



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

RECEIPT OF LETTER OF DEMAND

1. **INTRODUCTION**

The Board of Directors of AGV Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that AGV Galvanizing (M) Sdn Bhd (“**AGVM**”), an indirect subsidiary of the Group, had received a letter of demand dated 13 December 2021 from solicitors acting on behalf of RHB Bank Berhad (the “**13 Dec Letter of Demand**”), in relation to hire purchase facilities granted by RHB Bank Berhad to AGVM (the “**Facilities**”) in respect of a galvanizing furnace system and rectangular mild steel water tanks (collectively, the “**Equipment**”).

2. **SALIENT POINTS OF LETTER OF DEMAND**

2.1. The salient points of the 13 Dec Letter of Demand are set out below:

- (i) It was claimed that, in breach of the terms and conditions of contract between AGVM and RHB Bank Berhad in respect of the Facilities, AGVM had failed to pay to RHB Bank Berhad the sum due under the Facilities. It was further claimed that on account of such default and breach, the Facilities are recalled and terminated.
- (ii) It was claimed that the total balance due to RHB Bank Berhad under the Facilities as at 5 December 2021 was RM1,563,480.41.
- (iii) It was demanded that AGVM pay the sum of RM1,563,480.41, together with interest and legal fees, to RHB Bank Berhad within 21 days from 13 December 2021, as well as for AGVM to return the Equipment to RHB Bank Berhad immediately, failing which, the solicitors acting on behalf of RHB Bank Berhad had firm instructions to commence legal proceedings against AGVM for recovery of the same without further reference to AGVM and AGVM shall be held liable to pay all costs thereby incurred.

2.2. The Company is currently seeking legal advice on its position vis-à-vis the 13 Dec Letter of Demand, and will make announcements on the same as and when there are any further material developments.

2.3. 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

17 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.