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

CHANGE AND UPDATE ON USE OF NET PROCEEDS OF THE IPO

The board of directors (the "**Board**") of AGV Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement on 27 February 2017 and wishes to announce, pursuant to Rule 704(30) of the Singapore Exchange Securities Trading Limited's Listing Manual Section B: Rules of Catalist, the change and update on the use of net proceeds raised from the Initial Public Offering ("**IPO**") (the "**IPO Proceeds"**) as follows:

	Amount Allocated	Amount Re-Allocated on 27 February 2017	Amount Re-Allocated on 22 September 2017	Amount Utilized	Amount Balance
	S$' 000	**S$' 000**	**S$' 000**	**S$' 000**	**S$' 000**
Intended Use of Proceeds					
Funding our expansion by way of acquisitions, joint-ventures and/or strategic alliances to expand our businesses	3,500	1,000	-	-	-
Working capital[(1)]	810	3,310	4,310	(3,910)	400
Net proceeds attributable to the Company	**4,310**	**4,310**	**4,310**	**(3,910)**	**400**
Listing and application fees	17	17	17	(17)	-
Professional fees and expenses	305	305	305	(305)	-
Placement commission and brokerage fees	168	168	168	(168)	-
Gross Proceeds	**4,800**	**4,800**	**4,800**	**(4,400)**	**400**

(1) The Company has re-allocated S$1.0 million of the IPO Proceeds from the funding of the Company's business expansion through acquisitions, joint ventures and/or strategic alliances to working capital.

After careful deliberation of the working capital needs of the Company, the Board has decided to re-allocate S$1.0 million of the proceeds initially allocated for the funding of the Company's business expansion through acquisitions, joint ventures and/or strategic alliances to working capital for the operational requirements of the Group's activities. The Board is further of the view that the aforementioned re-allocation of the IPO Proceeds is in the best interests of the Group, as it would bring about savings in interest payable from additional borrowings.

The Company will make periodic announcements via SGXNet on the utilisation of the IPO Proceeds as and when they are materially disbursed, and will provide a status report on such use in its annual report.

By Order of the Board

Albert Ang Nam Wah
Executive Director and Chief Executive Officer

22 September 2017

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.