

AA GROUP HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200412064D)
(the “**Company**”)

MEMORANDUM OF UNDERSTANDING DATED 6 JANUARY 2017 ENTERED INTO BETWEEN THE COMPANY AND POH HUAT HENG CORPORATION PTE. LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**”) of AA Group Holdings Ltd. (the “**Company**”) wishes to announce that the Company has on 6 January 2017 entered into a Memorandum of Understanding (“**MOU**”) with Poh Huat Heng Corporation Pte. Ltd. whereby the parties have agreed to negotiate exclusively for a period of 1 month from the date of the MOU (or such other period as the parties may agree from time to time) with regards to any potential cooperation, joint venture and/or acquisition with respect to Engineering Manufacturing Services (S) Pte. Ltd. and its subsidiaries, namely Germaxco Pte. Ltd. (“**Target Group**”).

2. BACKGROUND OF POH HUAT HENG CORPORATION PTE. LTD.

Poh Huat Heng Corporation Pte. Ltd. is the holding company of the Target Group, principally engaged in the business of underground cable installation, road reinstatement services and other related activities.

3. TARGET GROUP

The Target Group is principally engaged in the business of providing one-stop high value-added general warehousing and logistics services, industrial and office space for engineering, manufacturing and industrial training and workers’ dormitory facilities.

4. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares. There is no certainty or assurance as at the date of this announcement that the negotiations will be successful. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

AA Group Holdings Ltd.
Yau Woon Foong
Executive Director
6 January 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Stamford Corporate Services Pte. Ltd. (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

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