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- 1. UPDATE ON THE PROPOSED DISPOSAL BY ADDVALUE TECHNOLOGIES LTD (THE “COMPANY”) OF THE ENTIRE ORDINARY SHARE CAPITAL OF ITS WHOLLY-OWNED SUBSIDIARY, ADDVALUE COMMUNICATIONS PTE LTD (“AVC”), CONSTITUTED BY 1,100,000,000 ORDINARY SHARES HELD BY THE COMPANY (THE “AVC SHARES”) TO 天成恒盛(北京)科技有限公司 (THE “BUYER”) FOR CASH (THE “DISPOSAL”)**
 - 2. OTHER POSSIBLE CORPORATE DEVELOPMENTS THAT MAY RESULT IN A CHANGE IN CONTROL OF THE COMPANY**
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1. Update on the Disposal

Reference is made to the announcement made by the Company on 25 March 2014 in connection with the conditional sale and purchase agreement the Company entered into with the Buyer on 24 March 2014 concerning the Disposal (the “**S&P Agreement**”) and the various announcements made subsequently by the Company (specifically or as a progress report contained in the periodic quarterly results announcement) in updating the status of the Disposal, the latest being made on 5 August 2016 wherein the shareholders of the Company (the “**Shareholders**”) have been informed that, as the supplemental agreement (the “**Supplemental Agreement**”) to the S&P Agreement had yet to be signed as at 5 August 2016, the possibility of a delay in completing the Disposal within the targeted 4 months from 7 June 2016 cannot be ruled out.

The board of directors of the Company (the “**Board**”) would like to inform that, as certain conditions to be fulfilled by the Buyer prior to the signing of the Supplemental Agreement remain outstanding, the targeted completion date for the Disposal is expected to be delayed further. It cannot be determined with certainty the new expected date of completion of the Disposal.

While both the Company and the Buyer are committed to use best commercial efforts to reach final agreement and in seeing the transaction through, Shareholders are to note that the Disposal is not to be taken as a done deal or that parties will eventually come to an agreement to proceed with the Disposal.

As the completion of the Disposal is still subject to the fulfillment of many conditions precedent (even with the entry into the Supplemental Agreement as above-mentioned), there can be no assurance of the completion of the Disposal or, if it were to be eventually completed, as to the length of time required to do so. Hence, Shareholders are advised to exercise caution when dealing in the securities of the Company. Shareholders are further advised to refrain from taking any action in relation to their securities which may be prejudicial to their interests, and to seek appropriate advice from their brokers, bankers, lawyers and other professional advisers.

2. Other possible corporate developments

The Board wishes to inform Shareholders that, aside from the Disposal, it has been approached over the past weeks by a few third parties (other than the Buyer), including but not limited to the possible candidate mentioned in the clarification announcement made by the Company on 8 September 2016 to the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), indicating, on a preliminary basis, their respective intentions to consider taking a significant interest in the Company that may result in a change of control.

The Company, not being exclusively bound to any party, including the Buyer, from discussions and negotiations concerning possible investment interests in the Company, is currently reaching out and/or in discussion with the abovementioned relevant interested parties to clarify their intention and/or ascertain their terms and conditions for their respective investment interests in the Company.

As there is no assurance or certainty that any transaction will materialize from the abovementioned possible corporate developments, Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take, if any.

The Company will provide further updates if there is any material development or as and when appropriate.

By Order of the Board

Dr Colin Chan
Chairman & CEO
7 October 2016