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

DISPOSAL OF DORMANT SUBSIDIARY IN CHINA

The Board of Directors (the "**Board**") of AGV Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that Asia Galvanizing (S) Pte. Ltd. ("**AGVS**"), the wholly-owned subsidiary of the Company, had on 23 May 2018, completed the disposal of its entire shareholdings in its dormant wholly-owned subsidiary, AGV (Xiamen) Ecotechnology Co., Ltd ("**Xiamen Ecotechnology**") to Lew Soy Huay (the "**Purchaser**") (the "**Disposal**") at a nominal consideration of S$1 determined on a willing-buyer and willing-seller basis. Mr Lew Soy Huay is an owner of a manufacturing and trading business in Singapore.

The auditors of the Company had, in their audit on the financial statements of the Group for the financial year ended 30 September 2018, highlighted the Disposal and brought this matter to the attention of the Board. Mr Albert Ang, the Chief Executive Officer ("**CEO**") had not informed the Board earlier on the Disposal as he was of the view that it was simply a disposal of a dormant subsidiary of the Company, and it would not have any material impact on the Group, and accordingly, would not need to be announced. The Board has reminded and instructed the CEO to keep the Board apprised of all disposals of any subsidiaries of the Group in the future, regardless of whether such subsidiary is dormant.

As Xiamen Ecotechnology is dormant, the relative figures computed on the applicable bases as set out in Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") is less than 5% and the Disposal is accordingly a non-discloseable transaction under Rule 1008 of the Catalist Rules. This announcement is made pursuant to Rule 704(17) of the Catalist Rules. The Disposal is also not expected to have any material impact on the earnings per share and net tangible assets of the Company and the Group for the current financial year.

None of the Directors (other than in his capacity as Director or shareholder of the Company, as the case may be) and controlling shareholders of the Company has any interest, direct or indirect, in Xiamen Ecotechnology.

BY ORDER OF THE BOARD

Albert Ang Nam Wah
Executive Director and Chief Executive Officer
AGV Group Limited

13 March 2019

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, #01-05, Hong Leong Building, Singapore 048581, Telephone: (65) 6415 9886.