

**HU AN CABLE HOLDINGS LTD.**  
(Incorporated in Singapore)  
(Company Registration Number: 200810320N)

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**PROPOSED PLACEMENT OF UP TO 424,859,316 NEW ORDINARY SHARES IN THE CAPITAL  
OF HU AN CABLE HOLDINGS LTD – RESPONSE TO SGX QUERIES**

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*Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Company's announcement dated 22 June 2021.*

Hu An Cable Holdings Ltd. (the “**Company**” and its subsidiaries, the “**Group**”) has received the following queries from the Singapore Exchange Securities Trading Limited (“**SGX Queries**”) in relation to the Proposed Placement.

The board of Directors (the “**Board**”) of the Company has provided the following response to the SGX Queries.

**SGX Query 1 - Paragraph 2.1**

**“New Energy Industry Sweden AB (Swedish Company Registration No. 559303-4241) is a green energy investment company incorporated in Sweden. The sole director of NEWe is Johan Utterberg, and the shareholders of NEWe are Fang Huasheng (83%), Sven Eriksson (5%), Xu Xiaojun (2%), Yu Jijiang (5%), and Cheng Ruikai (5%).”**

**SGX: When was NEWe incorporated and what is its paid up capital? Provide background information and business details of Xu Xiaojun, Yu Jijiang, and Cheng Ruikai, and disclose whether they are nominees of Fang Huasheng or anyone else.**

**Company's Response:**

NEWe (New Energy Industry Sweden AB) was incorporated in Sweden on 23 February 2021. The registered capital is 400, 000 Swedish Kr and the company's registration number is 559303-4241. NEWe has just established Sweden New Energy (Jiangsu) Inc on 22 June 2021 in China. With that, NEWe has into entered agreements engaging in several new energy projects in Jiangsu province, including one project with wind energy of 50MWp and two projects with solar energy (50MWp and 100 MVp respectively) (the “**New Energy Projects**”). NEWe is at the moment raising capital for the investment in the Company and the New Energy Projects. It is anticipated that in the next three months, by way of capital increase by the shareholders and as required, NEWe will be able to raise up to 10 million Euro of capital for the initial stage of investment.

Mr Sven Eriksson has significant experience and resources in energy investment, especially in the area of new energy and nuclear energy, having served on the nomination board for Swedish nuclear energy company, Studvik. Mr Yu Jijiang is the founder of Guangdong Guangte Electrical Co. Ltd and has over 20 years of experience working in the field of new energy industry in China. Mr Cheng Ruikai is an expert in equipment manufacturing and has a strong background in the area of steel and manufacturing industry in China. Dr Xu Xiao-Jun is a university lecturer in the Karolinska Institutet in Sweden and has experience in medicine, drug development and investment in biotechnology industry. The CEO of NEWe, Mr Johan Utterberg has years of experience in the finance sector and investment in the new energy industry.

Fang Huasheng, Sven Eriksson, Yu Jijiang, Cheng Ruikai, Xu Xiao-Jun and Johan Utterberg are independent collaborating partners in NEWe.

### **SGX Query 2 - Paragraph 2.1**

**“NEWe was introduced to the Company through business associates.”**

**SGX: Provide the names and details of these business associates, and explain how they came to know of NEWe.**

#### **Company’s Response:**

NEWe was introduced to the Company through Mr Fang Huasheng, a director of the Company.

### **SGX Query 3 - Paragraph 5.1**

**“The rationale of the Proposed Placement is to raise funds to strengthen the Company’s for the expansion of the Group’s financial position and flexibility to capitalise on growth opportunities.”**

**SGX: Provide specific details of this expansion plan of the Group, details of how this will be implemented by the Group, the timeline for implementation, and how this will impact the Company.**

#### **Company’s Response:**

The Company had on 6 May 2021, received a letter from the SGX-ST (“**Notice of Compliance**”) which sets out, as part of the conditions to maintain listing status of the Company on the SGX-ST, “*the entry a definitive agreement for the acquisition of a business that satisfies the requirements for a new listing*” by 30 June 2021. The SGX-ST had, in the Notice of Compliance, indicated that if the Company fails to meet this condition, the SGX-ST will proceed to direct a delisting of the Company’s shares on the SGX-ST (without further reference to the Company).

In compliance with the Notice of Compliance, the Company is in negotiations with a potential target (“**Target**”) and aims to enter into an agreement (“**Agreement**”) to acquire the Target by the deadline of 30 June 2021 (“**Proposed Transaction**”).

Further details of the Proposed Transaction, including the business of the Target and the Target’s fulfilment of the listing requirement of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) will be released in an announcement upon signing of the Agreement.

Subject to the entry into of the definitive agreements, the Target is in the business of certain aspects of the renewable energy business. It is expected that the business of the Target will, if accepted to fulfil listing requirements of the SGX-ST, provide a viable business for the Company and materially improve the financial position of the Company.

**SGX Query 4 - Paragraph 5.2.1**

**“Proposed use of Net Proceeds - (a) to fund capital expenditures for the growth of the Group’s business”**

**SGX: Provide details of these capital expenditures, and quantify the costs and capacity that will result from this.**

**Company’s Response:**

In respect of the first intended use of the Net Proceeds from the Proposed Placement, namely, to fund capital expenditures for the growth of the Group’s business:

- (a) The Group intends to use the entirety of the Net Proceeds towards the purchase consideration of one or more acquisitions. Pending entry into the definitive agreements of such acquisitions and their respective completion; and
- (b) In the event of any other acquisition, the Net Proceeds may be first deployed towards such other acquisitions.

In respect of the second intended use of the Net Proceeds from the Proposed Placement, namely, for general working capital purposes, including meeting general overheads and other operating expenses of the Group, it is the Company’s intention that the Net Proceeds will be used principally for the payment of outstanding professional fees, which amounts to approximately S\$400,000, employment expenses of approximately S\$200,000 and repayment of existing liability of the Company of approximately S\$180,000.

The usage of the Net Proceeds as between these sub-categories may be adjusted with the cash flow requirements of the Company.

By Order of the Board

Gao Hong  
Executive Chairman  
24 June 2021