AGV Group Limited
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AGV Group Secures New Contracts to Galvanize Nearly 29,000 Tonnes of Steel and Iron

- *AGV clinches new projects weighing 15,000 tonnes in Singapore*
- *Associate in Malaysia secures almost 14,000 tonnes*

SINGAPORE, 24 APRIL 2017 – AGV Group Limited ("**AGV**" or the "**Group**"), which provides hot-dip galvanizing services in Singapore and Malaysia, said today that it has clinched new contracts to galvanize some 29,000 tonnes of steel and iron for a slew of public works and private-sector projects, including Seletar Airport and a mega oil refinery in Johor.

The 15,000 tonnes worth of new contracts in Singapore, secured since the beginning of calendar 2017, are from companies involved in projects ranging from the building of schools and HDB carparks to the fabrication of water treatment and petrochemical plants. These projects bring AGV's total tonnage for contracts secured in the current financial year FY2017, which ends on 30 September 2017, to 22,618.

The majority of these companies are repeat customers of AGV, which has more than 900 clients from a broad span of industries, including construction, telecommunications, utilities, aerospace and land transportation.

In Malaysia, AGV's associate company secured 10 new contracts weighing a total of nearly 14,000 tonnes. One of these contracts involves galvanizing 220 tonnes of steel for the Refinery and Petrochemical Integrated Development ("**Rapid**") currently built by state-owned oil company Petronas. AGV's associate company operates a hot-dip galvanizing plant in Johor's Pasir Gudang industrial town, which is close to Pengerang, where the Rapid project is located.

Mr Albert Ang, AGV's CEO and co-founder, said: "Hot-dip galvanizing is essential for the longevity of any industrial object made of steel or iron. The fact that we are servicing companies from a broad spectrum of industries is testament to our track record, and we are pleased to play a role in the development of various buildings and infrastructure not only in Singapore but also Malaysia."

AGV, which listed on the Catalist board of the Singapore Exchange on 26 August 2016, does not maintain a long-term order book because of its quick turnaround time. Depending on the complexity of a job, it takes just days or a few weeks to galvanize steel or iron once an order from a customer is confirmed.

The following are some of the new contracts in Singapore secured since the start of calendar 2017:

Aviation
Some 850 tonnes of steel will be galvanized for Seletar Airport, where a two-storey terminal is being built to handle up to 700,000 passengers a year.

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Utilities

AGV will galvanize 1,000 tonnes of steel for Phase 2 of the Changi Water Reclamation Plant, one of the largest and most advanced water treatment facilities in the world. The second phase is expected to be completed by end-2019, enabling the plant to treat an additional 44 million gallons of water a day.

Energy and Petrochemical

Jurong Island, where more than 100 global petroleum, petrochemical and speciality chemical companies have based their Asia operations, will also be home to some of AGV's works. The Group will galvanize some 6,000 tonnes of steel for a chemicals plant operated by Evonik Industries from Germany.

It will also galvanize 600 tonnes of steel on behalf of Asahi Kasei Chemicals, which operates a plant on Jurong Island that produces rubber designed for fuel-efficient, high-performance tyres. It also has an order for 400 tonnes for another Jurong Island project. It is also handling 500 tonnes of steel for two projects undertaken by a Singapore-listed plant builder.

Residential Developments and Schools

AGV will galvanize 1,460 tonnes of metal for a steel fabricator that is supplying steel for a HDB development at Punggol North, a covered linkway at Tampines, the Kallang Riverside condominium along the Kallang River, and five primary and secondary schools. Another steel fabricator requires AGV to galvanize 1,200 tonnes of steel for projects in five HDB estates. Separately, AGV will galvanize 500 tonnes of metal for a HDB car park.

Manufacturing and Telecommunications

AGV will supply 850 tonnes of galvanized steel to a structural steel specialist supporting the development of four factories. Two other steel fabricators involved in factory projects have placed orders with AGV for a total of 950 tonnes.

The Group will also galvanize 300 tonnes of steel to be used by Singapore's three telcos: Singtel, M1 and Starhub.

Urban Infrastructure

AGV will galvanize 300 tonnes of steel for a covered linkway project in Sengkang and deliver 600 tonnes of galvanized steel to a civil engineering firm for an MRT linkway.

Landscaping

AGV will galvanize 400 tonnes of steel to be used at three nature reserves: Changi Coastal Park, Sungei Buloh and Hort Park.

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Key Contracts Secured in FY2016

Since commencing operations in April 2016, AGV's associate company in Malaysia has received a slew of orders from companies in various industries. The largest order secured in the financial year ended 30 September 2016 ("**FY2016**") was 2,000 tonnes, followed by 1,500 tonnes. Both are for separate facilities being built for the Rapid project, which will house a 300,000-barrel-per-day oil refinery and a petrochemical complex with an annual production capacity of 7.7 million metric tonnes by 2019.

Expected to transform Southern Johor into a new petrochemical hub, the Rapid project will enable Petronas to produce premium petroleum products and speciality chemicals to meet growing demand in the Asia Pacific region.

In Singapore, one of AGV's largest single orders in FY2016 was 3,000 tonnes for Phase 3 of the Singapore LNG Terminal on Jurong Island. The Group also received an order last year to galvanize 700 tonnes of steel for Changi Airport Terminal 3. For the whole of FY2016, it galvanized more than 46,000 tonnes of steel and iron in Singapore.



Galvanized steel plates being transferred to a station for final inspection and touch-up at AGV's Singapore plant

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About AGV Group Limited

AGV Group is a leading provider of hot-dip galvanizing services in Singapore. Helmed by its two founders, Albert Ang and James Ang, who have over 30 years of industry experience collectively, the group has been profitable since starting operations in 2012.

At the centre of the Group's operations is its fully equipped S$16 million plant that sits on approximately 11,000 square metres of land. It is strategically located in the heart of Singapore's Tuas heavy industry district, close to most of its customers or companies in the steel or iron fabrication markets. The plant operates round-the-clock throughout the year with the capacity to handle up to 5,000 tonnes of hot dip galvanizing each month.

The Group serves over 900 clients from diverse sectors.

For more information, visit www.agvgroup.com.sg

This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited ("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 press release.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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