

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

---

**SUBSCRIPTION OF REDEEMABLE CONVERTIBLE NON-CUMULATIVE PREFERENCE SHARES IN HT ENERGY (S) SDN. BHD.**

---

**1. INTRODUCTION**

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of Annica Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has entered into a conditional subscription agreement with its associate company, HT Energy (S) Sdn. Bhd. (the “**Associate**”) on 30 December 2018 (the “**Subscription Agreement**”), for the subscription of up to 1,000,000 redeemable convertible non-cumulative preference shares (“**RCNCPS**”) in the Associate (the “**Proposed Subscription**”).

**2. INFORMATION ON HT ENERGY (S) SDN. BHD.**

- 2.1 The Associate is a private company with limited liability incorporated under the Malaysian Companies Act 2016 and is engaged primarily in the business of:
- (a) operation of generation facilities that produce electric energy;
  - (b) manufacture of any other fabricated metal products; and
  - (c) construction of utility projects.
- 2.2 Prior to the Proposed Subscription, the Company, through its wholly-owned subsidiary, Cahya Suria Energy Sdn. Bhd. (the “**Subsidiary**”), held 49 ordinary shares in the shareholding of the Associate (the “**Ordinary Shares**”), representing 49% of the total issued share capital of the Associate. The remaining 51 Ordinary Shares, representing 51% of the total issued share capital of the Associate are held by Muhammad Hatta Bin Sukarni (the “**Other Shareholder**”).
- 2.3 On 19 December 2018, a further 4,851 Ordinary Shares were issued to the Subsidiary and a further 5,049 Ordinary Shares were issued to the Other Shareholder. The shareholding percentages of the shareholders of the Associate remains unchanged.

**3. INFORMATION ON THE PROPOSED SUBSCRIPTION**

- 3.1 The aggregate value for the consideration of the Proposed Subscription is RM1,000,000 (the “**Total Subscription Price**”), at a subscription price of RM1.00 for each RCNCPS. The Total Subscription Price was arrived at on a willing-buyer and willing-seller basis, taking into account the net tangible liability value (“**NTL**”) of the Associate, based on its business potential. Based on the management accounts of the Associate for the financial year ended 31 December 2018, its NTL was approximately RM166,000. No independent valuation has been conducted on the Associate.
- 3.2 The RCNCPS will be subscribed in tranches (each a “**Tranche**”) as follows:
- (a) first tranche of 290,000 RCNCPS (the “**Initial Tranche**”) shall be subscribed by the Company for a total subscription amount of RM290,000 PROVIDED THAT all the conditions stipulated in Section 3.03 and Section 5.01 of the Subscription Agreement shall have been complied (the “**Conditions**”) prior to such subscription date; and

- (b) subsequent Tranches of RCNCPS shall be subscribed by the Company on each subscription date(s) upon receipt of a written notice from the Associate, specifying the number of RCNCPS to be subscribed by the Company and the use of proceeds PROVIDED ALWAYS THAT all the Conditions shall have been complied with prior to each subscription date and PROVIDED FURTHER THAT the Company shall first approve the use of proceeds for the subscription price to be paid under each Tranche.

3.3 The Total Subscription Price will be funded as follows:

- (a) the total subscription amount of RM290,000 for the Initial Tranche will be satisfied by the capitalisation of loans in the aggregate sum of RM290,000 extended by the Company to the Associate. Subscription of the Initial Tranche was completed on 31 December 2018, and 290,000 RCNCPS have been allotted and issued to the Company on 31 December 2018; and
- (b) the remainder of the Total Subscription Price for each Tranche will be funded through internal sources.

**4. INFORMATION ON THE RCNCPS**

**4.1 Dividends**

The Company shall be entitled to an annual non-cumulative dividend equal to eight percent (8%) of the issue price which shall accrue daily. The RCNCPS shall rank in regard to dividend in priority to all other issued shares for the time being of the Associate.

**4.2 Conversion**

The Company shall have the option at any time to require the Associate to convert the RCNCPS or part thereof into fully paid Ordinary Shares of the Associate at the conversion rate of one (1) Ordinary Share for every RM1.00 paid on the RCNCPS including such premiums paid by the Company, dividends and tax related thereon as may be due and owing by the Associate to the Company.

**4.3 Tenure**

The RCNCPS shall have a maturity date falling on the last day of the period of three (3) years from the date of issuance of the Initial Tranche of the RCNCPS (the “**Maturity Date**”).

**4.4 Redemption**

The RCNCPS are redeemable at the option of the Company on the Maturity Date by giving not less than one (1) month's prior notice in writing to the Associate. Such RCNCPS so redeemed shall be redeemed at the rate where the director(s) of the Associate deem fit, which shall be no less than the issue price of the RCNCPS.

**5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

To the best knowledge of the Directors, save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription, other than through their respective shareholding interests in the Company (if any) nor are they related to the Associate or its other shareholder(s), other than to the Company.

## 6. FINANCIAL IMPACT OF THE PROPOSED SUBSCRIPTION

The Proposed Subscription will have no material impact on the Group for the financial year ending 31 December 2018.

## 7. OTHERS

As the relative figures under Rule 1006 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) does not exceed 5%, the Proposed Subscription is a non-disclosable transaction for the purposes of Chapter 10 of the Catalist Rules.

## 8. DOCUMENTS AVAILABLE FOR INSPECTION

Shareholders should note that a copy of the Subscription Agreement will be available for inspection during normal business hours at the Company’s registered office at 100 Beach Road #17-01 Shaw Tower Singapore 189702 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 Subscription, 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

Executive Director and Chief Executive Officer

26 February 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. (“**Sponsor**”), for compliance with the relevant rules of the SGX-ST Listing Manual Section B: Rules of Catalist.*

*The Sponsor has not independently verified the contents of this announcement. 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 accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Bernard Lui:*

*Telephone number: (65) 6389 3000*

*Email address: [bernard.lui@morganlewis.com](mailto:bernard.lui@morganlewis.com)*