

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

RESPONSES TO SGX QUERIES IN RELATION TO THE LODGEMENT OF POLICE REPORTS

The judicial managers (the “**Judicial Managers**”) of AGV Group Limited (under Judicial Management) (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to address the following queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 29 April 2022, regarding the announcement made by the Judicial Managers (then as the interim judicial managers of the Group) on 27 April 2022 on the lodgement of police reports in relation to the alleged mismanagement and wrongdoings on the part of certain persons from the Group’s subsidiaries:

Question 1: Please disclose the details of the alleged mismanagement and wrongdoings, as well as the “certain persons” involved:

Company’s Response

The Judicial Managers are in the process of arranging for the police report made in Malaysia to be translated into English. Subject to the foregoing, the allegations, as understood by the Judicial Managers, concern irregular selling prices of products which are not in line with market forces (involving AGV Galvanising (Singapore) Pte. Ltd), and customs related offence(s) purportedly committed in Malaysia (involving AGV Galvanising (M) Sdn Bhd.)

Please refer to Question 6 below for details on the “certain persons” involved.

Question 2: Please provide details of the Group’s subsidiary involved in the alleged mismanagement and wrongdoings:

Company’s Response

Please refer to Question 1 above.

Question 3: Please provide the board’s assessment on the impact of the mismanagement and wrongdoings on the following: (a) the Company’s operations; (b) the financial results of the Company; and (c) the materiality and quantum of (a) and (b):

Company’s Response

The Judicial Managers wish to state that the police reports were made without prior consultation with the Judicial Managers.

As the allegations have not yet been verified, the Judicial Managers are unable to assess the impact (if any) at this point in time.

Question 4: Please elaborate on how the Company were made aware of the Police Reports:

Company’s Response

The Police Reports were made available to the Judicial Managers by the respective complainants after they had been lodged.

Question 5: Please disclose if any parties have been asked by the police to assist in investigations:

Company's Response

As far as the Judicial Managers are aware, no employee or director of the Group has been asked by the police to assist in any investigations.

Question 6: Please disclose whether "certain persons" are still part of the Group and if they hold any key management positions:

Company's Response

Yes, the "certain persons" are still part of the Group and they hold key management positions in the Group.

Question 7: If the "certain persons" still remain, please provide the NC and Sponsor assessment on their continued engagement:

Company's Response

As the Company is under judicial management, the matter pertaining to the continued engagement of the "certain persons" will be handed back to the NC for their assessment when one is formed, after the Judicial Managers are discharged.

Sponsor's Response

The Sponsor notes the following:

- the allegations in the police reports remain unverified at this point in time; and
- no employee or director of the Group has been asked by the police to assist in any investigations in respect of the allegations in the police reports.

Taking into account the above and without the benefit of any investigation being conducted and/or the NC's assessment, the Sponsor is unable to conclude and/or impugn on the suitability of the persons involved including their continued appointment at this juncture. Nevertheless, the Sponsor had conducted desktop searches including Dow Jones Risk and Compliance search on the persons involved and did not note any adverse findings.

Question 8: Please disclose any other material information that the shareholders should be aware of:

Company's Response

None. 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

6 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.

The contact person for the Sponsor is Mr Kaeson Chui, Vice President, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.