

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

MONTHLY UPDATE PURSUANT TO CATALIST RULE 704(22)

*Capitalised terms not defined herein shall have the meanings ascribed to them in the Company's announcements dated 20 January 2022, 21 January 2022, 24 January 2022, 18 March 2022 and 5 May 2022 (the "**Announcement**") in relation to the appointment of Mr Leow Quek Shiong and Mr Gary Loh Weng Fatt as joint and several Judicial Managers of the Company pursuant to the judicial management order made by the High Court of Singapore on 4 May 2022.*

Pursuant to Catalist Rule 704(22), the Judicial Managers would like to provide an update on the following:

- (a) The state of any negotiations between the Company and its principal creditors

As stated in the Company's previous monthly update dated 29 April 2022, following discussions between AGV Galvanizing (Singapore) Pte. Ltd. ("**AGVS**") and its institutional lenders, AGVS may make reduced payments to its lenders for the quarters ending March 2022 and June 2022 so as to allow the Group to concentrate its efforts in sourcing for investors and/or disposing certain property(ies), as part of its debt restructuring efforts.

Following the appointment of the Judicial Managers on 4 May 2022, the Judicial Managers shall formulate the statement of proposal to be tabled for creditors' consideration upon the finalisation of the term sheet on the proposed investment in the Company from potential investor(s).

- (b) The Company's future direction, or other material development that may have a significant impact on the Company's financial position.

Since their appointment, the Judicial Managers have, amongst others, continued to carry out the following tasks:

- (i) worked with the management of the Group to facilitate the subsidiaries' continued operations in accordance with the judicial management order, including discussions with the stakeholders of the Company to understand and maintain the ongoing business operations of the Group; and
- (ii) met with parties who have expressed interest to invest in the Group. As of to-date, the Judicial Managers have received expressions of interest from ten potential investors and have signed non-disclosure agreements with eight of them to begin due diligence work and engage in further discussions. Of the eight potential investors who have signed non-disclosure agreements, two have indicated a firm interest in investing in the Company and/or its subsidiaries. The Judicial Managers are engaging in discussions with the aforesaid investors on the terms of the investment and hope to finalise a term sheet with one of the investors in or around June 2022. The Judicial Managers continue to receive enquiries from other potential investors in the meantime.

Further announcements will be released as and when there are material developments on the above.

**Submitted by the Judicial Managers
For and on behalf of the Company**

Mr. Leow Quek Shiong
Mr. Gary Loh Weng Fatt
BDO Advisory Pte Ltd

31 May 2022

This announcement has been prepared by the Judicial Managers for and on behalf of 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 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.

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