



AGV GROUP LIMITED

(Company Registration No. 201536566H)
(Incorporated in the Republic of Singapore on 2 October 2015)

RECEIPT OF LETTERS OF DEMAND

1. INTRODUCTION

1.1. The Board of Directors of AGV Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to:

- (i) the announcement ref. no. SG211123OTHR1GX1 made by the Company on 23 November 2021 in relation to the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern (the “**Material Uncertainty Announcement**”); and
- (ii) the announcement made by the Company on 28 November 2021 in relation to the Company’s response to queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) dated 25 November 2021 regarding the Company’s 23 Nov Announcements (the “**28 Nov Announcement**”),

(collectively, the “**Relevant Past Announcements**”). *Unless otherwise defined herein, capitalised terms used in this announcement shall have the meanings ascribed to them in the 28 Nov Announcement.*

1.2. The Board wishes to announce that the Company had on 1 December 2021, received letters of demand from:

- (i) solicitors acting on behalf of Mr Alvin Poh Hsien Yang (“**Mr Poh**”) in relation to deeds of novation entered into between the Company, Mr Poh and Mr Chua Wei Kee and company(ies) controlled by him respectively, in relation to the Debt (collectively, the “**Deeds**”) and the payment agreement in relation to the Deeds (the “**Payment Agreement**”), collectively entered into on 7 October 2021 (the “**First Letter of Demand**”); and
- (ii) solicitors acting on behalf of Mr Lim Kim Cheei (“**Mr Lim**”) in relation to an agreement between AGV Galvanizing (M) Sdn Bhd, a subsidiary of the Company (“**AGVM**”), and Mr Lim for the payment of consultant fees to Mr Lim in relation to the sale and leaseback undertaken by AGVM (the “**Fee Agreement**”), as announced on 19 November 2020 (the “**Second Letter of Demand**”).

2. LETTERS OF DEMAND

2.1. The salient points of the First Letter of Demand are set out below:

- (i) Pursuant to the Payment Agreement, it was agreed for the Debt to be paid by the Company to Mr Poh through 12 equal instalments commencing 14 November 2021 until 14 October 2022. The First Instalment Payment was to have been made on 14 November 2021
- (ii) It was claimed that, in breach of, amongst others, the Payment Agreement, the Company had failed, refused and/or neglected to pay the First Instalment Payment to Mr Poh.

- (iii) It was demanded that:
 - (a) the Company pay the First Instalment Payment to Mr Poh immediately without further delay; and
 - (b) the Company confirm in writing that the Company remained fully able and willing to comply with its obligations under the Deeds and the Payment Agreement. In particular, that the Company will make payment of the Debt in accordance with the terms of the Payment Agreement,

failing which, Mr Poh may take further action as necessary to enforce his rights without further notice or reference to the Company.

2.2. The salient points of the Second Letter of Demand are set out below:

- (i) Pursuant to the Fee Agreement and subsequent correspondence, it is claimed that AGVM is to make payment of RM180,000 in eight (8) monthly instalments commencing from 15 November 2021.
- (ii) The first two (2) monthly instalments for November and December amounting to RM45,000 shall be due and payable immediately.
- (iii) In the event of default in any of the instalments, the whole of the outstanding sum shall become due and payable immediately.

2.3. The Company is currently seeking legal advice on its position vis-à-vis the Letters of Demand, including the Payment Agreement and the Fee Agreement, and will make announcements on the same as and when there are any further material developments.

2.4. Trading in the Company's securities on the SGX-ST had been voluntarily suspended by the Company on 24 November 2021.

BY ORDER OF THE BOARD

Chong Kwang Shih
Lead Independent Director
AGV Group Limited

2 December 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Kaeson Chui, Vice President, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.