

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

RESPONSE TO SGX QUERIES

The Board of Directors (the “**Board**”) of AA Group Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) has received queries from the Singapore Exchange Securities Trading Limited (“**SGX**”) following its announcement on 23 July 2019 (the “**Previous Announcement**”). The Company has responded to SGX’s queries and is announcing its responses below.

Unless otherwise defined, all defined terms herein have the same meaning as in the Previous Announcement.

SGX Query	Company Response
<p>a. It was stated that “Mr. Lim is an acquaintance of some of the Directors and officers of the Company. Besides this, Mr. Lim has had no connection with the Company or any of its other directors, officers and/or employees at any material time” - Could we clarify which Directors and officers of the Company are acquainted with Mr. Lim?</p> <p>Please provide details of Mr. Lim’s role, association, and / or relationships (business, family or otherwise) with the Company, the Company’s directors, key management, substantial shareholders, controlling shareholders or any other parties which can possibly explain how Mr. Lim was able to enter into loan agreements on behalf of the Company.</p>	<p>The Directors and officers of the Company acquainted with Mr. Lim are Ng Chuan Heng (Chairman and Non-Executive Director), Tan Poh Guan (Executive Director), Lai Choong Hon (Executive Director and Financial Controller), Lee Chong Yang (Independent Director) and Andrew Quah (Company Secretary).</p> <p>Mr. Lim was a personal acquaintance of Tan Poh Guan’s brother, the late Mr. Tan Poh Hee. The late Mr. Tan first introduced Mr. Lim to Ng Chuan Heng and Tan Poh Guan in around 2011. Since then, Ng Chuan Heng and Tan Poh Guan had kept in touch with Mr. Lim and maintained their relationship through the years. Mr. Lim had occasionally brought certain business investment opportunities to them and they have selectively participated in some ventures. However, neither Ng Chuang Heng nor Tan Poh Guan had at any point in time asked/authorised Mr. Lim to raise funds for the Group or its projects/potential projects.</p> <p>Subsequently, Lai Choong Hon became acquainted with Mr. Lim through Tan Poh Guan and Ng Chuan Heng.</p> <p>Lee Chong Yang was acquainted with Mr. Lim since 2015 through Mr. Lim’s brother. Additionally, Lee Chong Yang is a shareholder of Macrocap Asia Capital Ltd., which had in 2018 entered into a memorandum of understanding in relation to a “reverse takeover” with Epicentre Holdings Limited, a company which Mr. Lim was Executive Chairman and Acting CEO of. As announced by Epicentre Holdings Limited on SGXNet on 27 June 2018 and 10 December 2018, the deal was terminated as the parties could not agree on the specific terms of any definitive agreements.</p> <p>As for Andrew Quah, he first came to know Mr.</p>

	<p>Lim socially in December 2014, when Mr. Lim was the Executive Director of Sino Construction Limited. Subsequently in 2016, Andrew Quah got reacquainted with Mr. Lim through Epicentre Holdings Limited.</p> <p>Based on discussions with the Company's sponsor Stamford Corporate Services Pte. Ltd., the Board has agreed to conduct a conflict-of-interest report on Mr. Lim, Ng Chuan Heng, Tan Poh Guan and Lai Choong Hon. The Board will keep SGX updated on the results of the report.</p> <p>The Company has no knowledge of how Mr. Lim was able to enter into loan agreements on behalf of the Company, since he was never authorised to do so. The Company cannot rule out fraud and forgery and, given that a police report has been made as stated in the Previous Announcement, will leave the police to investigate this.</p>
b. In the event that the claims under Ms. Martinez's statutory demands are valid, do the sums of S\$156,400 and S\$230,000 have material impact on the financials and operations of the Company? Please provide the supporting bases for your response.	<p>The statutory demands and the claims thereunder, if valid, are not expected to have an impact on the financials and operations of the Company. The Company's position is that Mr. Lim had no authority to act on behalf of the Company whatsoever, and as such it is unlikely that the claims will be valid.</p> <p>Based on the Group's latest announced audited financial statements for FY2018, the Group's total revenue for FY2018 was S\$19,594,000 and the Group's NAV was S\$60,565,000. The aggregate amount of the claims under Ms. Martinez's statutory demands (S\$386,400), even if admitted, would not have a material impact on the Group's financials and operations.</p>
c. In addition to making a police report in relation to the agreements and seeking legal advice on the matter to respond to Ms. Martinez's lawyers, please provide the current status of the matter.	<p>On 26 July 2019, the Company's lawyers responded to the 3 letters from Ms. Martinez's lawyers to reiterate what was stated in the Previous Announcements, stating that (i) the Company was not aware of, and did not enter into, the financing agreements underlying Ms. Martinez's claims, (ii) Mr. Lim is not, and has never been, a director, officer, employee or agent of the Company, (iii) Mr. Lim had no authority to execute the agreements on behalf of the Company, and (iv) the Company never received any money from Ms. Martinez under the alleged agreements. It was also stated that the Company had filed two police reports in relation to the above matters.</p> <p>The Company's lawyers have yet to receive a response to their letters dated 26 July 2019.</p>
d. With regards to the police report, what did the Company request the police to investigate into?	<p>The police reports were made to report the 2 statutory demands and 1 letter of demand from Ms. Martinez, in relation to financing agreements which were purportedly signed by Mr. Lim on</p>

	<p>behalf of the Company. It was stated in the police report that Mr. Lim has no connection with the Company, and that the company stamp, company seal and company address used in the financing agreements are not those used by the Company.</p> <p>The Company requested that the police investigate the above.</p>
e. Please confirm if the Group is able to operate as a going concern, providing justifications to support.	With reference to the response to question (b) above, the Board confirms that the Group is able to operate as a going concern.

Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the trading, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a name source, the sole responsibility of the Directors has been to ensure that such information has been accurately and properly extracted from those sources and/or reproduced in this announcement in its proper form and context.

Trading Caution

Shareholders are advised to exercise caution when dealing with the Company's securities. Shareholders should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions that they should take.

BY ORDER OF THE BOARD

AA Group Holdings Ltd.
Tan Poh Guan
Executive Director
1 August 2019

This announcement has been reviewed by the Company's sponsor Stamford Corporate Services Pte. Ltd. (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 document, including the correctness of any of the statements or opinions made or reports contained in this document.

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