

**NON-BINDING MEMORANDUM OF UNDERSTANDING WITH
PERBADANAN KEMAJUAN NEGERI PERAK**

1. INTRODUCTION

The board of directors (the “**Board**”) of Annica Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) is pleased to announce that the Group has, on 18 June 2019, entered into the following non-binding Memorandum of Understanding (“**MOUs**”) with Perbadanan Kemajuan Negeri Perak (“**PKNP**”):

- (a) a tripartite MOU between PKNP, Majuperak Holdings Berhad (“**MHB**”) and Cahya Suria Energy Sdn. Bhd (“**CSE**”), a wholly-owned subsidiary of the Company (the “**CSE MOU**”); and
- (b) a MOU between PKNP and P. J. Services Pte. Ltd. (“**PJS**”), a wholly-owned subsidiary of the Company (the “**PJS MOU**”).

2. INFORMATION ON PKNP AND MHB

PKNP is the state economic development corporation entrusted to spearhead the economic development and socio-economic growth in the State of Perak. PKNP also has access to supplies of mining sand, granite, granite aggregates, minerals and other natural resources from Perak (the “**Products**”).

MHB is an investment holding company listed on the Main Board of Bursa Malaysia and plays a leading role in property development focusing on the housing sector and realty business within the bigger PKNP Group. PKNP is also the largest shareholder in MHB. MHB has also diversified its business into the renewable energy sector.

3. THE RATIONALE FOR THE ENTRY INTO OF THE MOUS

The purpose of the CSE MOU is for the parties to collaborate on the development of ‘Large Scale Solar Photovoltaic’ Projects (“**LSS Projects**”) in the State of Perak. The parties have identified an initial site suitable for a proposed 35MW capacity LSS Project (approximately 3.3 acres/MW), and will continue to collaborate in the future to identify and evaluate other potential sites for the development of other LSS Projects. For the purpose of implementing the co-operation under the CSE MOU, the parties may enter into legally binding definitive agreement(s), subject to terms and conditions to be mutually agreed upon by the parties.

Under the PJS MOU, PKNP shall endeavour to enter into supply contracts (the “**Supply Contract(s)**”) with PJS and its customers (the “**Customers**”), under which PKNP shall source for and supply the Products to the Customers, subject to terms and conditions to be mutually agreed upon by the parties. PKNP has also agreed to arrange all necessary export permits for such Products.

The Board is of the firm view that that the collaboration between the parties under the MOUs will not only boost the Group’s business in the renewable energy sector but also allow the Group to

gain a valuable toehold, and to explore other business opportunities, such as the supply of the Products, in the State of Perak.

4. FINANCIAL IMPACT

The MOUs are 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 2019.

5. INTERESTS OF DIRECTORS OR CONTROLLING SHAREHOLDERS

None of the directors or the controlling shareholders of the Company has any direct or indirect interest in the MOUs, save through their shareholding interests in the Company.

6. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution in trading the shares of the Company as there is no certainty or assurance as at the date of this announcement that any definitive agreement(s) will be entered into or that any collaborations will be undertaken at all. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions that they should take.

7. FURTHER ANNOUNCEMENTS

The Company will make the relevant update announcements in compliance with the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist to inform its shareholders of any updates or developments of the matters above in due course, including the entering into definitive agreement(s) pursuant to the MOUs, if any.

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer
18 June 2019

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

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

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