

CIRCULAR DATED 14 AUGUST 2024

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section entitled "Definitions".

If you have sold or transferred all your shares in Annica Holdings Limited (the "**Company**"), you should immediately inform the purchaser or transferee or bank, stockbroker or agent through whom the sale or transfer was effected that this Circular, the Notice of EGM, the Proxy Form and the Request Form may be accessed at the Company's corporate website at the URL www.annica.com.sg, and is also available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

This Circular, the Notice of EGM and the enclosed Proxy Form may be accessed at the Company's corporate website at the URL www.annica.com.sg, and is also available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. A printed copy of this Circular will NOT be despatched to Shareholders. Printed copies of the Notice of EGM, the Proxy Form and the Request Form will be despatched to Shareholders. Shareholders who would like a printed copy of this Circular should complete the Request Form and return it to the Company via email to egm2024@annica.com.sg or by post to the Company's registered office by 21 August 2024.

*This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms. Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

ANNICA HOLDINGS LIMITED

(Company Registration Number: 198304025N)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to:

- (I) **THE PROPOSED CONVERSION OF CASH ADVANCES AMOUNTING TO AN AGGREGATE SUM OF S\$2,400,000 OWING TO THE CREDITORS BY THE COMPANY INTO 2,285,714,286 DEBT CONVERSION SHARES AT THE CONVERSION PRICE OF S\$0.00105 PER DEBT CONVERSION SHARE (THE "PROPOSED DEBT CONVERSION");**
- (II) **THE PROPOSED ALLOTMENT AND ISSUANCE OF 1,047,619,048 DEBT CONVERSION SHARES TO MS. SANDRA LIZ HON AI LING PURSUANT TO THE PROPOSED DEBT CONVERSION; AND**
- (III) **THE PROPOSED ALLOTMENT AND ISSUANCE OF 95,238,095 DEBT CONVERSION SHARES TO MR. LIM IN CHONG PURSUANT TO THE PROPOSED DEBT CONVERSION**

Important Dates and Times:

Last date and time for lodgement of Proxy Form	:	26 August 2024 at 9.30 a.m. (Singapore time)
Date and time of Extraordinary General Meeting	:	29 August 2024 at 9.30 a.m. (Singapore time)
Place of Extraordinary General Meeting	:	Galangal Room, Level 4, Village Katong Hotel, 25 Marine Parade, Singapore 449536

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or as otherwise stated:

“Advances”	:	Shall have the meaning ascribed to it in Section 2.1 of this Circular
“Board of Directors”	:	The board of Directors of the Company
“Catalist”	:	The Catalist board of the SGX-ST
“Catalist Rules”	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 14 August 2024
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
“Company”	:	Annica Holdings Limited
“Completion Date”	:	The date of completion of the Proposed Debt Conversion
“Conditions”	:	Shall have the meaning ascribed to it in Section 2.5 of this Circular
“Controlling Interest”	:	The interest of the Controlling Shareholder(s)
“Controlling Shareholder”	:	A person who (a) holds directly or indirectly 15.0% or more of all voting shares in a company (unless otherwise determined by the SGX-ST); or (b) in fact exercises control over a company
“Conversion Price”	:	Shall have the meaning ascribed to it in Section 2.2 of this Circular
“Creditors”	:	Ms. Hon, Mr. Lim, Mr. Pek and Mr. Shafeii
“Debt Conversion Agreement”	:	The debt conversion agreement dated 8 July 2024 between the Company and the Creditors
“Debt Conversion Shares”	:	2,285,714,286 new ordinary shares in the capital of the Company
“Directors”	:	The director(s) of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company, to be convened and held on 29 August 2024 at 9.30 a.m. (Singapore time) at Galangal Room, Level 4, Village Katong Hotel, 25 Marine Parade, Singapore 449536, notice of which is set out on pages 19 to 22 of this Circular
“Enlarged Share Capital”	:	The enlarged issued and paid-up share capital (excluding Treasury Shares) of the Company of 19,260,481,334 Shares, assuming no further allotment and issuance of new Shares prior to the completion of the Proposed Debt Conversion

DEFINITIONS

“Existing Share Capital”	:	The total issued and paid-up share capital (excluding Treasury Shares) of the Company of 16,974,767,048 Shares as at the Latest Practicable Date
“FY”	:	The financial year of the Company ended or ending 31 December (as the case may be)
“Group”	:	The Company and its subsidiaries
“Independent Shareholders”	:	Shareholders, excluding Mr. Lim, Ms. Hon and their respective associates
“Latest Practicable Date”	:	12 August 2024, being the latest practicable date prior to the date of this Circular
“LIC Independent Shareholders”	:	Shareholders, excluding Mr. Lim and his associates
“Long-Stop Date”	:	Shall have the meaning ascribed to it in Section 2.5 of this Circular
“LPS”	:	Loss per Share
“Mr. Shafeii”	:	Mr. Mohamed Shafeii Bin Gaffoor
“Mr. Lim”	:	Mr. Lim In Chong
“Mr. Pek”	:	Mr. Pek Seck Wei
“Ms. Hon”	:	Ms. Sandra Liz Hon Ai Ling
“Non-Interested Directors”	:	The Directors of the Company, save for Ms. Hon and Mr. Lim who are deemed interested in the Proposed Debt Conversion
“Notice of EGM”	:	The notice of the EGM as set out on pages 19 to 22 of this Circular
“NTA”	:	Net tangible assets
“NTL”	:	Net tangible liabilities
“Outstanding Debt”	:	Shall have the meaning ascribed to it in Section 2.1 of this Circular
“Proposed Debt Conversion”	:	The proposed conversion of the Outstanding Debt into 2,285,714,286 Debt Conversion Shares at the Conversion Price
“Proposed Resolutions”	:	Shall have the meaning ascribed to it in Section 1.3 of this Circular
“Proxy Form”	:	The proxy form accompanying this Circular
“Register of Members”	:	Register of members of the Company
“Request Form”	:	A request form to be submitted by Shareholders who may wish to request for a printed copy of this Circular

DEFINITIONS

“ Securities Accounts ”	:	Securities accounts maintained by Depositors with CDP but not including securities sub-accounts maintained with a Depository Agent
“ SFA ”	:	Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
“ SL Independent Shareholders ”	:	Shareholders, excluding Ms. Hon and her associates
“ SGX-ST ”	:	Singapore Exchange Securities Trading Limited
“ Shareholders ”	:	Registered holders of Shares, except where the registered holder is CDP, in which case the term “ Shareholders ” shall in relation to such Shares mean the Depositors whose Securities Accounts maintained with CDP are credited with Shares
“ Shares ”	:	Ordinary shares in the capital of the Company
“ Sponsor ”	:	ZICO Capital Pte. Ltd.
“ Substantial Shareholder ”	:	A person (including a corporation) who has an interest in not less than 5.0% of the issued shares of a company
“ Treasury Shares ”	:	The shares held in treasury by the Company
“ % ” or “ per cent ”	:	Per centum or percentage
“ S\$ ” and “ cents ”	:	Singapore dollars and cents respectively

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Catalist Rules or any modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA or the Catalist Rules or such modification thereof, as the case may be.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless stated otherwise.

Any discrepancies in the tables included in this Circular between the listed amounts and total thereof are due to rounding. Accordingly, figures shown as totals may not be an aggregate of the figures that precede them.

Any reference in this Circular to Shares being allotted to a person includes allotment to CDP for the account of that person.

LETTER TO SHAREHOLDERS

ANNICA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198304025N)

Directors:

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin
(Independent and Non-Executive Chairman)
Ms. Sandra Liz Hon Ai Ling (Executive Director and Chief Executive Officer)
Mr. Lim In Chong (Non-Independent and Non-Executive Director)
Mr. Su Jun Ming (Lead Independent and Non-Executive Director)
Mr. Robin Stevens (Independent and Non-Executive Director)

Registered Office:

40 Ubi Crescent
#01-01
Singapore 408567

14 August 2024

To: The Shareholders of Annica Holdings Limited

Dear Sir / Madam

- (I) **THE PROPOSED CONVERSION OF CASH ADVANCES AMOUNTING TO AN AGGREGATE SUM OF S\$2,400,000 OWING TO THE CREDITORS BY THE COMPANY INTO 2,285,714,286 DEBT CONVERSION SHARES AT THE CONVERSION PRICE OF S\$0.00105 PER DEBT CONVERSION SHARE (THE “PROPOSED DEBT CONVERSION”);**
- (II) **THE PROPOSED ALLOTMENT AND ISSUANCE OF 1,047,619,048 DEBT CONVERSION SHARES TO MS. SANDRA LIZ HON AI LING PURSUANT TO THE PROPOSED DEBT CONVERSION; AND**
- (III) **THE PROPOSED ALLOTMENT AND ISSUANCE OF 95,238,095 DEBT CONVERSION SHARES TO MR. LIM IN CHONG PURSUANT TO THE PROPOSED DEBT CONVERSION**

1. INTRODUCTION

- 1.1. On 8 July 2024, the Company announced that it had entered into the Debt Conversion Agreement with the Creditors for the Proposed Debt Conversion of the Outstanding Debt into 2,285,714,286 Debt Conversion Shares at the Conversion Price of S\$0.00105 per Debt Conversion Share.
- 1.2. The Proposed Debt Conversion requires Shareholders’ approval pursuant to Chapter 8 of the Catalist Rules, while the proposed allotment and issuance of Debt Conversion Shares to Ms. Hon and Mr. Lim respectively pursuant to the Proposed Debt Conversion requires Shareholders’ approval pursuant to Chapters 8 and 9 of the Catalist Rules. Please refer to Sections 3 and 4 of this Circular for further details.
- 1.3. The Board is proposing to convene the EGM to be held on 29 August 2024 at 9.30 a.m. (Singapore time) at Galangal Room, Level 4, Village Katong Hotel, 25 Marine Parade, Singapore 449536 to seek:
 - (a) Independent Shareholders’ approval for the Proposed Debt Conversion (**Ordinary Resolution 1**);
 - (b) SL Independent Shareholders’ approval for the proposed allotment and issuance of 1,047,619,048 Debt Conversion Shares to Ms. Hon pursuant to the Proposed Debt Conversion (**Ordinary Resolution 2**); and
 - (c) LIC Independent Shareholders’ approval for the proposed allotment and issuance of 95,238,095 Debt Conversion Shares to Mr. Lim pursuant to the Proposed Debt Conversion (**Ordinary Resolution 3**),

(collectively, the “**Proposed Resolutions**”).

LETTER TO SHAREHOLDERS

1.4. Conditionality of the Proposed Resolutions

Shareholders should note that Ordinary Resolution 2 and Ordinary Resolution 3 are conditional upon Ordinary Resolution 1. This means that if Ordinary Resolution 1 is not approved, Ordinary Resolution 2 and Ordinary Resolution 3 will not be deemed to be duly passed.

However, Ordinary Resolution 2 and Ordinary Resolution 3 are not inter-conditional. Shareholders should note that:

- (a) if Ordinary Resolution 1 and Ordinary Resolution 2 are approved but Ordinary Resolution 3 is not approved, the Company may proceed with the proposed allotment and issuance of Debt Conversion Shares to all the Creditors, other than Mr. Lim, pursuant to the Proposed Debt Conversion;
- (b) if Ordinary Resolution 1 and Ordinary Resolution 3 are approved but Ordinary Resolution 2 is not approved, the Company may proceed with the proposed allotment and issuance of Debt Conversion Shares to all the Creditors, other than Ms. Hon, pursuant to the Proposed Debt Conversion; and
- (c) if Ordinary Resolution 1 is approved but Ordinary Resolution 2 and Ordinary Resolution 3 are not approved, the Company may proceed with the proposed allotment and issuance of Debt Conversion Shares to all the Creditors, other than Ms. Hon and Mr. Lim, pursuant to the Proposed Debt Conversion.

1.5. Purpose of this Circular

The purpose of this Circular is to provide Shareholders with the relevant information relating to, and to explain the rationale for, the Proposed Resolutions and to seek the approval of the relevant Shareholders, for each of the Proposed Resolutions at the EGM.

1.6. Legal Adviser

Morgan Lewis Stamford LLC has been appointed as the legal adviser to the Company as to Singapore law in relation to the subject matters for this Circular and has given and has not withdrawn its written consent to the issue of this Circular and the inclusion of its name and to act in such capacity in relation to this Circular.

- 1.7. The SGX-ST assumes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Circular. If a Shareholder is in any doubt as to the course of action he should take, he should consult his bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser(s) immediately.

2. THE PROPOSED DEBT CONVERSION

2.1. Outstanding Debt

The Creditors had extended to the Company interest-free and unsecured cash advances amounting to an aggregate sum of S\$2,400,000 ("**Advances**"). As of the Latest Practicable Date, the total amount owing by the Company to the Creditors under the Advances is S\$2,400,000 (the "**Outstanding Debt**").

2.2. Key Terms of the Proposed Debt Conversion

Pursuant to the terms of the Debt Conversion Agreement, the Creditors agreed to convert the Outstanding Debt of S\$2,400,000 into 2,285,714,286 Debt Conversion Shares at the conversion price of S\$0.00105 per Debt Conversion Share ("**Conversion Price**"). The Debt Conversion Shares are to be issued in full repayment of the Outstanding Debt. Upon the proposed allotment and issuance of the Debt Conversion Shares to the Creditors, the Outstanding Debt under the Advances shall be deemed to be fully repaid.

LETTER TO SHAREHOLDERS

Details of the Creditors, the portion of the Outstanding Debt owing by the Company to each Creditor and the number of Debt Conversion Shares proposed to be allotted and issued to each Creditor pursuant to the Debt Conversion Agreement are set out below:

Name of Creditor	Details of the Creditors	Portion of Outstanding Debt	Number of Debt Conversion Shares
Ms. Hon ¹	Ms. Hon is the Executive Director and Chief Executive Officer of the Company. As of the Latest Practicable Date, she holds 1,092,619,845 Shares, representing 6.44% of the Existing Share Capital, and is a Substantial Shareholder of the Company.	S\$1,100,000	1,047,619,048
Mr. Lim ²	Mr. Lim is the Non-Independent and Non-Executive Director of the Company. As of the Latest Practicable Date, he holds 1,807,378,770 Shares, representing 10.65% of the Existing Share Capital, and is a Substantial Shareholder of the Company.	S\$100,000	95,238,095
Mr. Pek	Mr. Pek is a director of Industrial Engineering Systems Pte Ltd, IES Engineering Systems Sdn. Bhd., Cahya Suria Energy Sdn. Bhd., and H2E International Pte Ltd., each a subsidiary of the Company. As of the Latest Practicable Date, he holds 454,630,992 Shares, representing 2.68% of the Existing Share Capital. For the avoidance of doubt, he is not a Substantial Shareholder of the Company.	S\$400,000	380,952,381
Mr. Shafeii	Mr. Shafeii is the Chief Executive Officer of Panah Jaya Services Sdn. Bhd., a subsidiary of the Company. As of the Latest Practicable Date, he does not hold any Shares.	S\$800,000	761,904,762
Total		S\$2,400,000	2,285,714,286

To the best of the Company's knowledge, save as disclosed in this Circular (including the table above), there is no connection (including business relationship) between the Creditors and the Company, Directors or Substantial Shareholders of the Company and none of the Creditors will be holding the Debt Conversion Shares in trust or as a nominee.

2.3. Conversion Price

The Outstanding Debt owing to the Creditors will be converted at the Conversion Price of S\$0.00105. The Conversion Price represents a premium of 5.0% to the volume weighted average price of the Shares of S\$0.001 for trades done on the SGX-ST on 2 July 2024, being the last full market day on which the Debt Conversion Agreement was signed and which the Shares were traded.

¹ Following the completion of the Proposed Debt Conversion and the proposed allotment and issuance of the relevant number of Debt Conversion Shares to Ms. Hon, S\$149,758 in interest-free and unsecured cash advances remain owing by the Company to Ms. Hon.

² Following the completion of the Proposed Debt Conversion and the proposed allotment and issuance of the relevant number of Debt Conversion Shares to Mr. Lim, S\$8,588 in interest-free and unsecured cash advances remain owing by the Company to Mr. Lim.

LETTER TO SHAREHOLDERS

The issue price for each Debt Conversion Share was arrived at after taking into consideration, *inter alia*, the prevailing market conditions and financial performance of the Group, the recent share prices of the Company, the rationale for the Proposed Debt Conversion as set out in Section 2.8 below, the Advances being interest-free, and was mutually agreed between the Company and the Creditors.

2.4. Debt Conversion Shares

The Creditors will be allotted and issued the Debt Conversion Shares in the proportions set out in Section 2.2 above. In aggregate, a total of 2,285,714,286 Debt Conversion Shares will be issued and allotted to the Creditors.

The Debt Conversion Shares, when allotted and issued, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and shall carry all rights similar to the existing Shares, except that such Debt Conversion Shares will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Proposed Debt Conversion.

The Debt Conversion Shares represent approximately 13.47% of the Existing Share Capital, and approximately 11.87% of the Enlarged Share Capital. The Company has 30,000,000 employee share options, granted on 27 December 2018 pursuant to the Annica Employee Share Option Scheme, which remain outstanding and have not been exercised by the respective option holders as at the Latest Practicable Date, and no adjustments to the terms of these 30,000,000 outstanding employee share options are required pursuant to the rules of the Annica Employee Share Option Scheme.

The proposed allotment and issuance of the Debt Conversion Shares will not result in a transfer of Controlling Interest in the Company pursuant to Rule 803 of the Catalist Rules.

No placement agent was appointed or is to be appointed for the Proposed Debt Conversion and for the proposed allotment and issuance of the Debt Conversion Shares.

There are no share borrowing arrangements entered into to facilitate the Proposed Debt Conversion.

There is no moratorium imposed by the Company on the Debt Conversion Shares.

2.5. Conditions Precedent

Completion of the Proposed Debt Conversion is conditional upon the following conditions ("**Conditions**"):

- (a) a resolution passed by the Shareholders approving the proposed allotment and issuance of the Debt Conversion Shares pursuant to the Proposed Debt Conversion, if so required under the Catalist Rules or by the Sponsor and/or the SGX-ST;
- (b) a resolution passed by the SL Independent Shareholders approving the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon pursuant to the Proposed Debt Conversion, if so required under the Catalist Rules or by the Sponsor and/or the SGX-ST;
- (c) a resolution passed by the LIC Independent Shareholders approving the proposed allotment and issuance of the Debt Conversion Shares to Mr. Lim pursuant to the Proposed Debt Conversion, if so required under the Catalist Rules or by the Sponsor and/or the SGX-ST;
- (d) the receipt by the Company of approval in-principle for the listing of and quotation for the Debt Conversion Shares on the Catalist being obtained from the SGX-ST and not revoked or amended as at the Completion Date and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Creditors;

LETTER TO SHAREHOLDERS

- (e) the Company having obtained all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Debt Conversion and to give effect to the Proposed Debt Conversion being obtained and not having been withdrawn or revoked as at the Completion Date;
- (f) the Proposed Debt Conversion not being prohibited by any statute, order, rule or regulation promulgated after the date of the Debt Conversion Agreement by any applicable legislative, executive or regulatory body or authority;
- (g) there having been no occurrence of any event or discovery of any fact rendering any of the warranties set out in the Debt Conversion Agreement untrue or incorrect in any material respect as at the Completion Date as if they had been given again on the Completion Date; and
- (h) the Company and the Creditors not being in breach of any of the undertakings and the covenants in the Debt Conversion Agreement as at the Completion Date.

The Creditors and the Company may agree to waive compliance with the Conditions set out in Section 2.5(g) (in respect of any warranty given by the Company and Creditors respectively) and Section 2.5(h) (in respect of any breach by the Company and Creditors respectively) and any Condition so waived shall be deemed to have been satisfied by the Creditors or Company (as the case may be).

If the Conditions are not satisfied and/or waived within three (3) months of the date of the Debt Conversion Agreement (or such other date as may be mutually agreed between the parties) (the “**Long-Stop Date**”), the Debt Conversion Agreement shall terminate upon which the obligations of the Company to issue the Debt Conversion Shares and the Creditors to subscribe for the Debt Conversion Shares shall cease thereafter, save for any antecedent breach of the Debt Conversion Agreement.

2.6. Completion

The completion of the Proposed Debt Conversion will occur on the date falling five (5) business days after all of the Conditions have been satisfied and/or waived, or such other date as may be mutually agreed between the Creditors and the Company.

2.7. Listing and Quotation Notice from the SGX-ST

As announced by the Company on 7 August 2024, the Company had, on 6 August 2024, received the listing and quotation notice from the SGX-ST for the listing of and quotation for the Debt Conversion Shares on the Catalist.

The listing of and quotation for the Debt Conversion Shares is subject to:

- (a) the compliance of the Company with the SGX-ST’s listing requirements; and
- (b) Shareholders’ approval for the (i) Proposed Debt Conversion; and (ii) allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim, being Directors of the Company, to be obtained at an extraordinary general meeting to be convened.

It should be noted that the listing and quotation notice from the SGX-ST is not an indication of the merits of the Proposed Debt Conversion, the Debt Conversion Shares, the Company, its subsidiaries and their securities.

LETTER TO SHAREHOLDERS

2.8. Rationale for the Proposed Debt Conversion

Based on the latest audited consolidated financial statements of the Group for FY2023, the Group recorded a loss after tax from continuing operations amounting to S\$929,000 for FY2023, positive cash flow from operations of S\$1,409,000 for FY2023 and net current liability position and net liability position of S\$828,000 and S\$492,000 respectively as at 31 December 2023.

In view of the financial performance of the Group for FY2023, and the uncertainties brought about by the global economic situation, along with geopolitical tensions, which may have an adverse impact on the Group's operations and performance, the Board has decided to undertake the Proposed Debt Conversion to strengthen its capital base by converting the Outstanding Debt into equity of the Company. The Proposed Debt Conversion would be in the interest of the Group and will enable the Group to (i) improve its working capital and net tangible assets value; (ii) reduce its indebtedness, gearing and loss per share; (iii) eliminate the need for any cash repayment for the Outstanding Debt in view of the current financial and cash position of the Group; and (iv) allow the Group to focus its resources on stabilising its business activities and improving its financial position.

The Board is of the opinion that the successful completion of the Proposed Debt Conversion would allow the Group to apply more of its cash flow towards its ongoing business operations or to explore other business opportunities instead of being committed towards debt servicing and repayment. The Proposed Debt Conversion is also a show of confidence by the Creditors in the viability and anticipated performance of the Group.

3. INDEPENDENT SHAREHOLDERS' APPROVALS REQUIRED FOR THE PROPOSED DEBT CONVERSION AND PROPOSED ALLOTMENT AND ISSUANCE OF DEBT CONVERSION SHARES UNDER CHAPTER 8 OF THE CATALIST RULES

3.1. Rule 804 and Rule 812 of the Catalist Rules

Rule 804 of the Catalist Rules provides, *inter alia*, that except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and associates must abstain from exercising any voting rights on the matter.

In addition, Rule 812(1) and Rule 812(2) of the Catalist Rules provide, *inter alia*, that an issue of shares must not be placed to an issuer's directors and substantial shareholders and their immediate family members unless specific shareholders' approval has been obtained for such placement, and the person, and its associates, must abstain from voting on the resolution approving the placement.

As the Debt Conversion Shares will be allotted and issued to Ms. Hon and Mr. Lim, each a Director and a Substantial Shareholder of the Company, Independent Shareholders' approval is required to be obtained in connection with the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim pursuant to Rule 804 and Rule 812 of the Catalist Rules.

The Creditors (save for Ms. Hon and Mr. Lim) have confirmed to the Company that they are currently not persons to whom the Company is prohibited from issuing shares to, as provided for by Rule 812(1) of the Catalist Rules. Accordingly, none of the Debt Conversion Shares will be issued and allotted to any restricted person under Rule 812(1) of the Catalist Rules, save for the proposed allotment and issuance of Debt Conversion Shares to Ms. Hon and Mr. Lim for which the approval of Independent Shareholders is being sought at the EGM.

LETTER TO SHAREHOLDERS

3.2. Section 161 of the Companies Act and Rule 805(1) of the Catalyst Rules

Section 161 of the Companies Act and Rule 805(1) of the Catalyst Rules provide, *inter alia*, that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer unless the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer is made pursuant to a general mandate previously obtained from shareholders of the issuer by resolution in a general meeting as provided in Rule 806(1) of the Catalyst Rules.

The Company is seeking specific Shareholder's approval at the EGM for the proposed allotment and issuance of the Debt Conversion Shares in accordance with Section 161 of the Companies Act and Rule 805(1) of the Catalyst Rules.

4. INDEPENDENT SHAREHOLDERS' APPROVALS REQUIRED FOR THE PROPOSED ALLOTMENT AND ISSUANCE OF DEBT CONVERSION SHARES TO MS. HON AND MR. LIM AS INTERESTED PERSON TRANSACTIONS UNDER CHAPTER 9 OF THE CATALIST RULES

4.1. Interested Persons under Chapter 9 of the Catalyst Rules

Ms. Hon is the Executive Director and Chief Executive Officer of the Company and Mr. Lim is the Non-Independent and Non-Executive Director of the Company. As Ms. Hon and Mr. Lim are both Directors of the Company, they are deemed to be interested persons under Chapter 9 of the Catalyst Rules and the proposed allotment and issuance of the Debt Conversion Shares to each of Ms. Hon and Mr. Lim under the Proposed Debt Conversion constitute interested person transactions within the meaning of Chapter 9 of the Catalyst Rules.

Other than Ms. Hon and Mr. Lim, the other Creditors are not interested persons as defined under Chapter 9 of the Catalyst Rules.

4.2. Thresholds under Chapter 9 of the Catalyst Rules

Pursuant to Rule 905 of the Catalyst Rules, where, *inter alia*, the value of a transaction with an interested person singly, or, in aggregation with the values of other transactions entered into with the same interested person during the same financial year, equals or exceeds 3.0% of the Group's latest audited NTA, an immediate announcement shall be made regarding that transaction.

Pursuant to Rule 906(1) of the Catalyst Rules, where the value of a transaction with an interested person singly or in aggregation with the values of the other transactions conducted with the same interested person in the same financial year equals or exceeds 5% of the Group's latest audited NTA, that transaction shall be subject to Shareholders' approval.

4.3. Value of Interested Person Transaction

Based on the Group's latest audited consolidated financial statements for FY2023, the Group's NTA as at 31 December 2023 is negative, with NTL amounting to S\$528,000 as at 31 December 2023. As the Group's latest audited NTA as at 31 December 2023 is negative, it might not be meaningful to adopt the NTA as the basis to compute the materiality threshold in relation to Rule 906(1) of the Catalyst Rules.

For illustrative purposes only, (i) the Outstanding Debt owing from the Company to Ms. Hon and the Conversion Price to be paid by Ms. Hon to the Company amounts to S\$1,100,000, representing 208.3% of the audited NTL of the Group for FY2023; and (ii) the Outstanding Debt owing from the Company to Mr. Lim and the Conversion Price to be paid by Mr. Lim to the Company amounts to S\$100,000, representing 18.9% of the audited NTL of the Group for FY2023.

Notwithstanding the audited NTL of the Group, the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim shall be subject to the approval of the SL Independent Shareholders and LIC Independent Shareholders respectively, in accordance with Rule 906(1) of the Catalyst Rules.

LETTER TO SHAREHOLDERS

4.4. Abstention from Voting

Pursuant to Rules 804, 812 and 919 of the Catalist Rules, Ms. Hon and her associates, as well as Mr. Lim and his associates shall abstain from exercising their voting rights in respect of all Shares owned by them and shall not accept appointments as proxies unless specific instructions as to voting are given, in respect of the resolutions to approve the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim respectively.

4.5. Total Amount of Interested Person Transactions

Save for the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim pursuant to the Proposed Debt Conversion, there are no interested person transactions, excluding transactions which are less than S\$100,000, entered into by the Group with, Ms. Hon, Mr. Lim or any other interested persons for FY2024.

5. CHANGES IN SHAREHOLDING INTERESTS

5.1. Based on the shareholdings of the Company as at the Latest Practicable Date, the effect of the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares on the shareholdings of the Creditors, the Directors, Substantial Shareholders and existing public Shareholders are set out in Appendix 1 to this Circular.

5.2. Save for Ms. Hon and Mr. Lim who are each interested in the Proposed Debt Conversion, none of the Directors or Substantial Shareholders and their respective associates (as defined under the Catalist Rules) has any interest, direct or indirect, in the Proposed Debt Conversion, other than through their respective shareholding interests in the Company (if any).

6. FINANCIAL EFFECTS OF THE PROPOSED DEBT CONVERSION AND PROPOSED ALLOTMENT AND ISSUANCE OF DEBT CONVERSION SHARES

6.1. Assumptions

The following tables illustrate the financial effects of the Proposed Debt Conversion and the proposed allotment and issuance of Debt Conversion Shares on:

- (a) the NTA per Share of the Group (assuming the Proposed Debt Conversion and the proposed allotment and issuance of Debt Conversion Shares have been completed at the end of that financial year);
- (b) the LPS of the Group (assuming the Proposed Debt Conversion and the proposed allotment and issuance of Debt Conversion Shares have been completed at the beginning of that financial year); and
- (c) the gearing of the Group (assuming the Proposed Debt Conversion and the proposed allotment and issuance of Debt Conversion Shares have been completed at the end of that financial year),

based on the latest audited consolidated financial statements of the Group for FY2023, a Conversion Price of S\$0.00105 and disregarding the expenses to be incurred in relation to the Proposed Debt Conversion.

The financial effects of the Proposed Debt Conversion and the proposed allotment and issuance of Debt Conversion Shares pursuant to the Proposed Debt Conversion set out below are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Group after the completion of the Proposed Debt Conversion.

LETTER TO SHAREHOLDERS

6.2. NTA per Share

Assuming that the Proposed Debt Conversion was completed on 31 December 2023, the effect on the Group's NTA per Share as at 31 December 2023 would be as follows:

As at 31 December 2023	Before the Proposed Debt Conversion	After the Proposed Debt Conversion
(NTL)/NTA ⁽¹⁾ (S\$'000)	(528)	1,872
Number of issued Shares ('000)	16,974,767	19,260,481
(NTL)/NTA per Share (S\$ cents)	(0.0031)	0.0097

Note

(1) (NTL)/NTA is computed based on total assets less total liabilities and intangible assets.

6.3. Loss per Share

Assuming that the Proposed Debt Conversion was completed on 1 January 2023, the effect on the Group's LPS for FY2023 would be as follows:

For FY2023	Before the Proposed Debt Conversion	After the Proposed Debt Conversion
Net loss after tax from continuing operations attributable to Shareholders (S\$'000)	(1,236)	(1,236)
Number of issued Shares ('000)	16,974,767	19,260,481
LPS (S\$ cents)	(0.0073)	(0.0064)

6.4. Gearing

Assuming that the Proposed Debt Conversion was completed on 31 December 2023, the effect on the Group's gearing as at 31 December 2023 would be as follows:

As at 31 December 2023	Before the Proposed Debt Conversion	After the Proposed Debt Conversion
Total borrowings ⁽¹⁾ (S\$'000)	3,669	2,701
Net borrowings ⁽²⁾ (S\$'000)	656	(312)
Total equity (S\$'000)	(492)	476
Gearing ratio ⁽³⁾ (times)	0.303	0.223
Net gearing ratio ⁽⁴⁾ (times)	(0.054)	(0.026)

Notes

- (1) As at 31 December 2023, the total borrowings of the Company are a summation of borrowings from financial institutions, lease liabilities and loans from the Creditors (being the portion of the Outstanding Debt amounting to S\$968,000 advanced by Ms. Hon and Mr. Lim to the Company as at 31 December 2023).
- (2) Net borrowings are total borrowings less cash and cash equivalents as at 31 December 2023.
- (3) Gearing is computed using total borrowings divided by total liabilities and equity.
- (4) Net gearing is computed using net borrowings divided by total liabilities and equity.

LETTER TO SHAREHOLDERS

7. AUDIT COMMITTEE STATEMENT

Pursuant to Rule 917(4)(a) of the Catalist Rules, a statement (i) whether or not the audit committee of the issuer is of the view that the transaction is on normal commercial terms, and is not prejudicial to the interests of the issuer and its minority shareholders or (ii) that the audit committee is obtaining an opinion from an independent financial adviser before forming its view, is required to be announced. Rule 921(4)(b)(i) of the Catalist Rules states that the opinion of an independent financial adviser is not required for an issue of shares pursuant to Part IV of Chapter 8 of the Catalist Rules if the audit committee provides an opinion in the form required in Rule 917(4)(a) of the Catalist Rules.

In this regard, the audit committee of the Company, having reviewed the terms and conditions of the Debt Conversion Agreement, the rationale for the Proposed Debt Conversion, the proposed allotment and issuance of the Debt Conversion Shares, the Conversion Price and the financial effects of the proposed allotment and issuance of the Debt Conversion Shares, is of the opinion that the terms of the Debt Conversion Agreement and the proposed allotment and issuance of the Debt Conversion Shares are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

8. CONFIRMATION BY DIRECTORS

The Proposed Debt Conversion will not result in any new cash proceeds for the Company. The Directors are of the opinion that after taking into consideration the present bank facilities available to the Group and the operating cash flows of the Group, the working capital available to the Group is sufficient to meet its present requirements.

9. DIRECTORS' RECOMMENDATION

9.1. The Proposed Debt Conversion

The Non-Interested Directors have considered and reviewed, *inter alia*, the terms and conditions of, the rationale for, and the financial effects of, the Proposed Debt Conversion and all other relevant facts set out in this Circular. Save for Ms. Hon and Mr. Lim who have refrained from making any recommendation in respect of the Proposed Debt Conversion, the Non-Interested Directors are collectively of the view that the Proposed Debt Conversion is in the best interests of the Company.

The Non-Interested Directors therefore recommend that Independent Shareholders vote in favour of the Proposed Debt Conversion (Ordinary Resolution 1) as set out in page 19 of this Circular at the EGM.

9.2. The Proposed Allotment and Issuance of Debt Conversion Shares to Ms. Hon

The Directors (excluding Ms. Hon) have considered and reviewed, *inter alia*, the terms and conditions of, the rationale for, and the financial effects of, the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon pursuant to the Proposed Debt Conversion and all other relevant facts set out in this Circular. Save for Ms. Hon who has refrained from making any recommendation in respect of the proposed allotment and issuance of Debt Conversion Shares to herself, the Directors (excluding Ms. Hon) are collectively of the view that the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon pursuant to the Proposed Debt Conversion is in the best interests of the Company.

The Directors (excluding Ms. Hon) therefore recommend that the SL Independent Shareholders vote in favour of the proposed allotment and issuance of Debt Conversion Shares to Ms. Hon (Ordinary Resolution 2) as set out in page 20 of this Circular at the EGM.

LETTER TO SHAREHOLDERS

9.3. The Proposed Allotment and Issuance of Debt Conversion Shares to Mr. Lim

The Directors (excluding Mr. Lim) have considered and reviewed, *inter alia*, the terms and conditions of, the rationale for, and the financial effects of, the proposed allotment and issuance of the Debt Conversion Shares to Mr. Lim pursuant to the Proposed Debt Conversion and all other relevant facts set out in this Circular. Save for Mr. Lim who has refrained from making any recommendation in respect of the proposed allotment and issuance of Debt Conversion Shares to himself, the Directors (excluding Mr. Lim) are collectively of the view that the proposed allotment and issuance of the Debt Conversion Shares to Mr. Lim pursuant to the Proposed Debt Conversion is in the best interests of the Company.

The Directors (excluding Mr. Lim) therefore recommend that the LIC Independent Shareholders vote in favour of the proposed allotment and issuance of Debt Conversion Shares to Mr. Lim (Ordinary Resolution 3) as set out in page 20 of this Circular at the EGM.

10. ABSTENTION FROM VOTING

- 10.1. Pursuant to Rules 804, 812 and 919 of the Catalist Rules, Ms. Hon and her associates, as well as Mr. Lim and his associates shall abstain from exercising their voting rights in respect of all Shares owned by them and shall not accept appointments as proxies unless specific instructions as to voting are given, in respect of the resolutions to approve the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim respectively.
- 10.2. Ms. Hon will abstain, and will procure that her associates abstain, from voting on the Ordinary Resolution 1 and Ordinary Resolution 2 set out in the Notice of EGM in relation to the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to herself pursuant to the Proposed Debt Conversion respectively. The Company will disregard any votes cast by Ms. Hon and her associates in relation to Ordinary Resolution 1 and Ordinary Resolution 2.
- 10.3. Mr. Lim will abstain, and will procure that his associates abstain, from voting on the Ordinary Resolution 1 and Ordinary Resolution 3 set out in the Notice of EGM in relation to the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to himself pursuant to the Proposed Debt Conversion respectively. The Company will disregard any votes cast by Mr. Lim and his associates in relation to Ordinary Resolution 1 and Ordinary Resolution 3.

11. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which set out on pages 19 to 22 of this Circular, will be held on 29 August 2024 at 9.30 a.m. (Singapore time) at Galangal Room, Level 4, Village Katong Hotel, 25 Marine Parade, Singapore 449536 for the purpose of considering and, if thought fit, passing with or without modifications, the Proposed Resolutions set out in the Notice of EGM.

12. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy (including appointing the Chairman of the EGM as the proxy) to attend and vote at the EGM on their behalf, should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event to be emailed to the Company at main@zicoholdings.com or sent by post to the Company's share registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, not less than seventy-two (72) hours before the time fixed for holding the EGM.

The appointment of a proxy or proxies by a Shareholder does not preclude him/her from attending and voting in person at the EGM if he/she so wishes in place of his/her proxy. A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his/her name appears on the Depository Register maintained by the CDP at least seventy-two (72) hours before the time fixed for the EGM or any adjournment thereof.

LETTER TO SHAREHOLDERS

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Debt Conversion, the proposed allotment and issuance of the Debt Conversion Shares pursuant to the Proposed Debt Conversion, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

14. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. (Singapore time) at the registered office of the Company at 40 Ubi Crescent #01-01, Singapore 408567 from the date of this Circular up to and including the date of the EGM:

- (a) the Debt Conversion Agreement; and
- (b) the Constitution of the Company.

Yours faithfully
For and on behalf of the Board of Directors of
Annica Holdings Limited

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer
14 August 2024

APPENDIX 1 – CHANGES IN SHAREHOLDING INTERESTS

Following the completion of the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares, and assuming no further new Shares are allotted and issued by the Company prior to the completion of the Proposed Debt Conversion, the changes in shareholding interests of the Creditors, Directors, Substantial Shareholders and existing public Shareholders are set out below:

Name	Outstanding Debt	As at the Latest Practicable Date and Before the Proposed Debt Conversion			Details of the Proposed Debt Conversion Shares and Proposed Allotment and Issuance of the Debt Conversion Shares			After the Proposed Debt Conversion	
		Number of Shares Held	Number of Shares held as a percentage of the Existing Share Capital ⁽¹⁾	Number of Debt Conversion Shares to be Allotted and Issued	Number of Debt Conversion Shares as a percentage of the Existing Share Capital ⁽¹⁾	Number of Debt Conversion Shares as a percentage of the Enlarged Share Capital ⁽²⁾	Number of Shares Held	Number of Shares held as a percentage of the Enlarged Share Capital ⁽²⁾	
Creditors									
Mr. Pek	S\$400,000	454,630,992	2.68%	380,952,381	2.24%	1.98%	835,583,373	4.34%	
Mr. Shafeli	S\$800,000	–	–	761,904,762	4.49%	3.96%	761,904,762	3.96%	
Directors (who are also Creditors)									
Ms. Hon	S\$1,100,000	1,092,619,845	6.44%	1,047,619,048	6.17%	5.44%	2,140,238,893	11.11%	
Mr. Lim	S\$100,000	1,807,378,770	10.65%	95,238,095	0.56%	0.49%	1,902,616,865	9.88%	
Directors (who are not also Creditors)									
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	–	140,000,000	0.82%	–	–	–	140,000,000	0.73%	
Mr. Su Jun Ming	–	54,630,992	0.32%	–	–	–	54,630,992	0.28%	
Mr. Robin Stevens	–	–	–	–	–	–	–	–	
Substantial Shareholders (who are not also Directors or Creditors) and Public Shareholders									
Mr. Abdul Rahman Bin Mohamed Shariff	–	1,107,500,000	6.52%	–	–	–	1,107,500,000	5.75%	
Public Shareholders	–	12,318,006,449	72.57%	–	–	–	12,318,006,449	63.95%	

Notes:

- (1) Based on the Existing Share Capital of 16,974,767,048 Shares.
- (2) Based on the 2,285,714,286 Debt Conversion Shares and the Enlarged Share Capital of 19,260,481,334 Shares.
- (3) Assuming no change in the Existing Share Capital prior to the completion of the Proposed Debt Conversion, approximately 63.95% of the Shares will be held by public Shareholders based on the Enlarged Share Capital of 19,260,481,334 Shares. Accordingly, the Company would be in compliance with Rule 723 of the Catalyst Rules.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ANNICA HOLDINGS LIMITED

(Company Registration Number: 198304025N)
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Annica Holdings Limited (the “**Company**”) will be held on 29 August 2024 at 9.30 a.m. (Singapore time) at Galangal Room, Level 4, Village Katong Hotel, 25 Marine Parade, Singapore 449536 for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolutions:

All capitalised terms in this Notice which are not defined herein shall have the same meanings as ascribed to them in the Company’s circular to shareholders dated 14 August 2024 (the “**Circular**”).

This Notice of EGM of the Company has been made available on SGXNET at: <https://www.sgx.com/securities/company-announcements>, and the Company’s corporate website at: <https://www.annica.com.sg>, and will in accordance with the Catalist Rules of the SGX-ST be sent to members of the Company. The Circular, this Notice of EGM and other associated documents of the Notice of EGM will also be made available on SGXNET and the Company’s corporate website. Physical copies of the Circular will not be posted to members.

ORDINARY RESOLUTION 1: THE PROPOSED DEBT CONVERSION

RESOLVED THAT:

- (a) pursuant to Rule 805(1) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) and Section 161 of the Companies Act 1967 of Singapore (“**Companies Act**”), approval be given to the directors of the Company (the “**Directors**”) to allot and issue 2,285,714,286 new ordinary shares in the capital of the Company (“**Shares**”) (“**Debt Conversion Shares**”) at the conversion price of S\$0.00105 per Debt Conversion Share (“**Conversion Price**”) to Ms. Sandra Liz Hon Ai Ling (“**Ms. Hon**”), Mr. Lim In Chong (“**Mr. Lim**”), Mr. Pek Seck Wei (“**Mr. Pek**”) and Mr. Mohamed Shafeii Bin Abdul Gaffoor (“**Mr. Shafeii**”) (collectively, the “**Creditors**”) in repayment of the total amount owing by the Company to the Creditors under the interest-free and unsecured cash advances amounting to an aggregate sum of S\$2,400,000, pursuant to and subject to the terms and conditions of the debt conversion agreement dated 8 July 2024 (the “**Debt Conversion Agreement**”) entered into between the Company and the Creditors (the “**Proposed Debt Conversion**”), provided that:
- (i) the allotment and issuance of 1,047,619,048 Debt Conversion Shares to Ms. Hon pursuant to the Proposed Debt Conversion is subject to, and contingent upon, the passing of Ordinary Resolution 2; and
 - (ii) the allotment and issuance of 95,238,095 Debt Conversion Shares to Mr. Lim pursuant to the Proposed Debt Conversion is subject to, and contingent upon, the passing of Ordinary Resolution 3; and
- (b) the Directors be and are hereby authorised to do any and all such acts as they may, in their absolute discretion deem fit, expedient or necessary to give effect to the Proposed Debt Conversion, and take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be required or as they may consider necessary or expedient for the purpose of giving effect to the Proposed Debt Conversion.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 2: THE PROPOSED ALLOTMENT AND ISSUANCE OF 1,047,619,048 DEBT CONVERSION SHARES TO MS. SANDRA LIZ HON AI LING PURSUANT TO THE PROPOSED DEBT CONVERSION

That subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) pursuant to Rules 804, 805(1), 812 and 906 of the Catalist Rules and Section 161 of the Companies Act, approval and authority be given to the Directors to allot and issue 1,047,619,048 Debt Conversion Shares at the Conversion Price to Ms. Hon pursuant to the Proposed Debt Conversion, subject to the terms and conditions of the Debt Conversion Agreement; and
- (b) the Directors be and are hereby authorised to do any and all such acts as they may, in their absolute discretion deem fit, expedient or necessary to give effect to the proposed allotment and issuance of Debt Conversion Shares to Ms. Hon pursuant to the Proposed Debt Conversion, and take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be required or as they may consider necessary or expedient for the purpose of giving effect to such proposed allotment and issuance.

ORDINARY RESOLUTION 3: THE PROPOSED ALLOTMENT AND ISSUANCE OF 95,238,095 DEBT CONVERSION SHARES TO MR. LIM IN CHONG PURSUANT TO THE PROPOSED DEBT CONVERSION

That subject to and contingent upon the passing of Ordinary Resolution 1:

- (a) pursuant to Rules 804, 805(1), 812 and 906 of the Catalist Rules and Section 161 of the Companies Act, approval and authority be given to the Directors to allot and issue 95,238,095 Debt Conversion Shares at the Conversion Price to Mr. Lim pursuant to the Proposed Debt Conversion, subject to the terms and conditions of the Debt Conversion Agreement; and
- (b) the Directors be and are hereby authorised to do any and all such acts as they may, in their absolute discretion deem fit, expedient or necessary to give effect to the proposed allotment and issuance of Debt Conversion Shares to Mr. Lim pursuant to the Proposed Debt Conversion, and take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be required or as they may consider necessary or expedient for the purpose of giving effect to such proposed allotment and issuance.

Inter-conditionality of Resolutions

Shareholders should note that Ordinary Resolution 2 and Ordinary Resolution 3 are conditional upon Ordinary Resolution 1. This means that if Ordinary Resolution 1 is not approved, Ordinary Resolution 2 and Ordinary Resolution 3 will not be deemed to be duly passed.

However, Ordinary Resolution 2 and Ordinary Resolution 3 are not inter-conditional. Shareholders should note that:

- (i) if Ordinary Resolution 1 and Ordinary Resolution 2 are approved but Ordinary Resolution 3 is not approved, the Company may proceed with the proposed allotment and issuance of Debt Conversion Shares to all the Creditors, other than Mr. Lim, pursuant to the Proposed Debt Conversion;
- (ii) if Ordinary Resolution 1 and Ordinary Resolution 3 are approved but Ordinary Resolution 2 is not approved, the Company may proceed with the proposed allotment and issuance of Debt Conversion Shares to all the Creditors, other than Ms. Hon, pursuant to the Proposed Debt Conversion; and
- (iii) if Ordinary Resolution 1 is approved but Ordinary Resolution 2 and Ordinary Resolution 3 are not approved, the Company may proceed with the proposed allotment and issuance of Debt Conversion Shares to all the Creditors, other than Ms. Hon and Mr. Lim, pursuant to the Proposed Debt Conversion.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Abstention from Voting

Ms. Hon will abstain, and will procure that her associates abstain, from voting on the Ordinary Resolution 1 and Ordinary Resolution 2 set out in the Notice of EGM in relation to the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to herself pursuant to the Proposed Debt Conversion respectively. The Company will disregard any votes cast by Ms. Hon and her associates in relation to Ordinary Resolution 1 and Ordinary Resolution 2.

Mr. Lim will abstain, and will procure that his associates abstain, from voting on the Ordinary Resolution 1 and Ordinary Resolution 3 set out in the Notice of EGM in relation to the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to himself pursuant to the Proposed Debt Conversion respectively. The Company will disregard any votes cast by Mr. Lim and his associates in relation to Ordinary Resolution 1 and Ordinary Resolution 3.

Ms. Hon and her associates, as well as Mr. Lim and his associates will also not accept appointments as proxies unless specific instructions as to voting are given, in respect of the resolutions to approve the Proposed Debt Conversion and the proposed allotment and issuance of the Debt Conversion Shares to Ms. Hon and Mr. Lim respectively.

For and on behalf of the Board of Directors of
Annica Holdings Limited

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer
14 August 2024

Explanatory Notes:

1. The EGM will be held in a wholly physical format. There will be no option for members to participate in the EGM proceedings by electronic means.
2. A member who is not a Relevant Intermediary as defined under Section 181(6) of the Companies Act is entitled to appoint more than two (2) proxies to participate in the EGM. Where a member appoints more than one (1) proxy, the number and class of Shares in relation to which a proxy has been appointed must be specified in the proxy form.
3. Pursuant to Section 181(1C) of the Companies Act, any member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to participate in the EGM. Where a Relevant Intermediary appoints more than two (2) proxies, the number and class of Shares in relation to which a proxy has been appointed must be specified in the proxy form. If no proportion is specified, the Company will treat the first named proxy as representing the entire number of Shares held by the member and any second named proxy as an alternate to the first named.
4. A proxy need not be a member of the Company.
5. The duly executed instrument appointing a proxy must be emailed to the Company at main@zicoholdings.com or sent by post to B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 not later than seventy-two (72) hours before the time set for the EGM.
6. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. A copy of the power of attorney or such other authority must be submitted together with the instrument appointing a proxy.
7. A depositor's name must appear in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) maintained by The Central Depository (Pte) Limited not later than seventy-two (72) hours before the time set for the EGM for the depositor to be entitled to attend and vote at the EGM.
8. Investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the "CPF Investors" or "SRS Investors") may (a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators. CPF Investors and SRS Investors should contact their respective CPF Agent Banks or SRS Operators if they have any queries and regarding their appointment as proxies; or (b) appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM to allow sufficient time for their respective relevant intermediaries to, in turn, submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the cut-off date at 9.30 a.m. (Singapore time) on 26 August 2024.

NOTICE OF EXTRAORDINARY GENERAL MEETING

9. All voting if carried out by proxy forms will be as stipulated above.
10. Members may raise questions at the EGM or submit questions related to the ordinary resolutions to be tabled for approval at the EGM, in advance of the EGM. Members who would like to submit questions in advance of the EGM may email them to the Company at main@zicoholdings.com or sent them by post to B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, in each case not later than 5.00 p.m. (Singapore time) on 21 August 2024 (“**Questions Submission Cut-Off Date**”).

Members submitting questions are requested to state: (a) their full name; (b) their identification/registration number; (c) contact telephone number; (d) email address; and (e) the manner in which they hold shares (if you hold shares directly, please provide your CDP account number, otherwise, please state if you hold your shares through the CPFIS or the SRS, or a relevant intermediary shareholder), failing which, the Company shall be entitled to regard the submission as invalid.

The Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the EGM. The responses to questions raised by members on or before the Questions Submission Cut-Off Date will be published on the SGXNet and the Company’s corporate website at the URL <http://www.annica.com.sg> by 9.30 a.m. (Singapore time) on 24 August 2024, being at least forty-eight (48) hours prior to the commencement period of the date and time for the lodgement of the Proxy Form. The Company will address any subsequent clarifications sought, or follow-up questions (relating to the resolutions to be tabled for approval at the EGM) received after the Questions Submission Cut-Off Date which have not already been addressed prior to the EGM during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

*This notice has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms. Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

PROXY FORM

ANNICA HOLDINGS LIMITED

(Company Registration No. 198304025N)
(Incorporated in the Republic of Singapore)

EXTRAORDINARY GENERAL MEETING PROXY FORM

(you are advised to read the notes on the next page before completing this form)

IMPORTANT:

- For investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the "CPF Investors" or "SRS Investors"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF or SRS investors may (a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries and regarding their appointment as proxies; or (b) appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM to allow sufficient time for their respective relevant intermediaries to, in turn, submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the cut-off date at 9.30 a.m. (Singapore time) on 26 August 2024.

I/We, _____ (Name)

_____ (NRIC/Passport No./ Company Registration No.)

of _____ (Address)

being a member/members of Annica Holdings Limited (the "Company") hereby appoint:

- the Chairman of the Extraordinary General Meeting of the Company (the "EGM"); or
- the individual(s) named below:

Name	Address	Email address	NRIC/Passport Number	Proportion of Shareholdings (%)	
				No. of Shares	(%)
and/or (delete as appropriate)					

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and at the EGM to be held on 29 August 2024 at 9.30 a.m. (Singapore time) at Galangal Room, Level 4, Village Katong Hotel, 25 Marine Parade, Singapore 449536 and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any item arising not summarised below, the proxy/proxies may vote or abstain from voting at his/their discretion.

	Number of Votes For	Number of Votes Against	Number of Votes Abstain
Ordinary Resolution 1 To approve the Proposed Debt Conversion			
Ordinary Resolution 2 To approve the proposed allotment and issuance of the Debt Conversion Shares to Ms. Sandra Liz Hon Ai Ling pursuant to the Proposed Debt Conversion			
Ordinary Resolution 3 To approve the proposed allotment and issuance of the Debt Conversion Shares to Mr. Lim In Chong pursuant to the Proposed Debt Conversion			

Notes:

- If the Chairman of the Meeting is appointed your proxy to vote, your proxy form must be directed, i.e., it must state how you wish for the Chairman to vote on each ordinary resolution, i.e., for, against or abstain. If your proxy form is not directed, it will be considered voided.
- If you wish to exercise all your votes "For", "Against" or "Abstain" in respect of a resolution proposed, please insert [x] within the relevant box provided. Alternatively, please indicate the number of Shares as appropriate.
- Please note that the short descriptions given above for each resolution proposed do not in any way reflect the intent and purpose of the Ordinary Resolutions. The short descriptions have been inserted for convenience only. Shareholders should read the Notice of EGM dated 14 August 2024 for the entire content of each Ordinary Resolution proposed and the Circular dated 14 August 2024 for the purpose and intent of the Ordinary Resolutions to be passed.

Dated this _____ day of _____ 2024.

Total Number of Shares held	
CDP Register	
Register of Members	

Signature(s) of Member(s) or, Common Seal
of Corporate Shareholder(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF



PROXY FORM

Notes:

1. For this EGM, members of the Company (including Relevant Intermediaries but excluding CPF Investors or SRS Investors) may vote using this Proxy Form. As explained in the notes to the Notice of EGM, a member is allowed to appoint not more than two (2) proxies, and a Relevant Intermediary is allowed to appoint more than two (2) proxies. If two (2) proxies or more are appointed (as applicable by a member or a Relevant Intermediary) the number and class of Shares in relation to which a proxy has been appointed must be specified in the Proxy Form. If no proportion is specified, the Company will treat the first named proxy as representing the entire number of Shares held by the member and any second named proxy as an alternate to the first named.
2. Please insert the total number of Shares held by you: (a) if you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number; (b) if you have Shares registered in your name in the Register of Members of the Company, you should insert that number; (c) if you have Shares entered against your name in the Depository Register and in the Register of Members of the Company, you should insert the aggregate of the number of Shares in the Depository Register and the Register of Members of the Company. If no number is inserted in this Proxy Form, the total number of Shares held by you will be the number inserted.
3. "Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.
4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy must be signed under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. A copy of the power of attorney or such other authority must be submitted together with the instrument appointing a proxy(ies).
6. The duly executed instrument appointing a proxy must be emailed to the Company at main@zicoholdings.com or sent by post to B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 not later than seventy-two (72) hours before the time set for the EGM.
7. By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 14 August 2024.