



Company Registration No. 199806046G)
(Incorporated in the Republic of Singapore)

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This announcement has not been examined or approved by 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.

The contact person for the Sponsor is Ms. Bao Qing - Registered Professional, 36 Robinson Road, #10-06, Singapore 068877, sponsor@rhtgoc.com.

PROPOSED PLACEMENT OF 142,180,095 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT A PLACEMENT PRICE OF S\$0.0211 PER SHARE

1. INTRODUCTION

The Board of Directors ("**Board**") of H2G Green Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 14 December 2022 entered into a subscription agreement ("**Subscription Agreement**") with Hongkong China Treasury Limited (the "**Subscriber**") in relation to the allotment and issue of 142,180,095 new ordinary shares in the capital of the Company ("**Shares**") ("**Placement Shares**") to the Subscriber at an issue price of S\$0.0211 per Placement Share ("**Placement Price**"), amounting to an aggregate consideration of S\$3,000,000.00 ("**Placement Consideration**"), on the terms and conditions of the Subscription Agreement ("**Proposed Placement**").

The Placement Shares represent approximately 12.93% of the existing issued and paid-up share capital of the Company of 1,099,196,574 Shares immediately prior to the Proposed Placement, and approximately 11.45% of the total enlarged issued and paid-up share capital of the Company of 1,241,376,669 Shares immediately after the Proposed Placement.

2. INFORMATION ON THE SUBSCRIBER

Shareholders should note that the information relating to the Subscriber in this paragraph and elsewhere in this announcement was provided by the Subscriber.

The Subscriber is a company incorporated in the British Virgin Islands, and is principally engaged in securities investment.

As at the date of the Subscription Agreement, the Subscriber is an indirect wholly-owned subsidiary of Lippo China Resources Limited ("**LCR**"), a Hong Kong-incorporated company listed on The Stock Exchange of Hong Kong Limited ("**HK Stock Exchange**").

Direct Union Limited, which is an indirect wholly-owned subsidiary of LCR, is an 8.16%-shareholder of Gashubunited Utility Private Limited ("**GUPL**"), a 51%-owned subsidiary of the Company. Lippo North Asia Limited, another indirect wholly-owned subsidiary of LCR, is a 6.3%-shareholder of Gashubunited Holding Private Limited ("**GHPL**"), being a substantial shareholder of the Company holding approximately 37.27% of the existing total issued Shares or approximately 33.00% of the total issued Shares as enlarged by the Placement Shares.

LCR is a 74.99%-owned subsidiary of Lippo Limited ("**Lippo**"), a Hong Kong-incorporated company listed on HK Stock Exchange. As set out in the Company's separate announcement dated 14 December 2022, the Company and its wholly-owned subsidiary, Green Energy Investment Holding Private Limited ("**GEIH**"), have



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on 14 December 2022 entered into a share subscription agreement with, *inter alia*, RD Property Holdings Pte. Ltd. (“**RDP**”) in relation to RDP’s subscription for up to an aggregate of 998 Class A convertible preference shares in the capital of GEIH at an aggregate subscription amount of S\$20,000,000. Further details relating to the aforementioned share subscription agreement are set out in the Company’s separate announcement dated 14 December 2022. RDP is a wholly-owned subsidiary of OUE Limited (“**OUE**”), a Singapore-incorporated company listed on the Main Board of SGX-ST. OUE is a 73.05%-owned subsidiary of a joint venture of Hongkong Chinese Limited (“**HKC**”), a Bermuda-incorporated company listed on the HK Stock Exchange which in turn is a 73.95%-owned subsidiary of Lippo. Accordingly, Lippo is regarded to be a substantial shareholder of OUE.

HKC holds approximately 36.32% of the total issued shares of GoTwo Power Inc. (“**GTP**”). GHPL also holds approximately 6.05% of the total issued shares of GTP. As at the date of this announcement, GTP is a supplier of the Group.

The Subscriber was approached by the Group through the business contacts and connections of the Chief Executive Officer and Executive Director of the Company. The Subscriber has expressed an interest to invest in the Company and, as the Company understands, has entered into the Subscription Agreement for its investment purposes and will not be holding the Placement Shares on trust or as a nominee. The Company confirms that the Proposed Placement will not result in any material conflict of interest as there are no other relationships between the Subscriber and the Company (save as set out above). The Subscriber has entered into the Subscription Agreement purely for investment purposes only, and is not acting in concert with any persons to obtain or consolidate effective control of the Company.

Save as disclosed herein, the Company and its Directors and controlling shareholders and their associates are not related to the Subscriber or its directors, associates, controlling shareholders and ultimate beneficial owners.

The Placement Shares will not be issued to any of the persons listed in Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”). In addition, the issuance of the Placement Shares will not be made without the prior approval of the Company’s shareholders in a general meeting if such issuance would bring about a transfer of controlling interest pursuant to Rule 803 of the Catalist Rules.

There is no moratorium imposed on the Placement Shares. No share borrowing arrangement has been entered into to facilitate the Proposed Placement.

3. THE PROPOSED PLACEMENT

3.1 Placement Shares

The Placement Shares are intended to be issued pursuant to the general share issuance mandate (the “**General Mandate**”) obtained at the annual general meeting of the Company held on 28 July 2022 (“**2022 AGM**”) which, pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806 of the Catalist Rules, authorises the Directors to allot and issue new Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time the General Mandate was passed, of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the shareholders of the Company shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

The number of issued Shares (excluding treasury shares and subsidiary holdings) as at the 2022 AGM was 1,099,196,574 Shares. As no Shares were issued under the General Mandate prior to the Proposed Placement, the maximum number of Shares that may be issued pursuant to the General Mandate other than on a *pro rata* basis shall not exceed 549,598,287 Shares. As such, the allotment and issue of all the Placement Shares falls within the limits of the General Mandate.

Assuming that the Proposed Placement is fully subscribed, the Placement Shares will represent approximately 12.93% of the Company’s existing issued and paid-up share capital of 1,099,196,574 Shares as at the date of



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this announcement. Upon completion of the Proposed Placement and assuming that the Proposed Placement is fully subscribed, the issued and paid-up share capital of the Company will increase to 1,241,376,669 Shares and the Placement Shares will represent approximately 11.45% of the Company's enlarged issued and paid-up share capital immediately after the Proposed Placement.

The Placement Shares, when issued and fully paid, shall be issued unencumbered and free from any security interests, charges, claims (including pre-emptive rights) or liens and will be freely transferable, and shall rank *pari passu* with and shall carry all rights similar to the existing ordinary Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of completion of the Proposed Placement ("**Completion**").

In the event that as a result of the number of Placement Shares proposed to be allotted and issued to the Subscriber, approval of the Company's shareholders in general meeting for the allotment and issue of the Placement Shares to the Subscriber is required, the Company shall have the discretion, after agreeing with the Subscriber, to reduce the number of Placement Shares to such number as being the maximum number of Placement Shares that the Company can allot and issue to the Subscriber without obtaining shareholders' approval in general meeting and the aggregate Placement Consideration shall be reduced proportionately.

3.2 Placement Price

The Placement Price represents a discount of approximately 9.83% to the volume weighted average price of the Shares of S\$0.0234 for trades done on the SGX-ST on 9 December 2022, being the last full market day during which the Shares were traded prior to the signing of the Subscription Agreement. The Company had effected a trading halt of the Shares before trading hours on 12 December 2022.

3.3 Conditions Precedent

The Completion is conditional upon, *inter alia*:

- (i) the listing and quotation notice (the "**LQN**") for the listing of and quotation for the Placement Shares on Catalist being obtained from the SGX-ST, and such approval not being revoked, rescinded or cancelled prior to Completion; and
- (ii) (if applicable) the approval of the shareholders of the Company in a general meeting for the allotment and issue of the Placement Shares at the Placement Price and on the terms and conditions set out in the Subscription Agreement.

If any of the conditions set out in the Subscription Agreement is not fulfilled, upon the expiry of three (3) months from the date of the Subscription Agreement, the Subscription Agreement shall become null and void and neither party shall have any right to claim against the other under the Subscription Agreement for whatsoever reason save for any antecedent breach.

There will not be any prospectus or offer information statement issued in connection with the Proposed Placement. No placement agent has been appointed in respect of the Proposed Placement. No commission or referral fees pursuant to the Proposed Placement will be paid to any party.

3.4 Completion

The Company's Sponsor, RHT Capital Pte. Ltd., will be submitting an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Placement Shares on Catalist. The Company will make the necessary announcements once the LQN for the listing of and quotation for the Placement Shares is obtained from SGX-ST.

The Subscriber shall pay the Placement Consideration to the Company within seven (7) business days from the date of receipt of the Company's written notification confirming the fulfilment of the conditions precedent as set



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out in the Subscription Agreement. Completion shall take place at the same time as the Company's receipt of the Placement Consideration from the Subscriber, whereupon the Company shall deliver the Placement Shares to the Subscriber in accordance with the Subscription Agreement.

3.5 Use of Proceeds from the Proposed Placement

Under the Subscription Agreement, the Company represents, warrants and undertakes that the proceeds of the Placement Consideration shall be used to finance the capital expenditure of GUPL only, and shall not be used to finance the repayment of loans due by the Group to Mr Lim Shao Lin, the Chief Executive Officer and Executive Director of the Company, and his related companies (including GHPL, a controlling shareholder of the Company, Gashubin Engineering Private Limited and Gashubunited (SEA) LNG Private Limited).

4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS

The Directors are of the view that the Proposed Placement is beneficial for the Group as it will (i) strengthen GUPL's financial position; and (ii) fund the capital expenditure necessary to continue GUPL's growth.

Assuming that the Proposed Placement is fully subscribed, the estimated net proceeds from the Proposed Placement (after deducting professional fees and related estimated expenses pertaining to the Proposed Placement of approximately S\$35,000 to be borne by the Company) will be approximately S\$2,965,000 (the "Net Proceeds").

The Company intends to allocate the Net Proceeds as follows:

Use of Net Proceeds	Amount (S\$'000)	Percentage Allocation (%)
Capital expenditure of GUPL	2,965,000	100
Total	2,965,000	100

Pending the deployment of the Net Proceeds, the Company intends to place the Net Proceeds from the Proposed Placement with banks and/or financial institutions, as the Directors may deem fit in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full year financial statements and the Company's annual report. Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and the annual report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The tables illustrating the financial effects of the Proposed Placement on (i) the net tangible assets ("NTA") per share of the Group (assuming the Proposed Placement had been completed at the end of that financial year); and (ii) the loss per share ("LPS") of the Group (assuming that the Proposed Placement had been completed at the beginning of that financial year), based on the latest audited consolidated financial statements of the Group for the financial year ended 31 March 2022 ("FY2022") are set out below.

For the avoidance of doubt, the financial effects of the Proposed Placement on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after



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the completion of the Proposed Placement. These financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after 1 April 2022. The financial effects also do not take into account any fees and expenses to be incurred in relation to the Proposed Placement.

5.1 NTA per Share of the Group

Assuming that the Proposed Placement had been completed on 31 March 2022, the financial effect on the NTA per share of the Group as at 31 March 2022 is as follows:

	Before the Proposed Placement	After the Proposed Placement
NTA attributable to equity holders of the Group (S\$'000)	10,059	13,059
Number of Shares	689,524,443	831,704,538
NTA per share (S\$ cents) ⁽¹⁾	1.46	1.57

Note:

(1) NTA refers to net asset value of the Group less intangible assets and goodwill.

5.2 Loss per Share of the Group

Assuming the Proposed Placement had been completed on 1 April 2021, the financial effect on the LPS of the Group for FY2022 is as follows:

	Before the Proposed Placement	After the Proposed Placement
Net loss attributable to equity holders of the Group (S\$'000)	2,765	2,765
Number of Shares	689,524,443	831,704,538
LPS (S\$ cents)	0.40	0.33

6. CONFIRMATION BY DIRECTORS

The Directors are of the opinion that:

- (i) after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements; and
- (ii) after taking into consideration the present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the Directors are of the view that the Proposed Placement is beneficial for the Group for such reasons as set out in section 4 of this announcement.



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7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Placement, the Subscriber and its associates, controlling shareholders and ultimate beneficial owners other than through their respective shareholdings (if any), employment and/or directorship (as applicable) in the Company.

8. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection during normal office hours at the registered office of the Company at 39 Kaki Bukit Place, Eunos Techpark, Singapore 416217 for a period of three (3) months from the date of this announcement.

9. DIRECTORS' 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 Proposed Placement, 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 the announcement in its proper form and context.

10. GENERAL

Shareholders and potential investors should note that the Proposed Placement is subject to the fulfilment of, *inter alia*, the conditions set out above, including the obtaining of the relevant regulatory approvals, and accordingly should exercise caution when trading in the Shares. Persons who are in doubt as to the action they should take should consult their legal, financial tax or other professional advisers.

Further announcements will be made by the Company as and when appropriate.

By Order of the Board

Lim Shao-Lin
Executive Director and Chief Executive Officer
14 December 2022