
PROPOSED CHANGE OF AUDITORS FROM CROWE HORWATH FIRST TRUST LLP TO MAZARS LLP

1. PROPOSED CHANGE OF AUDITORS

- 1.1 The Board of Directors (the “**Directors**”) of Addvalue Technologies Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the Company’s intention to undertake a change of auditors from Crowe Horwath First Trust LLP (“**Crowe Horwath**”) to Mazars LLP (“**Mazars**”) (the “**Proposed Change of Auditors**”).
- 1.2 An extraordinary general meeting (“**EGM**”) has been convened to take place on 4 March 2016 to obtain approval from the shareholders of the Company (the “**Shareholders**”) for the Proposed Change of Auditors.
- 1.3 Pursuant to mutual agreement between the Company and Crowe Horwath, Crowe Horwath has submitted its notice of resignation to the Company on 16 December 2015, pursuant to which Crowe Horwath has informed the Company that they intend to resign as auditors of the Company. The Directors thank Crowe Horwath for its professional services and support in the past years.
- 1.4 The Company proposes that Mazars be appointed in place of Crowe Horwath for the financial year ending 31 March 2016. The resignation of Crowe Horwath as the auditors of the Company and the appointment of Mazars as the new auditors of the Company will take effect upon the approval of the Shareholders at the EGM.
- 1.5 The Proposed Change in Auditors is recommended by the audit committee of the Company (the “**Audit Committee**”) for the following reasons:
 - (a) Crowe Horwath have been the auditors of the Company since the financial year ended 31 March 2007. The management of the Company and the Directors are of the view that a change of auditors would enable the Company to benefit from fresh perspectives and the views of another professional audit firm and also to enhance the value of the audit. A renewal of this nature is also indicative of the Company’s efforts to ensure that there would be no actual or perceived issues of independence of auditors for good corporate governance; and
 - (b) In line with the Company’s ongoing cost control measures, the Company has found a new auditor, Mazars, who will be more cost effective for the Company.

- 1.6 The Board, after reviewing the credentials of leading audit firms, has accepted the Audit Committee's recommendation and proposes the appointment of Mazars in place of Crowe Horwath as the auditors of the Company, subject to the approval of the Shareholders at the EGM. Upon the appointment, Mazars will hold office until the conclusion of the next annual general meeting of the Company.
- 1.7 In accordance with Rule 1203(5) of the listing manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Company confirms that:
- (a) there were no disagreements with Crowe Horwath on accounting treatments within the last 12 months;
 - (b) it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the shareholders which has not been disclosed in this announcement;
 - (c) the specific reasons for the Proposed Change of Auditors are as disclosed in this announcement; and
 - (d) it is in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of Mazars.
- 1.8 Crowe Horwath has confirmed to Mazars by way of a letter dated 16 December 2015 that they are not aware of any professional reason why Mazars should not accept the appointment as auditors of the Company.

2. DESPATCH OF CIRCULAR

The Company will despatch a circular dated 18 February 2016 to the Shareholders containing information on the Proposed Change of Auditors (the "Circular"). The Circular includes the notice of the EGM to be held at 8 Tai Seng Link, Level 5 (Wing 2), Singapore 534158 on 4 March 2016 at 10.00 a.m. for the purpose of seeking Shareholders' approval for the Proposed Change of Auditors.

Shareholders who do not receive the Circular within one week from the date hereof should contact the Company at 8 Tai Seng Link, Level 5 (Wing 2), Singapore 534158.

BY ORDER OF THE BOARD

Dr Chan Kum Lok Colin
Chairman and CEO

17 February 2016