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

TERMINATION OF PROPOSED PLACEMENT

1. **INTRODUCTION**

The Board of Directors of AGV Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement made by the Company on 8 October 2021 in relation to the proposed placement (the "**7 Oct Proposed Placement**") of 200,000,000 new ordinary shares in the capital of the Company at the issue price of S$0.0072 for each new ordinary share (the "**8 Oct Announcement**"). *Unless otherwise defined, capitalised terms used in this announcement shall have the meanings ascribed to them in the 8 Oct Announcement.*

2. TERMINATION OF 7 OCT PROPOSED PLACEMENT

2.1. The Board had earlier on 18 November 2021 been informed by the Lender that he does not intend to perform his obligations under the Share Lending Agreement to lend and/or procure to lend (as the case may be) to the Company up to an aggregate of 200,000,000 Shares for delivery to the four (4) placees (the "**7 Oct Placees**") by the Company, unless certain conditions are met. Upon being notified of the same, the Board then contacted SC Heng & Lau, the introducer and representative of the 7 Oct Placees (the "**7 Oct Placees Representative**") and proposed that the 7 Oct Proposed Placement be alternatively effected via a direct allotment and issue of Shares to the 7 Oct Placees to be approved by Shareholders in a general meeting. The 7 Oct Placees Representative had at such point in time indicated that it would be unlikely for 7 Oct Placees to agree to a direct placement.

2.2. The Board then called for a trading halt on 19 November 2021 (before trading hours). The Board then continued speaking to 7 Oct Placees Representative, on the likelihood of having the 7 Oct Placees agree to a direct placement. The Board also followed up on the same day with the Lender to once again attempt to convince the Lender to effect the Share Lending Arrangement. The Lender however, reiterated his refusal to perform such obligations.

2.3. The Board on 22 November 2021 however, received a letter of termination (the "**Termination Letter**") in relation to the placement agreements entered into on 7 October 2021 (as set out in the 8 Oct Announcement). The 7 Oct Placees Representative had set out the following in the Termination Letter:

(a) that the placement consideration has already been released but the placees have yet to take delivery of the placement shares;

(b) the placees had been informed that the Lender is not agreeable to effect the Share Lending Arrangement;

(c) the placees are not agreeable to a direct placement.

In light of the above, they are of the view that the Company has breached the placement agreements and have requested for the placement consideration to be transferred back immediately.

2.4. The Company is currently seeking legal advice on its position vis-à-vis the Termination Letter and the Share Lending Agreement.

2.5. The Company has reviewed the impact of the termination of the 7 Oct Proposed Placement on the financial position of the Company and will be making a separate announcement on this matter.

BY ORDER OF THE BOARD

Chong Kwang Shih
Lead Independent Director
AGV Group Limited

23 November 2021

This announcement has been prepared by 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 Exchange and the Exchange 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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