

AA GROUP HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200412064D)
(the “Company”)

**UPDATE ON USE OF PROCEEDS FROM THE PROPOSED RENOUNCEABLE
NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE**

The Board of Directors (the “**Board**”) of AA Group Holdings Ltd. (the “**Company**”) refers to the announcements made by the Company on 28 June 2016, 4 October 2016, 31 October 2016, 15 November 2016, 18 November 2016, 29 November 2016, 13 December 2016, 21 December 2016 and 23 December 2016 (the “**Previous Announcements**”).

Unless the context requires otherwise, all capitalized terms herein shall have the same meaning as that set out in the Previous Announcements.

The Board wishes to provide an update on the use of the net proceeds of approximately S\$9.54 million (after deducting expenses of approximately S\$88,000) raised from the Rights cum Warrants Issue (excluding proceeds from exercise of Warrants) as follows:

Intended purposes	Percentage (%) allocated	Amount utilised as at the date of this announcement (S\$'000)	Balance as at the date of this announcement (S\$'000)
For business expansion and financing business ventures through acquisitions and/or strategic investments	80-95	\$8,214 (86%)	NIL
Working capital purposes	5-20	\$1,326 (14%)	NIL
Total	100	\$9,540 (100%)	NIL

To date, the utilisation of the net proceeds arising from the Rights cum Warrants Issue (excluding proceeds from exercise of Warrants) is consistent with the intended use and in accordance with the percentages allocated as disclosed in the Previous Announcements.

To date, 246,564,750 Warrants have been exercised and the Company has raised net proceeds of approximately S\$2,958,777 from the exercise of the Warrants. The Board wishes to provide an update on the use of the aforementioned proceeds of approximately S\$149,000 for working capital purposes and this is consistent with the intended use as disclosed in the Previous Announcements.

The Company will provide updates on the use of the net proceeds from exercise of Warrants as and when such proceeds are materially disbursed.

BY ORDER OF THE BOARD

AA GROUP HOLDINGS LTD.
Yau Woon Foong
Executive Director
3 April 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd. (the “**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 announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume

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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