



AA GROUP HOLDINGS LTD.
Company Registration No. : 200412064D
(Incorporated in the Republic of Singapore)

RESPONSE TO SGX QUERIES

The Board of Directors (the "**Board**") of AA Group Holdings Ltd. (the "**Company**") has received following queries on 30 December 2019 from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") following its announcement on 27 December 2019 in relation to the Appointment of Mr. Andrew Bek ("**Mr. Bek**") as the Lead Independent Director ("**Lead ID**") and Audit Committee Member, Nominating Committee Member and Chairman of Remuneration Committee and set out its response below:-

| No. | Queries from SGX-ST | Response from the Company |
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| 1. | Please confirm and explain the negative confirmations as announced on 27 Dec 2019. | <p>The Company would like to inform that a ratification has been made to the negative confirmations in paragraphs (j)(i) and (j)(iv) of Mr Bek's appointment announcement dated 27 December 2019. The reason of the ratification is as follows.</p> <p>In October 2019, a show-cause letter from SGX-ST was provided to Mr. Bek with an opportunity to make representations for potential breaches of listing rules by the SGX-ST with respect to one of Mr. Bek's past directorship. Subsequent to the appointment announcement on 27 December 2019, SGX-ST has provided clarification that the show-cause letter would constitute a part of an investigation by the SGX-ST. In-lieu of this development, the Company has accordingly ratified the appointment announcement dated 2 January 2020. The Nominating Committee has noted the above matter and provided its assessment of Mr. Bek's appointment in the Company's response below (in Query 2).</p> |
| 2. | Please elaborate on what the NC had considered in assessing suitability of Andrew Bek as Lead ID. | <p>With reference to the appointment announcement dated 27 December 2019, the Nominating Committee ("NC") considered Mr. Bek's past years' working experiences in various public companies listed in Mainboard and Catalist Board of SGX. The NC believes Mr. Bek's skills, experience, knowledge and network as an Investment Director of a private equity company could provide guidance to the Group in striving</p> |

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| | | <p>to meet the business strategy of the Group as well as future business expansion, if any.</p> <p>Further, NC has also evaluated on Mr. Bek's suitability and believe that his knowledge and experience in finance and accounting field could add value and enhance the skills mix of the existing Board Composition.</p> <p>On 2 January 2020, the Board was informed by Mr. Bek that there is an ongoing investigation by SGX-ST and a ratification announcement is required for Mr. Bek's appointment. In lieu of the ongoing investigation by the SGX-ST, the NC has recommended and the Board has decided to appoint Mr. Bek as an independent director ("ID") of the Company and Ms Amelia Vincent, the Audit Committee chairperson, as the Company's Lead ID.</p> <p>The NC will also reassess Mr. Bek's appointment upon the investigation outcome by SGX-ST.</p> |
| 3. | What did the Sponsor consider in assessing the suitability of Andrew Bek as Lead ID? | <p>The Sponsor has duly conducted its due diligence on the appointment of Mr. Bek, which includes desktop searches, background checks, and an interview for Mr Bek's role and responsibility as an ID. Based on the due-diligence performed, the Sponsor is unaware of any adverse findings that would affect Mr. Bek's suitability to act as an independent director of the Company.</p> <p>We understand that SGX-ST has informed Mr. Bek to disclose that he is involved in an ongoing investigation by the SGX-ST to the Sponsor and the current NC to ascertain his suitability as ID of the Company.</p> <p>Based on our further queries and representation from Mr. Bek to the SGX-ST, we have no adverse comments to his suitability as an ID of the Company as the investigation is on-going and we have advised the NC to reassess Mr. Bek's appointment as a director upon the investigation outcome by SGX-ST.</p> |
| 4. | How was Andrew Bek introduced to AA Group? | <p>Mr. Bek was acquainted to Mr Tan Poh Guan ("Mr. Tan"), Executive Director of AA Group Holdings Ltd, via a social event in early 2019. Subsequently, Mr. Bek was proposed by Mr Tan to the NC of the Board, when the Company was</p> |

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| | | in search of its 3 rd independent director. The NC had assess his suitability as an ID based on his qualification and experience and took into account his other directorships of listed companies. Mr. Bek had also provided a personal declaration of independence which has been reviewed and concurred by the NC and the NC is satisfied that he is independent based on the listing rules and 2018 Code of Corporate Governance. |
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By Order of the Board

Tan Poh Guan
Executive Director
2 January 2020

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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. David Yeong (Tel (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.