
PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF DISCOUNTED AND REDEEMABLE CONVERTIBLE BONDS

- **LOAN AGREEMENTS WITH ECONOMIC DEVELOPMENT INNOVATIONS SINGAPORE PTE LTD, PY OPULENCE INVESTMENT PTE LTD AND MR. WANG YU HUEI WITH UNDERTAKINGS THAT THE PRINCIPAL AMOUNTS REPAYABLE BY THE COMPANY TO BE SET OFF (IN FULL OR PARTIALLY) AGAINST THE CONSIDERATION PAYABLE BY EACH PARTY UNDER THE RIGHTS ISSUE**
 - **UNDERTAKINGS FROM CERTAIN DIRECTORS TO SUBSCRIBE FOR RIGHTS ENTITLEMENTS IN FULL**
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1 INTRODUCTION

The board of directors (the **"Board"** or **"Directors"**) of Addvalue Technologies Ltd (the **"Company"** and together with its subsidiaries, the **"Group"**) refers to the Company's previous announcement dated 7 July 2022 in relation to the Company's proposed renounceable non-underwritten rights issue pursuant to Section 277 of the Securities and Futures Act 2001 of up to approximately S\$6 million in aggregate principal amount of discounted and redeemable convertible bonds convertible into new ordinary shares in the capital of the Company (the **"Rights Issue"**), and wishes to announce that:

- (a) the Company has entered into loan agreements with each of Economic Development Innovations Singapore Pte Ltd (**"EDIS"**), PY Opulence Investment Pte Ltd (**"PYO"**) and Mr. Wang Yu Huei (**"WYH"**) under which, subject to certain terms and conditions as set out in Section 2 below, the principal amounts repayable by the Company to each of EDIS, PYO and WYH will be set off (in full or partially) against the consideration payable by each of EDIS, PYO and WYH under the Rights Issue. In this regard, each of EDIS, PYO and WYH have each provided a written undertaking to the Company (the **"Shareholders' Written Undertakings"**) that they will subscribe and pay in full for their *pro rata* entitlement under the Rights Issue, as well as any unsubscribed rights remaining after the fulfilment of all valid applications by other shareholders of the Company; and

- (b) certain Directors of the Company, namely, Dr Chan Kum Lok Colin, Mr Tan Khai Pang, Mr Wong Ming Ghee Bernard and Mr Richard J Denny, have each provided a written confirmation to the Company (the **Directors' Written Confirmations**) that they will subscribe and pay in full for their *pro rata* entitlement under the Rights Issue.

As a result of the Shareholders' Written Undertakings and the Directors' Written Confirmations, the Company has received assurance that at least 60% of the entitlements under the Rights Issue will be subscribed for and paid in full.

2 LOAN AGREEMENTS

The principal terms of the loan agreements entered into between the Company and each of EDIS, PYO and WYH are as follows:

	EDIS	PYO	WYH
Principal Amount	S\$2 million	S\$1 million	S\$500,000
Conditions Precedent	That the loans from PYO and WYH are made concurrently on the loan disbursement date ⁽¹⁾	That the loans from EDIS and WYH are made concurrently on the loan disbursement date ⁽²⁾	That the loans from EDIS and PYO are made concurrently on the loan disbursement date ⁽²⁾
Interest	6% per annum		
Irrevocable Undertaking	To subscribe and pay in full for its <i>pro rata</i> entitlement under the Rights Issue, as well as any unsubscribed rights, up to an aggregate amount of S\$2 million Any excess rights allotment shall be allotted <i>pari passu</i> with WYH	To subscribe and pay in full for its <i>pro rata</i> entitlement under the Rights Issue, as well as any unsubscribed rights, up to an aggregate amount of S\$1 million	To subscribe and pay in full for its <i>pro rata</i> entitlement under the Rights Issue, as well as any unsubscribed rights, up to an aggregate amount of S\$500,000 Any excess rights allotment shall be allotted <i>pari passu</i> with EDIS

	EDIS	PYO	WYH
Repayment (Under Subscription – <i>pro rata entitlement + excess rights</i>)	Principal amount set off against the consideration payable under the Rights Issue, and interest accrued on principal amount payable in cash		
Repayment (Over Subscription – <i>pro rata entitlement only</i>)	Part of the principal amount set off against the consideration payable under the Rights Issue, and remainder of principal amount and interest accrued on principal amount payable in cash		
Repayment (Rights Issue Does Not Proceed)	If the Rights Issue does not take place within nine months from the date of the loan agreement, the principal amount and the interest accrued on principal amount will be repaid in full in cash		

Notes:

- (1) The Company has received written confirmation from the bank that they are processing EDIS's GIRO application for the transfer of the \$2 million to the Company.
- (2) The Company has received the funds in full.

3 DIRECTORS' UNDERTAKINGS TO SUBSCRIBE

As a demonstration of their confidence in and commitment to the prospects of the Group, certain Directors of the Company, namely, Dr Chan Kum Lok Colin, Mr Tan Khai Pang, Mr Wong Ming Ghee Bernard and Mr Richard J Denny, have each provided a written confirmation to the Company that they will subscribe and pay in full for their *pro rata* entitlement under the Rights Issue. Based on their respective shareholdings as at the date of this announcement, the commitment from these Directors to subscribe and pay in full for their *pro rata* entitlement under the Rights Issue will raise approximately S\$156,000.

4 CAUTIONARY STATEMENT

The completion of 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 be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities that may be prejudicial to their interests, and to exercise caution

when dealing or trading in the securities of the Company. 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.

5 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 Chan Kum Lok Colin
Executive Chairman
14 July 2022