



**AGV GROUP LIMITED**

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

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**ENTRY INTO MEMORANDUM OF UNDERSTANDING FOR  
PROPOSED JOINT VENTURE IN MYANMAR**

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The Board of Directors (the “**Board**”) of AGV Group Limited (the “**Company**”) is pleased to announce that the Company has entered into a memorandum of understanding (the “**MOU**”) on 5 January 2018 with Myat Mi Ba Company Limited (“**MMB**”) (collectively, the “**Parties**” and each a “**Party**”), a private company incorporated in Myanmar, to incorporate a new joint venture company (“**Joint Venture Company**”) in Myanmar for the purposes of providing hot dip galvanising services to the Myanmar market.

MMB was founded in 2013 in Yangon, Myanmar and is principally engaged in construction work. In 2016, MMB further invested in a steel fabrication factory to boost its "one-stop" business approach in the construction sector.

As agreed in the MOU and subject to the entry into the joint venture agreement (“**JV Agreement**”), it is intended for the Company to hold an effective interest of 80% in the Joint Venture Company and for MMB to hold the remaining 20% in the Joint Venture Company. In addition, the understanding between the Parties pursuant to the MOU includes the option for MMB to acquire 25% of the shares held by the Company in the Joint Venture Company after two (2) years from the date of the JV Agreement. It is intended that the Parties will contribute to the paid-up share capital of the Joint Venture Company in proportion to the shareholding held by each Party and which will be determined at a later date.

Parties have also agreed under the MOU to use their best efforts to negotiate and to execute the JV Agreement by 31 March 2018. Parties have also agreed to not negotiate or enter or continue any discussions with any other person or company or solicit, encourage, directly or indirectly, or furnish information to any other person or company with respect to a similar business arrangement for a period of three (3) months commencing from the date of entry into the MOU.

The incorporation of the Joint Venture Company is intended to be funded through internal resources and the Joint Venture Company is not expected to have any material impact on the earnings per share or net tangible assets per share of the Company for the current financial year ending 30 September 2018.

Save as disclosed in this announcement, none of the directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above transaction.

Shareholders and potential investors of the Company are advised to exercise caution in dealing with the securities of the Company as there is no certainty or assurance that as at the date of this announcement the Joint Venture Company will be incorporated. Shareholders and potential investors of the Company are further advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt as to the actions they should take.

The Company will make further announcements in relation to the MOU as and when appropriate.

**By Order of the Board**

Albert Ang Nam Wah  
Executive Director and Chief Executive Officer

11 January 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited, for compliance with the relevant rules of the 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 and the SGX-ST 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 Tang Yeng Yuen, Vice President, Head of Corporate Finance who can be contacted at 16 Raffles Quay, #40-01A, Hong Leong Building, Singapore 048581, Telephone: (65) 6415 9886.*