

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

- (1) **SUBSCRIPTION OF SHARES IN H2 ENERGY SDN. BHD. BY THE MAJORITY SHAREHOLDER**
 - (2) **TRANSFER AND CONVERSION OF 290,000 REDEEMABLE CONVERTIBLE NON-CUMULATIVE PREFERENCE SHARES IN THE SHARE CAPITAL OF H2 ENERGY SDN. BHD.**
 - (3) **INCREASE IN PAID UP SHARE CAPITAL OF H2 ENERGY SDN. BHD.**
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1. INTRODUCTION

The board of directors (the “**Board**”) of Annica Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to:

- (a) the Company’s announcements dated 26 February 2019 and 26 March 2019 in relation to, *inter alia*, the Company’s subscription of redeemable convertible non-cumulative preference shares (“**RCNCPS**”) in H2 Energy Sdn. Bhd. (“**H2E**”); and
- (b) the Company’s announcements dated 6 January 2020 and 7 January 2020 in relation to, *inter alia*, the proposed subscription of 301,837 ordinary shares at RM1.00 each in the capital of H2E (the “**Subscription Shares**”) for a total subscription price of RM301,837 (the “**Subscription Price**”) by Muhammad Hatta Bin Sukarni, the majority shareholder and managing director of H2E (the “**Majority Shareholder**”) pursuant to the Letter of Undertaking provided by the Majority Shareholder to H2E and the Company on 18 March 2019,

(collectively, the “**Prior Announcements**”).

All capitalised terms used and not defined herein shall have the same meanings given to them in the Prior Announcements.

H2E is a 49% indirect subsidiary of the Company which the Group has majority board representation in.

2. COMPLETION OF SUBSCRIPTION OF SUBSCRIPTION SHARES

The Board is pleased to inform shareholders that as at the date of this announcement, all of the Subscription Shares have been fully subscribed by the Majority Shareholder and that H2E has received the Subscription Price in full.

Following the allotment and issuance of the Subscription Shares, the capital of H2E has increased from RM10,000 comprising 10,000 ordinary shares of RM1.00 each in the capital of H2E (“**Ordinary Shares**”) and 290,000 RCNCPS to RM601,837 comprising 311,837 Ordinary Shares and 290,000 RCNCPS.

3. TRANSFER OF RCNCPS

Immediately following the allotment and issuance of the Subscription Shares to the Majority Shareholder today, the Company transferred the 290,000 RCNCPS to Cahya Suria Energy Sdn. Bhd (“**CSE**”), a wholly-owned subsidiary of the Company and an existing shareholder of H2E (the “**Transfer**”), as part of an internal restructuring.

The Transfer is for the purposes of streamlining and consolidating the Group’s shareholding in H2E at the CSE level.

The Transfer is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2022.

4. CONVERSION OF RCNCPS BY CSE

Immediately following the Transfer, CSE has, pursuant to the terms of the RCNCPS as set out in the Subscription Agreement between H2E, the Company, the Majority Shareholder and CSE dated 30 December 2018, as amended and supplemented by the Supplemental Agreement dated 1 December 2021 (collectively, the “**Subscription Agreement**”), issued a notice of conversion to H2E to convert all the 290,000 RCNCPS in the capital of H2E held by CSE at the conversion rate of one (1) Ordinary Share for every RM1.00 paid on the RCNCPS into 290,000 new Ordinary Shares (the “**New Ordinary Shares**”).

The New Ordinary Shares have been allotted and issued by H2E to CSE on the date of this announcement.

Following the conversion of the RCNCPS and allotment and issuance of the New Ordinary Shares, the capital of H2E remains unchanged at RM601,837 but now comprises 601,837 Ordinary Shares instead.

5. INCREASE IN PAID UP SHARE CAPITAL OF H2 ENERGY SDN BHD.

Immediately following the allotment and issuance of the New Ordinary Shares, CSE and the Majority Shareholder have increased their respective investments in the capital of H2E (the “**Additional Investment**”) by subscribing for an additional 195,100 Ordinary Shares and 203,063 Ordinary Shares at RM1.00 per Ordinary Share, respectively (collectively, the “**Additional Subscription Shares**”).

Following the allotment and issuance of the Additional Subscription Shares:

- (i) the capital of H2E has increased from RM601,837 comprising 601,837 Ordinary Shares to RM1,000,000 comprising 1,000,000 Ordinary Shares; and
- (ii) CSE holds 490,000 Ordinary Shares in H2E (representing 49% of its issued share capital) and the Majority Shareholder holds the remaining 510,000 Ordinary Shares in H2E (representing the remaining 51% of its issued share capital). In this regard, there has not been a change in the Group’s effective shareholding in H2E.

The Additional Investment is intended to strengthen H2E’s capital base and to finance its working capital and capital expenditure requirements. The 195,100 Additional Subscription Shares subscribed by CSE were funded by internal resources of the Group.

The Additional Investment is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2022.

The changes in the share capital of H2E following the allotment and issuance of: (i) the Subscription Shares; (ii) the New Ordinary Shares; and (iii) the Additional Subscription Shares are set out below for shareholders' easy reference:

		Ordinary Shares	RCNCPS	Total share capital of H2E
Immediately prior to the date of this announcement	CSE	4,900	-	10,000 Ordinary Shares
	Majority Shareholder	5,100	-	290,000 RCNCPS
	The Company	-	290,000	
Completion of the allotment and issuance of the Subscription Shares	CSE	4,900	-	311,837 Ordinary Shares
	Majority Shareholder	306,937	-	290,000 RCNCPS
	The Company	-	290,000	
Completion of the Transfer	CSE	4,900	290,000	311,837 Ordinary Shares
	Majority Shareholder	306,937	-	290,000 RCNCPS
Completion of the allotment and issuance of the New Ordinary Shares	CSE	294,900	-	601,837 Ordinary Shares
	Majority Shareholder	306,937	-	
Completion of the allotment and issuance of the Additional Subscription Shares	CSE	490,000	-	1,000,000 Ordinary Shares
	Majority Shareholder	510,000	-	

6. NO INTEREST IN TRANSACTIONS

None of the Directors or substantial shareholders of the Company has an interest, direct or indirect, in the above transactions, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

29 July 2022

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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