through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and / or
 - (ii) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme or schemes as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual;
- b. unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
- (i) the conclusion of the next annual general meeting of the Company ("Next AGM") or the date by which such next AGM is required by law to be held;
 - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
 - (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by ordinary resolution of the Company in general meeting;
- c. in this Resolution:

"Prescribed Limit" means that number of issued Shares representing 10% of the issued ordinary share capital excluding treasury shares and subsidiary holdings of the Company as at the date of passing of this Resolution unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period or within any one financial year of the Company, whichever is the earlier, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered;

"Relevant Period" means the period commencing from the date on which the annual general meeting is held and expiring on the date the next annual general meeting is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase : 105% of the Average Closing Price;
- (ii) in the case of an Off-Market Purchase : 120% of the Highest Last Dealt Price, where:

“ **Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded on the SGX- ST, immediately preceding the day on which a Market Share Purchase was made, or as the case may be, the date of the making of the offer pursuant to an Off-Market Purchase on an equal access scheme, and deemed to be adjusted for any corporate action that occurs during the relevant 5 Market-Day period and on the day on which a Market Purchase was made, or as the case may be, the date of the making of the offer pursuant to an Off-Market Purchase on an equal access scheme;

“**Highest Last Dealt Price**” means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- d. the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
475,342,258	99.65%	1,672,066	0.35%

The Chairman declared the motion carried.

9. AUTHORITY TO GRANT AWARDS AND TO ALLOT AND ISSUE SHARES UNDER THE ADDVALUE TECHNOLOGIES PERFORMANCE SHARE PLAN (ORDINARY RESOLUTION 9)

The Chairman informed the meeting that Directors and employees, and their associates who were eligible to participate in the Plan, would abstain from voting on the resolution and decline appointment as proxies, unless specific instructions had been given as to the manner of voting.

As Chairman of the meeting, he had declined any proxy appointments given to the Chairman of the meeting for this resolution other than proxy appointments with specific instructions as to the manner of voting.

The following motion was proposed by a shareholder:

“That the Directors of the Company be and are hereby authorised to offer and grant awards in accordance with the provisions of the Addvalue Technologies Performance Share Plan (the “**Plan**”) and to allot and issue from time to time such number of fully-paid shares as may be required to be issued pursuant to the vesting of the awards under the Share Plan provided always:

- (i) that the aggregate number of shares which may be available pursuant to awards granted under the Plan on any date, when added to the number of new shares issued and issuable in respect of (a) all awards granted under the Plan and (b) options or awards granted under any other option scheme or share plan which the Company may implement from time to time, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of award; and
- (ii) that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.”

The motion was put to vote by poll and the votes cast were as follows:

For	% of total votes	Against	% of total votes
183,999,486	98.29	3,194,032	1.71

The Chairman declared the motion carried.

10. ANY OTHER BUSINESS

There being no other business, the Chairman declared the meeting closed at 10.45 a.m.

Confirmed by

**Richard J Denny
Chairman of the Board**

APPENDIX 1

Several shareholders spoke at the meeting. A summary of the dialogue between the shareholders and the Board of Directors including questions by shareholders and answers by the Directors and Financial Controller summarized by subject matter and paraphrased as appropriate is set out below.

AUDITED FINICIAL STATEMENTS (RESOLUTION 1)	
1	<p>Questions:</p> <ul style="list-style-type: none">(a) On page 116 of the annual report, noted that the Employee Benefits Expense is capitalized. Why is the expense capitalized to inventories this year?(b) On page 117 of the annual report, noted the leasehold building is written off. Why is the amount in the leasehold building written off?(c) Why is the inventory turnover holding high?(d) Why was the project Avionica and VMS business put on hold?(e) Why the company need to continue to borrow funds and will there be any further funding needed?(f) What is competitive solution of IDRS using discrete and specific satellite control, such as optical link technology? <p>Answers:</p> <ul style="list-style-type: none">(a) Some of our new products, especially the Inter-Satellite Data Relay System (“IDRS”) terminals are assembled in-house and the employee expenses incurred for this work was capitalized as part of the product cost, thus captured as part of -semi-finished goods in inventories. It is common to capitalize the employee benefits expense as the Company can amortize the expenses over the lifespan and the sales of the terminals.(b) The lease on the leasehold building has expired during the year which explained for it to be written off. Under SFRS(I) 16 introduced a few years ago, companies with off-balance sheet leases are required to capitalize these lease assets under leasehold building as the rights-of-use assets with the corresponding entries as lease liabilities.(c) The high inventory holding was due to its fulfillment of the book orders in the next 24 months and the higher value of inventory as at 31 March 2023 were due to higher costs of materials holding for certain products which has long production cycle as well as higher value of components for these new products.(d) The project Avionica has been put on hold as requested by the customer since the aviation industry was severely affected by the Covid pandemic between 2020 and 2022. The Vessel Monitoring System (“VMS”) for fishing vessels project is slow moving due to the low take-up rate in the target markets for regulatory compliance.(e) Advance Digital Radio related business and IDRS related business have been identified as our key business drivers for growth. Additional working capital will be needed for the Group to accelerate plans to grow these businesses.(f) Our current IDRS technology is based on the L band spectrum, and we take full advantage of easy antenna pointing that the L band physics can afford, while

	<p>any optical link technology will require extreme pointing accuracy although an optical link can transit much higher data capacity. We also optimized the IDRS L-band communications engine to operate with small antennas at low power budgets. So IDRS is well poised for satellite operators who want to have immediate or constant contacts with their LEO satellites for satellite constellation management, ad hoc mission taskings, and anomaly operation management. All these mission-critical functions or some high-value payload data can be effortlessly handled by the IDRS services. Thus, our L-band based IDRS service which provides ubiquitous, on demand, low latency comms for LEO satellite management, is regarded to complement rather than competing with higher data service enabled through an optical link technology.</p>
<p>2</p>	<p>Question:</p> <ul style="list-style-type: none"> (a) What is the nature of ADR? Is this a high or low mix and volume business? (b) Will there be a different generation of IDRS terminal in the pipeline? <p>Answer:</p> <ul style="list-style-type: none"> (a) We have two kinds of ADR products, namely bespoke designs contracted by a third-party or in-house developed hardware modules that will enable our customers to seamlessly integrate into their end products thereby shortening their product development cycles. Though these products are similar in nature, they are typically high-mix and low-volume production. (b) Addvalue will refresh its IDRS terminal design to ensure its technological currency and to expand its addressable market in the LEO satellite industry.
<p>3</p>	<p>Questions:</p> <ul style="list-style-type: none"> (a) 2 years ago, there was a provision on the write-off of a project. What is the status of this project? (b) As Addvalue products requires semi-conductors components, how did the Group handled the component shortages and what is the Group’s Supply chain management? <p>Answers:</p> <ul style="list-style-type: none"> (a) The Group made a provision for the impairment of the US\$6 million licensing fee receivable in the accounts in FY2022. This project was put on hold by the debtor due to the delayed funds raising exercise. We will update shareholder accordingly if there is any new development. (b) The Group managed the components shortages with 3 approaches: <ul style="list-style-type: none"> (i) Our strategic partnerships with key components suppliers like Avnet and Xilinx have given us an advantage over certain key components supplies. (ii) Constant communications with key suppliers and vendors to keep in view of potential supply challenges, such as procurement lead time fluctuation, “End of Life” components, and export control issues.

ADDVALUE TECHNOLOGIES LTD

Appendix 1 to Minutes of the AGM held on 28 July 2023

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	Widening our supplier sources where appropriate and possible to mitigate conceivable risks

Confirmed by

Richard J Denny
Chairman of the Board