
PROPOSED PRO RATA, NON-RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE

1 INTRODUCTION

- 1.1 The Board of Directors (the “**Board**” or “**Directors**”) of Addvalue Technologies Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a pro rata, non-renounceable and non-underwritten rights issue (the “**Rights Issue**”) of up to 737,118,890 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.0225 (the “**Issue Price**”) per Rights Share, on the basis of one (1) Rights Share for every three (3) existing ordinary shares in the capital of the Company (the “**Shares**”) held by Entitled Shareholders (as defined below) as at a record date to be determined by the Directors (the “**Record Date**”), fractional entitlements to be disregarded. The Rights Issue is a preferential offering to shareholders of the Company (“**Shareholders**”) holding Shares as at the Record Date.
- 1.2 The Rights Shares are intended to be issued and allotted pursuant to and within the limits of the general share issue mandate (the “**Share Issue Mandate**”) to issue new ordinary shares in the capital of the Company approved by Shareholders at the Company’s annual general meeting held on 29 September 2020 (the “**AGM**”).

2 PRINCIPAL TERMS OF THE RIGHTS ISSUE

Principal Terms of the Issue	Description
Nature	Non-renounceable and non-underwritten rights
Price	Issue Price of S\$0.0225 per Rights Share.
Discount	The Issue Price represents a discount of: <ul style="list-style-type: none"> (i) approximately 3.85% to the volume weighted average price (“VWAP”) of S\$0.0234 per Share for Shares traded on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 27 November 2020, being the full market day immediately preceding the date of

Principal Terms of the Issue	Description
	<p>this announcement on which Shares were traded on the Mainboard of the SGX-ST;</p> <p>(ii) approximately 6.25% to the last traded Share price (“Closing Price”) of S\$0.024 per Share for Shares traded on the SGX-ST on 27 November 2020, being the full market day immediately preceding the date of this announcement on which Shares were traded on the Mainboard of the SGX-ST;</p> <p>(iii) approximately 7.79% to the average Closing Price of S\$0.0244 per Share for Shares traded on the SGX-ST for the last five (5) market days ended on 27 November 2020; and</p> <p>(iv) approximately 2.85% to the theoretical ex-rights price⁽¹⁾ of S\$0.02316 per Share, which is calculated based on the VWAP of S\$0.0234 per Share for Shares traded on the SGX-ST on 27 November 2020, being the full market day immediately preceding the date of this announcement on which Shares were traded on Mainboard of the SGX-ST.</p> <p>Note:</p> <p>(1) The theoretical ex-rights price is the theoretical market price of each Share assuming the maximum of 737,118,890 Rights Shares are issued pursuant to the Rights Issue.</p>
Allotment Ratio	One (1) Rights Share for every three (3) existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded.
Use of Proceeds	Please refer to paragraph 3 of this announcement for details on the use of proceeds arising from the Rights Issue.
Purpose of Issue	Please refer to paragraph 3 of this announcement for details on the purpose of the Rights Issue.

The terms and conditions of the Rights Issue are subject to such changes as the Directors may in their absolute discretion deem fit. The final terms and conditions of the Rights Issue including procedures for acceptances and applications for the Rights Shares will be contained in an instructions booklet to be despatched by the Company to Entitled Shareholders (as defined below) in due course (the “**Instructions Booklet**”). Further details on the principal terms and conditions of the Rights Issue are set out below.

2.1 **Basis of Provisional Allotment**

The Company is offering up to 737,118,890 Rights Shares to Entitled Shareholders (as defined below) at an Issue Price of S\$0.0225 per Rights Share, on a pro rata, non-renounceable and non-underwritten basis of one (1) Rights Share for every three (3) existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded.

2.2 **Size of the Rights Issue**

As at the date of this announcement, the issued and paid-up share capital of the Company (excluding treasury shares) comprises 1,977,814,484 Shares (the “**Existing Share Capital**”) and:

- (a) 150,000,000 outstanding Shares to be allotted and issued under the convertible loan note in the aggregate principal amount of S\$3.45 million, and which is convertible, in whole or in part, by 6 August 2021 at the latest (the “**2019 Convertible Loan Note**”); and
- (b) 83,542,188 outstanding Shares to be allotted and issued under the convertible loan note in the aggregate principal amount of S\$2.0 million, and which is convertible, in whole or in part, by 30 September 2021 at the latest (the “**2020 Convertible Loan Note**”),

(collectively, the “**Outstanding Conversion Shares**”).

For illustrative purposes only, based on the Existing Share Capital and assuming that (i) all the 233,542,188 Outstanding Conversion Shares are issued and allotted on or prior to the Record Date, and (ii) all Entitled Shareholders (as defined below) subscribe and pay for their pro rata entitlements of the Rights Shares (the “**Maximum Subscription Scenario**”), the Company will allot and issue up to 737,118,890 Rights Shares under the Rights Issue, and the resultant enlarged issued and paid-up share capital of the Company in the Maximum Subscription Scenario will be 2,714,933,374 Shares (excluding treasury shares).

2.3 Authority to Issue the Rights Shares

The Rights Shares are intended to be issued and allotted pursuant to and within the limits of the Share Issue Mandate to issue new ordinary shares in the capital of the Company approved by Shareholders at the AGM.

On 8 April 2020, the Singapore Exchange Regulation issued a news release which introduced measures to support issuers amid the challenging business and economic climate due to COVID-19, including enabling the acceleration of fund-raising efforts by allowing Mainboard issuers to provisionally seek a general mandate for an issue of pro-rate shares and convertible securities of up to 100% of its share capital (excluding treasury shares and subsidiary holdings in each class) versus 50% previously (the “**Enhanced Share Issue Limit**”). The Enhanced Share Issue Limit is effective on 8 April 2020 and will be in force until 31 December 2021.

Pursuant to the Share Issue Mandate, the Company has availed itself of the Enhanced Share Issue Limit and Directors accordingly have, inter alia, the authority to issue Shares and/or 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**”), provided that the aggregate number of Shares to be issued (including Shares to be issued in pursuance of Instruments made or granted) does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, of which the aggregate number of Shares (including Shares to be issued pursuant to the Instruments made or granted) to be issued other than on a pro rata basis to existing Shareholders shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM.

As at the date of the AGM, the total number of issued Shares (excluding treasury shares and subsidiary holdings) was 1,977,814,484. Accordingly, the total number of Shares that may be issued pursuant to the Share Issue Mandate is 1,977,814,484 Shares, of which the maximum number of Shares that can be issued on a pro rata basis is 1,977,814,484 Shares and the maximum number of Shares that can be issued other than on a pro rata basis is 395,562,896 Shares. As at the date of this announcement, no Shares have been issued pursuant to the Share Issue Mandate. As such, the 737,118,890 Rights Shares that may be issued pursuant to the Rights Issue fall within the limits of the Share Issue Mandate.

2.4 Ranking of the Rights Shares

The Rights Shares will be payable in full upon acceptance and/or application and when allotted and issued, will rank *pari passu* in all respects with the then existing Shares for

any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company, the Company’s share registrar, KCK CorpServe Pte. Ltd., (the “**Share Registrar**”) or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.5 **Non-Underwritten Rights Issue**

The Directors are of the opinion that there is no minimum amount that must be raised from the Rights Issue. Hence, in view of the aforesaid, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

2.6 **Provisional Allotments and Excess Applications**

Entitled Shareholders (as defined below) will be at liberty to (in full or in part) accept or decline their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue (the “**Excess Rights Shares**”).

Fractional entitlements to the Rights Shares will be disregarded in arriving at Entitled Shareholders’ (as defined below) provisional allotments of Rights Shares and will, together with any provisional allotments of Rights Shares which are not validly taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company, subject to applicable laws and the Listing Manual Section A: Rules of Mainboard of the SGX-ST (the “**Listing Manual**”).

It is hereby disclosed and confirmed that, in the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and substantial Entitled Shareholders (as defined below) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment and issue of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, and upon approval of the SGX-ST, scale down the subscription for the Rights Shares by any of the Entitled Shareholders (as defined below) to avoid placing the relevant Entitled Shareholder (as defined below) in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers as a result of other Shareholders not taking up their Rights Shares entitlement fully.

AS THE RIGHTS ISSUE IS MADE ON A NON-RENOUNCEABLE BASIS, ENTITLED SHAREHOLDERS SHOULD NOTE THAT THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES CANNOT BE RENOUNCED IN PART OR IN WHOLE IN FAVOUR OF A THIRD PARTY, OR TRADED ON THE SGX-ST.

2.7 Trading of Odd Lots

For the purposes of trading on the Mainboard of the SGX-ST, each board lot of Rights Shares will comprise 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots on the Mainboard of the SGX-ST are able to trade odd lots of Shares in board lots of one (1) Share on the SGX-ST's Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. Shareholders should note that the market for trading of such odd lots of Shares may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

2.8 Unissued Reserved Issue and Previously Announced Placements

- (a) The following are details of unissued Shares which are reserved for issuance as at the date of this announcement:

No. of unissued Shares reserved for issuance	In relation to
150,000,000	2019 Convertible Loan Note
83,542,188	2020 Convertible Loan Note

- (b) The Board further refers to the following announcements:

- (i) The announcements dated 15 June 2020, 1 June 2020, 22 May 2020, 21 May 2020, 20 May 2020, 4 May 2020 and 26 March 2020 in relation to the proposed

placement (the **“Rain Asia Placement”**) of 266,666,600 new Shares (**“Rain Asia Placement Shares”**) at an issue price of S\$0.0225 per Placement Share for an aggregate consideration of S\$6.0 million to Rain Asia Pacific Pte Ltd (**“Rain Asia”**); and

- (ii) The announcement dated 26 March 2020 in relation to: (i) the proposed subscription by Rain Asia of 490,000,000 new warrants (the **“Rain Asia Warrants”**) exercisable into 490,000,000 new Shares at an exercise price of S\$0.0205 per Rain Asia Warrant (the **“Rain Asia Warrants Issue”**) for an aggregate consideration of up to S\$10.0 million; and (ii) the proposed subscription by Paul C Burke (**“PCB”**) of 27,000,000 new warrants (the **“PCB Warrants”**) exercisable into 27,000,000 new Shares at an exercise price of S\$0.0205 per PCB Warrant (the **“PCB Warrants Issue”**) for an aggregate consideration of up to S\$553,500,

(the Rain Asia Placement, the Rain Asia Warrants Issue and the PCB Warrants Issue collectively, the **“Securities Placements”** and for a combined consideration of up to S\$16.6 million).

As noted in the announcements, the Securities Placements were originally entered into by the Company with a view of raising an initial amount of S\$6.0 million by way of the Rain Asia Placement and potentially up to a further amount of S\$10.6 million by way of an exercise of the Rain Asia Warrants and/or the PCB Warrants, as the case may be, if Rain Asia and PCB in their respective sole discretion desire to further invest in the Company.

The Board wishes to update Shareholders as follows:

- (I) Rain Asia has reiterated its commitment to invest in the Company as a strategic investor, the amount of such investment being indicated as S\$20 million (up from the previous commitment of S\$16 million). Rain Asia requires and has requested for more time to complete such investment at the increased amount. Rain Asia believes that with its affiliates’ business network in the digital banking, artificial intelligence and satellite space, it would be able to value-add to the longer term growth of the Group. Similarly, the Company regards Rain Asia as a potential strategic investor with which the Company can forge possible collaboration, co-operation and strategic partnership (**“Collaboration”**) for the Group’s potential expansion of its business into the Middle East region (in particular, United Arab Emirates and other Gulf Cooperation Council countries). As such, the Company has agreed with Rain Asia as follows: (aa) to commence discussions on opportunities for Collaboration between the Group and Rain

Asia (or its affiliates) and to commit reasonable time and resources to explore business and commercial opportunities in the Middle East region introduced by Rain Asia and/or its affiliates which are complementary or synergistic with the businesses of the Group; and (bb) as and when Rain Asia is ready and upon its request, to resume discussion on the completion of the Rain Asia Placement, subject to a re-pricing of the Rain Asia Placement (taking into consideration the VWAP of the Shares at the relevant time). The size of the then Rain Asia Placement may also be adjusted depending on the amount of funds successfully raised from the Rights Issue and the funding needs of the Group at that point in time (taking into account, as appropriate, the projects and ventures (including any committed or planned undertaking to be carried out by the Group) as part of the Group's expansion and growth).

- (II) In light of the above as well as considering the Company's decision to raise further funding of up to S\$16.5 million through the Rights Issue, the Company has also separately discussed with PCB whereby both parties have agreed not to proceed with the PCB Warrants Issue. The Company notes that PCB is nonetheless entitled to participate in the Rights Issue as an existing Shareholder.

3 RATIONALE AND USE OF PROCEEDS

The Company is undertaking the Rights Issue to raise gross proceeds of up to S\$16.5 million to strengthen the financial position and capital base of the Group, and for business expansion and growth and working capital needs, including the repayment of existing loans. The Rights Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company. The aforesaid proceeds from the Rights Issue are raised in lieu of the previously planned combined proceeds of S\$16.6 million to be raised pursuant to the Securities Placements given that the same are for now not proceeded with as explained in paragraph 2.8 of this announcement.

The estimated net proceeds from the Rights Issue (the "**Net Proceeds**"), after deducting estimated costs and expenses of S\$300,000 relating to the Rights Issue, is expected to be approximately S\$16.2 million in the Maximum Subscription Scenario. The Company intends to utilise the Net Proceeds in the following manner and proportions and in the following order of priority:

Use of Net Proceeds	Amount (\$)	Percentage of Net Proceeds (%)
1. For the repayment of existing loans	3.0	18.5
2. For business expansion and growth ⁽¹⁾	4.0	24.7
3. For the working capital requirements of the Group:		
(a) In respect of funding for its space capabilities development program; and	4.0	24.7
(b) In respect of payments which include but are not limited to administrative expenses, manpower costs and corporate expenses	5.2	32.1
Total	16.2	100.0

Note:

- (1) The IDRS program which the Group currently undertakes is showing significant and promising prospects following its recent commercial commissioning in November 2020. The Company also notes that the other satellite communications businesses of the Group have also been gaining strong commercial tractions, with the Group's provision of solution for the fishing vessels industry as well as for design services in the satellite communications space achieving remarkable good levels of success.

Pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets instruments and/or marketable securities, and/or used for working capital or any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the stated use of proceeds, and provide a status report on the use of the Net Proceeds in the interim and full year financial statements and in the annual report(s) of the Company, until such time such proceeds have been fully utilised. Where the Net Proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the financial statements and annual reports.

Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

4 OPINION OF DIRECTORS

- 4.1 For the purposes of Rule 814(1)(f) of the Listing Manual, the Directors are of the opinion that, after taking into consideration the Group's present bank facilities and the net proceeds of the Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.
- 4.2 The Directors are of the opinion, after taking into consideration the rationale for the Rights Issue as set out in paragraph 3 of this announcement that the Rights Issue is in the interest of the Company.
- 4.3 In determining the discount as set out in paragraph 2 of this announcement, the Directors had taken into consideration, amongst others, the VWAP and Closing Price of the Shares as at 27 November 2020, the average Closing Price of the Shares for the five (5) market days ended on 27 November 2020, precedent transactions, and the transaction size.

5 CONDITIONS FOR THE RIGHTS ISSUE

The Rights Issue is subject to, *inter alia*, the approval in-principle granted by the SGX-ST for the dealing, listing and quotation, of the Rights Shares on the Mainboard of the SGX-ST having been obtained (and such approval not having been withdrawn or revoked on or prior to the closing date of the offer of the Rights Shares under the Rights Issue), and if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company

The Company will be making an application to the SGX-ST to seek its in-principle approval for the listing of and quotation for the Rights Shares on the SGX-ST. An appropriate announcement on the outcome of such application will be made in due course.

6 ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

6.1 Eligibility to Participate

The Company will provisionally allot the Rights Shares to the Entitled Shareholders (as defined below), comprising Entitled Depositors and Entitled Scripholders (each as defined below), on the basis of their shareholdings as at the Record Date. Entitled Shareholders (as defined below) will be entitled to participate in the Rights Issue and receive the Instructions Booklet at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be.

6.2 Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the "**Securities Account**") with CDP and (i) whose registered addresses with CDP are in Singapore as at the Record Date or (ii) who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) market days prior to the Record Date (the "**Entitled Depositors**").

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5.00 p.m. (Singapore time) on the Record Date.

6.3 Entitled Scripholders

Entitled Scripholders are Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (i) whose registered addresses with the Share Registrar are in Singapore as at the Record Date or (ii) who have provided the Company and/or the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) market days prior to the Record Date (the "**Entitled Scripholders**", and together with the Entitled Depositors, the "**Entitled Shareholders**").

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares.

6.4 CPF Investment Scheme

Shareholders who have previously purchased Shares using their Central Provident Fund ("**CPF**") account savings (the "**CPF Funds**") under the Central Provident Fund Investment Scheme ("**CPFIS**") may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of Rights Shares and (if applicable) to apply for Excess Rights Shares, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares

and (if applicable) apply for Excess Rights Shares on their behalf in accordance with the terms and conditions in the Instructions Booklet.

6.5 Foreign Shareholders

For practicable reasons and to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares will not be offered to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, before 5.00 p.m. at least three (3) market days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the "Foreign Shareholders"). As such, no provisional allotments of the Rights Shares will be made to, and no purported acceptance thereof or application therefor by, Foreign Shareholders will be valid.

7 PREVIOUS EQUITY FUND RAISING IN THE PAST 12 MONTHS

7.1 The September 2020 Placements

On 23 September 2020, the Company completed the placement of an aggregate of 107,373,400 new Shares, at an issue price of S\$0.02394 for each new placement share, to multiple places for aggregate gross proceeds of approximately S\$2.57 million (the "**September 2020 Placements**").

As at the date of this announcement, the entire gross proceeds of approximately S\$2.57 million from the September 2020 Placements have been fully utilised for the intended uses as follows:

Intended use of proceeds	Percentage (%) allocation	Allocation of net proceeds raised (S\$'000)	Amount utilised (S\$'000)	Balance (S\$'000)
Repayment of existing loans	18.7	480	480	-
Funding the Group's space capabilities	44.7	1,150	1,150	-
Working capital	30.0	770	770	-
Share issue expenses	6.6	170	170	-
Total (approximately)	100.0	2,570	2,570	-

7.2 The 2020 Convertible Loan Note

On 23 September 2020, the Company completed the issuance of the 2020 Convertible Loan Note in the aggregate principal amount of approximately S\$2.0 million which is convertible, in whole or in part, into not more than 83,542,188 new Shares by 30 September 2021 at the latest at a conversion price of S\$0.02394 per conversion share.

As of the date of this announcement, 100% of the principal amount of the 2020 Convertible Loan Note paid by the subscriber to the Company pursuant to the issuance of the 2020 Convertible Loan Note has been fully utilised to repay the amount outstanding and owing by the Company to the said subscriber under the previous convertible loan note issued to the said subscriber on 31 May 2017 and any and all interest that has accrued and become payable thereunder.

As at the date of this announcement, the entire 2020 Convertible Loan Note remains unconverted.

8 ADJUSTMENTS TO OUTSTANDING CONVERSION SHARES

Adjustments may be made to the number and/or exercise price of the Outstanding Conversion Shares as a result of the Rights Issue. The Company will in due course make the relevant announcement and notify subscribers of the 2019 Convertible Loan Note and/or the 2020 Convertible Loan Note of such adjustments, if any.

9 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and substantial Shareholders has any interests, direct or indirect, in the Rights Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

10 RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

11 CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Issue will materialise or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

12 FORWARD LOOKING STATEMENTS

Some of the statements in this announcement constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect the Group's current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the Group's control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions. Because actual results could differ materially from the Group's intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses, undue reliance must not be placed on these statements.

13 FURTHER ANNOUNCEMENTS

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

BY ORDER OF THE BOARD

Dr Colin Chan Kum Lok
Chairman and CEO
29 November 2020