

AVI-TECH ELECTRONICS LIMITED
Incorporated in the Republic of Singapore
(Company Registration No.: 198105976H)
(the “**Company**”)

UPDATE ON PROPOSED CORPORATE RESTRUCTURING OF THE COMPANY

PUBLICATION OF MAS REGULATION

1. INTRODUCTION

The Company refers to the announcements (the “**Announcements**”) made on 18 February 2020, 10 September 2020 and 1 April 2021 in relation to, *inter alia*, the proposed corporate restructuring of the Company (the “**Restructuring**”) by way of a scheme of arrangement, in accordance with Section 210 of the Companies Act, Chapter 50 of Singapore. Pursuant to the Restructuring, it is proposed that a new holding company, Avi-Tech Holdings Pte. Ltd. (“**NewCo**”), will be interposed between the shareholders of the Company (the “**Shareholders**”) and the Company through the acquisition by NewCo of all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”) in exchange for new ordinary shares in the capital of NewCo (the “**NewCo Shares**”) on a one-for-one basis.

Unless otherwise defined, all capitalised terms used herein shall have the same meanings ascribed to them in the Announcements.

2. PUBLICATION OF MAS REGULATION

2.1. The Board refers to the declaration granted by the MAS as described in paragraph 4.2(a) of the announcement dated 18 February 2020 and wishes to announce that pursuant to the Securities and Futures (Offers of Investments) (Exemption for Avi-Tech Holdings Pte. Ltd.) Regulations 2021, which came into operation on 6 May 2021, it is provided that Subdivision (2) of Division 1 of Part XIII (other than Section 257) of the SFA does not apply in relation to an offer of shares by NewCo to all the Shareholders that is made in connection with the Restructuring, subject to the following:

- (a) the Company prepares and sends to each of its shareholders together with the notice of meeting, the circular relating to the compromise or arrangement (under which the Restructuring is to be carried out) that is required by the SGX-ST Mainboard Rules or SGX-ST (or both) to be sent to the shareholders;
- (b) the Company prepares, and sends or disseminates to each of its shareholders, at any time before the date of the shareholders’ meeting, any other document or information relating to the compromise or arrangement (under which the Restructuring is to be carried out) that is required by the SGX-ST Mainboard Rules or SGX-ST (or both) to be sent or disseminated to the shareholders; and
- (c) the circular mentioned in sub-paragraph (a) and (where required) the document or information mentioned in sub-paragraph (b) provide sufficient information to the shareholder to enable the shareholder to make an informed decision on whether or not to agree to the compromise or arrangement (under which the Restructuring is to be carried out), including —
 - (i) all the information that is required to be provided to the shareholder under the SGX-ST Mainboard Rules or by SGX-ST (or both); and
 - (ii) the terms of the compromise or arrangement (under which the Restructuring is to be carried out) and details of the Restructuring.

- 2.2. The Scheme Document containing full details of the compromise or arrangement (under which the Restructuring is to be carried out) (the “**Scheme**”) will be despatched to Shareholders in due course. Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information set out in the Scheme Document. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

BY ORDER OF THE BOARD

Khor Thiam Beng
Non-Executive Chairman &
Independent Director
6 May 2021