

ANNICA HOLDINGS LIMITED

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

THE DISPOSAL OF 350,000 ISSUED AND PAID UP ORDINARY SHARES IN THE SHARE CAPITAL OF GPE POWER SYSTEMS (M) SDN. BHD. – SETTLEMENT DEFINITIVE AGREEMENTS

The board of directors (the “**Board**”) of Annica Holdings Limited (the “**Company**”) wishes to provide a further update to its earlier announcement made on 1 May 2020 in relation to, *inter alia*: (a) the conditional sale and purchase agreement (the “**SPA**”) entered into between the Company and Chong Shin Mun (the “**Purchaser**”) for the disposal by the Company of 350,000 ordinary shares in the share capital of GPE Power Systems (M) Sdn. Bhd.; and (b) the proposed Settlement Definitive Agreements to be entered into between the Company, the Purchaser, the Guarantor and SBSB to satisfy the Outstanding Amounts due and owing by the Purchaser to the Company under the SPA (the “**1 May Announcement**”). Unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the 1 May Announcement.

As mentioned in the Company’s announcement on 14 May 2020, the Federal Government of Malaysia has announced on 10 May 2020 that it would be further extending the conditional movement control orders implemented on 18 and 25 March 2020, 10 April 2020 and 23 April 2020 by four (4) weeks until 9 June 2020 (the “**Conditional MCO**”). Under the Conditional MCO, all interstate travel within Malaysia (including Sabah and Sarawak) will require permission from the police and such permission will only be granted in very limited circumstances.

Accordingly, the restriction on interstate travel as well as the Hari Raya Aidilfitri season in Malaysia over this period have delayed and affected the proposed meetings between the parties to the Settlement Definitive Agreements, in particular the directors and shareholders of SBSB, to discuss and execute the Settlement Definitive Agreements.

In view of the fact that the Conditional MCO will only be lifted on 9 June 2020, and coinciding with a major festive season in Malaysia which usually extends beyond the official holidays, the Board foresees that the parties may require a further 3-4 weeks from the date of this announcement, to execute the Settlement Definitive Agreements. This is on the assumption that there is no further extension of the Conditional MCO or the imposition of any other measures or travel restrictions by the Federal Government of Malaysia which are beyond the control of the Company.

The Company will make further announcements as appropriate or when there are further developments on the same.

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

22 May 2020

This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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.

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