

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

- (i) **INCREASE IN SHAREHOLDING INTEREST IN A SUBSIDIARY – RENOSUN INTERNATIONAL SDN. BHD.**
 - (ii) **THE PROPOSED CHANGE OF NAME OF RENOSUN INTERNATIONAL SDN. BHD. TO CAHYA SURIA SERVICES SDN. BHD.**
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1. INCREASE IN SHAREHOLDING INTEREST IN RENOSUN

- 1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of Annica Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has, on 24 May 2021, increased its shareholding interest in its indirect subsidiary, Renosun International Sdn. Bhd. (“**Renosun**”) from 51% to 100%, following an acquisition by Cahya Suria Energy Sdn. Bhd. (“**CSE**”), a wholly owned subsidiary of the Company, of 4,900 ordinary shares (“**Sale Shares**”) representing the remaining 49% shareholding in Renosun (the “**Acquisition**”) held by Renosun (KL) Sdn. Bhd (the “**Seller**”).
- 1.2 Following the Acquisition, Renosun has become a wholly owned subsidiary of the Company.

2. INFORMATION ON RENOSUN AND THE SELLER

2.1 Information on Renosun

Renosun was incorporated in Malaysia on 9 November 2017 with an issued and paid-up share capital of RM10,000.00, comprising 10,000 ordinary shares of RM1.00 each. Prior to the Acquisition, CSE held 5,100 ordinary shares representing 51% of the total issued and paid-up share capital of Renosun since its incorporation. Renosun’s principal activities include (a) the provision of designing, engineering, procurement, construction and commissioning services for solar photovoltaic systems; (b) the provision of energy efficient services; and (c) the procuring, manufacturing and trading in solar photovoltaic power systems and related products.

Mr, Looi Kok Soon (“**Mr. Looi**”) has, on the date of this announcement, tendered his resignation as managing director of Renosun with immediate effect. Mr. Looi has resigned as managing director of Renosun as he was the nominated director of the Seller in Renosun. In connection with Mr. Looi’s resignation, options previously awarded to him under the Annica Employee Share Option Scheme have, to the extent unexercised, lapsed and become null and void upon him ceasing to be a director of Renosun.

2.2 Information on the Seller

The information presented herein relating to information on the Seller is based on information provided by the Seller. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company’s responsibility is limited to ensuring that such information has been accurately and correctly extracted and reproduced in this announcement in its proper form and context.

The Seller is a Malaysia-incorporated company. Its principal business activities are the installation of solar photovoltaic module systems for residential, commercial and light industrial sectors and the provision of related consultancy services.

Aside from Mr. Looi who is a director and shareholder of the Seller and formerly a director of Renosun, the Seller, its directors and shareholders and their respective associates are not related to the Company, its subsidiaries, their directors or substantial shareholders, or their

respective associates and they do not currently hold any shareholding interest (direct or indirect) in the Company.

3. CONSIDERATION

The consideration payable by CSE in cash in connection with the Acquisition is RM4,900 (equivalent to S\$1,575, based on the prevailing exchange rate of RM1.00 : S\$0.3214 as at the date of this announcement as published by the Monetary Authority of Singapore) (the “**Consideration**”), and was paid to the Seller on 24 May 2021. The Consideration was arrived at on a willing buyer willing seller basis and pursuant to negotiations on an arms’ length basis, based on the total paid-up capital of Renosun.

4. AUDITED NET LIABILITY VALUE OF RENOSUN AND THE SALE SHARES

4.1 As at 31 December 2020, the audited net liability value of Renosun was RM4,189 (equivalent to S\$1,380, based on the prevailing exchange rate of RM1.00 : S\$0.3294 as at 31 December 2020 as published by the Monetary Authority of Singapore). The audited net liability value of the Sale Shares is, therefore, RM2,053 (equivalent to S\$676, based on the prevailing exchange rate of RM1.00 : S\$0.3294 as at 31 December 2020 as published by the Monetary Authority of Singapore).

4.2 Although Renosun is in a net liability position, the amount is negligible and Renosun is currently dormant. Instead of incorporating a new company, the Group intends to utilise Renosun as the primary vehicle for the Group’s renewable energy-related projects, in anticipation of securing potential renewable energy projects currently in the pipeline.

5. RATIONALE FOR THE ACQUISITION

5.1 For the reasons set out in paragraph 4.2 above, the Board is of the opinion that the Acquisition will allow for more efficient streamlining of the Company’s available resources and businesses. In addition, the Board is hopeful that the Acquisition will enhance shareholders’ value in the long term.

5.2 In view of the above, the Board considers the Acquisition to be in the commercial interests of the Group.

6. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE CATALIST RULES

6.1 The relative figures in relation to the Acquisition are computed on the applicable bases set out in Rule 1006 based on the latest announced audited consolidated financial statements for the Group for the financial year ended 31 December 2020 (“**FY2020**”).

Rule 1006	Bases of Calculation	Relative Figure (%)
Rule 1006 (a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not Applicable ⁽¹⁾
Rule 1006 (b)	The net losses attributable to the assets to be acquired, compared with the Group's net losses.	0.03% ⁽²⁾
Rule 1006 (c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	0.01% ⁽³⁾
Rule 1006 (d)	The number of equity securities issued as consideration for an acquisition, compared with the number of securities previously in issue.	Not Applicable ⁽⁴⁾
Rule 1006 (e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not Applicable ⁽⁵⁾

Notes:

- (1) Rule 1006(a) is not applicable to an acquisition of assets.
- (2) The audited net loss attributable to the Sale Shares is approximately S\$342, compared with the Group's audited net loss of S\$1,086,000.
- (3) The aggregate value of the consideration is RM6,953 or S\$2,290 (based on the prevailing exchange rate of RM1.00 : S\$0.3294 as at 31 December 2020 as published by the Monetary Authority of Singapore), being the sum of the cash consideration of RM4,900 and the attributable net liability value of the Sale Shares of RM2,053. The market capitalization of the Company of S\$16,674,767 is determined by multiplying 16,674,767,048 ordinary shares in issue ("**Shares**") as at the date of this announcement by the volume weighted average price of the Shares of approximately S\$0.001 for trades done on 21 May 2021, being the full market day immediately preceding the completion of the Acquisition.
- (4) No equity securities are being issued by the Company as consideration for the Acquisition. The Consideration is payable in cash.
- (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company

6.2 As none of the relative figures computed on the bases set out under Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") exceed 5%, the Acquisition is considered a "non-discloseable" transaction under Chapter 10 of the Catalist Rules. Nonetheless, the Company wishes to make a voluntary disclosure of the Acquisition so as to provide an update on the Group's consolidation of interest in Renosun, and the disclosure requirements of this announcement have been made in accordance with Rule 1008 of the Catalist Rules.

6.3 Although the relative figure calculated pursuant to Rule 1006(b) involves negative figures (as a result of Renosun's attributable audited net loss compared with the Group's audited net loss), the absolute relative figure is 0.03%. Moreover, with reference to paragraph 4.3(a) of Practice Note 10A of the Catalist Rules, no announcement and shareholders' approval for the Acquisition is required as (i) the absolute relative figure computed on the basis of each of Rule 1006(c) and Rule 1006(d) amounts to 5% or less and (ii) the net loss attributable to the asset to be acquired (i.e. the Sale Shares) amounts to 5% or less of the consolidated net loss of the Company.

7. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has an interest, direct or indirect, in the above transaction, other than through their respective shareholdings in the Company.

8. FINANCIAL IMPACT OF THE ACQUISITION

The Acquisition is funded through internal resources of the Group and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2021.

9. CHANGE OF NAME

Following the Acquisition, an application will be made to the Registrar of Companies, Malaysia to change the name of Renosun International Sdn. Bhd. to Cahya Suria Services Sdn. Bhd.. The Company will provide an update to shareholders once the change of name is effective.

10. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Acquisition and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 announcement in its proper form and context.

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

24 May 2021

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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