

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

- (I) **DISPOSAL OF 90% SHAREHOLDING INTEREST IN A WHOLLY OWNED SUBSIDIARY**
(II) **STRIKING OFF OF TWO BRITISH VIRGIN ISLAND SUBSIDIARIES**
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1. INTRODUCTION

- 1.1. The Board of Directors (the “**Board**” or the “**Directors**”) of Annica Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that:
- (a) the Company has, on 1 February 2023, decreased its effective shareholding interest in its indirect wholly owned subsidiary, Cahya Suria Services Sdn. Bhd. (“**CSS**”) from 100% to 10%, following a disposal by Cahya Suria Energy Sdn. Bhd. (“**CSE**”), a direct wholly owned subsidiary of the Company, of 9,000 ordinary shares representing 90% of the issued and paid-up share capital of CSS (“**Sale Shares**”) to Dr Carrine Teoh Chooi Shi (the “**Purchaser**”), an unrelated third-party purchaser (the “**Disposal**”); and
- (b) the Company’s two (2) wholly owned British Virgin Island subsidiaries, namely Avital Enterprises Limited and Nu-Haven Incorporated (collectively, the “**BVI Subsidiaries**”), have been struck off from the BVI Government Register of companies with effect from 1 May 2022 (the “**Striking Off (BVI Subsidiaries)**”).
- 1.2. Immediately prior to the Disposal, CSS was a wholly owned subsidiary of CSE which is, in turn, a wholly owned subsidiary of the Company. Following the Disposal, CSS has ceased to be a subsidiary of the Company.
- 1.3. Immediately prior to the Striking Off (BVI Subsidiaries), Avital Enterprises Limited was a wholly subsidiary of Nu-Haven Incorporated which was, in turn, a wholly owned subsidiary of the Company.

2. THE DISPOSAL

2.1. Information on the Purchaser

The Purchaser is the Chief Strategy Officer at Bond Holdings Sdn. Bhd. and has over 20 years of experience in engineering technology and cybersecurity. The Purchaser was introduced to the Group by Majuperak Energy Resources Sdn. Bhd., which had previously entered into a Framework Agreement with the Group for the development of ‘Large Scale Solar Photovoltaic’ Projects in the State of Perak. The Framework Agreement has since been terminated on 3 June 2021, as disclosed in the Company’s announcement dated 8 June 2021.

The Purchaser is not related to any of the Directors, the substantial shareholders of the Company, or their respective associates. As of the date of this announcement, the Purchaser does not hold any shareholding interest (whether direct or indirect) in the Company or any of its subsidiaries.

2.2. Consideration

The aggregate value of the consideration that has been paid to CSE in cash in connection with the Disposal is RM5,000 (equivalent to S\$1,541 based on the prevailing exchange rate of RM1.00 : S\$0.3081 as at the date of this announcement as published by the Monetary Authority of Singapore) (the “**Consideration**”). The Consideration was arrived at on a willing buyer willing seller basis and pursuant to negotiations on an arm’s length basis, taking into account the net liability value of CSS as disclosed in paragraph 2.3 below. No valuation was conducted in

connection with the Disposal.

2.3. Net liability value of CSS and the Sale Shares

For the nine-month financial period ended 30 September 2022, the net liability value of CSS was RM12,001 (equivalent to S\$3,708, based on the prevailing exchange rate of RM1.00 : S\$0.3090 as at 30 September 2022 as published by the Monetary Authority of Singapore). The net liability value of the Sale Shares is, therefore, RM10,801 (equivalent to S\$3,338, based on the prevailing exchange rate of RM1.00 : S\$0.3090 as at 30 September 2022 as published by the Monetary Authority of Singapore).

2.4. Rationale for the Disposal

The Board is of the opinion that the Disposal is in line with the Group's efforts to streamline the renewable energy segment into two main business verticals consisting of (i) hydrogen-based renewable energy solutions; and (ii) cross-border and renewable energy development. The Disposal and continued streamlining efforts will continue to strengthen the renewable energy segment and present a clearer strategy for growth going forward.

Meanwhile, the Company shall continue to (i) hold a strategic stake of 10% in CSS so as to retain a connection to the Cahya Suria brand and (ii) be able to influence and monitor how the brand is being developed by the Purchaser in the region until such time that the brand is no longer in use or of commercial significance. The Group will also be entitled to a share of the potential profits generated by CSS in accordance with its minority stake.

2.5. Relative figures computed based on Rule 1006 of the Catalyst Rules

The relative figures in relation to the Disposal as set out below are computed on the applicable bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited (the "Catalist Rules") based on the latest announced unaudited condensed interim consolidated financial statements of the Group for the third quarter and nine-month financial period ended 30 September 2022 ("9M2022"):

Rule 1006	Bases of Calculation	Relative Figure (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	-0.65% ⁽¹⁾
(b)	The net losses attributable to the assets to be acquired or disposed of, compared with the Group's net losses.	-0.06% ⁽²⁾
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	0.01% ⁽³⁾
(d)	The number of equity securities issued as consideration for an acquisition, compared with the number of securities previously in issue.	Not Applicable ⁽⁴⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not Applicable ⁽⁵⁾

Notes:

- (1) The net liability value attributable to the Sale Shares is approximately S\$3,338, compared with the Group's net asset value of S\$513,000.
- (2) The net loss attributable to the Sale Shares is approximately S\$1,071, compared with the Group's net loss of S\$1,819,000.
- (3) The consideration is RM5,000 or S\$1,545 (based on the prevailing exchange rate of RM1.00 : S\$0.3090 as at 30 September 2022 as published by the Monetary Authority of Singapore). The market capitalization of the Company of S\$16,974,767 is determined by multiplying 16,974,767,048 ordinary shares in issue ("**Shares**") as at the date of this announcement by the volume weighted average price of the Shares of approximately S\$0.001 for trades done on 1 February 2023, being the full market day immediately preceding the date of this announcement. The date of this announcement coincides with the date of completion of the Disposal as well as the date of the sale and purchase agreement entered between CSE and the Purchaser in connection with the Disposal.
- (4) Rule 1006(d) of the Catalist Rules is not applicable as the Disposal does not involve an issue of equity securities.
- (5) Rule 1006(e) of the Catalist Rules is not applicable as the Company is not a mineral, oil and gas company.

As none of the absolute relative figures computed on the bases set out in Rule 1006 of the Catalist Rules exceed 5%, the Disposal would ordinarily constitute a "non-discloseable transaction" as defined in Chapter 10 of the Catalist Rules.

However, under Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules.

Based on (i) the net liability value of CSS of RM12,001 (equivalent to S\$3,708, based on the prevailing exchange rate of RM1.00 : S\$0.3090 as at 30 September 2022 as published by the Monetary Authority of Singapore) as disclosed in paragraph 2.3 above, (ii) the Consideration sum of RM5,000 (equivalent to S\$1,541, based on the prevailing exchange rate of RM1.00 : S\$0.3081 as at the date of this announcement as published by the Monetary Authority of Singapore) and (iii) the amount of the capital reserve derecognised of RM8,115 (equivalent to S\$2,508, based on the prevailing exchange rate of RM1.00 : S\$0.3090 as at 30 September 2022 as published by the Monetary Authority of Singapore), the Disposal is expected to result in a gain of disposal of RM25,117 (equivalent to S\$7,761, based on the prevailing exchange rate of RM1.00 : S\$0.3090 as at 30 September 2022 as published by the Monetary Authority of Singapore).

As the relative figures computed pursuant to Rules 1006(a) and 1006(b) are negative figures, and the Disposal constitutes (i) a disposal of an asset by an issuer (where either or both the asset or the issuer has negative net asset value) and (ii) a disposal of a loss-making asset by an issuer (whether profitable or loss-making), the operative provisions of Practice Note 10A of the Catalist Rules are paragraphs 4.3(c) and 4.3(e).

With reference to paragraph 4.3(c) of Practice Note 10A of the Catalist Rules, the Disposal constitutes a disposal of an asset by an issuer (where either or both the asset or the issuer has negative net asset value), where: (i) the absolute relative figure computed on the basis of each of Rule 1006(b), Rule 1006(c) and (if applicable) Rule 1006(e), amounts to 5% or less; and (ii) the Disposal will result in a gain on disposal as abovementioned.

With reference to paragraph 4.3(e) of Practice Note 10A of the Catalist Rules, the Disposal constitutes a disposal of a loss-making asset by an issuer (whether profitable or loss-making), where: (i) the absolute relative figure computed on the basis of each of Rule 1006(a), Rule 1006(c) and (if applicable) Rule 1006(e) amounts to 5% or less; and (ii) the Disposal will result

in a gain on disposal as abovementioned .

For completeness, paragraph 4.3(d) of Practice Note 10A of the Catalist Rules is not applicable as CSS is not a profitable asset.

Based on the above, as the Disposal satisfies the requirements of, and falls under, both paragraph 4.3(c) and paragraph 4.3(e) of Practice Note 10A of the Catalist Rules, no announcement and shareholders' approval of the Disposal is required.

Nevertheless, as the Disposal involves a sale of shares resulting in CSS ceasing to be a subsidiary of the Company, the Company is making a voluntary announcement on the Disposal pursuant to Rule 706A and Rule 1008(2) of the Catalist Rules.

3. THE STRIKING OFF (BVI SUBSIDIARIES)

As the BVI Subsidiaries, namely Avital Enterprises Limited and Nu-Haven Incorporated, have been dormant, the Company has decided not to pay the relevant annual license fees for the maintenance of the "live" status of the BVI Subsidiaries by the due date of 30 April 2022. Accordingly, both BVI Subsidiaries have been automatically struck off on 1 May 2022 and have ceased to be subsidiaries of the Company from such date. Nevertheless, the Company may apply to reinstate Avital Enterprises Limited and Nu-Haven Incorporated as "live" companies at any time within the next seven (7) years and five (5) years respectively.

The Striking Off (BVI Subsidiaries) was a decision taken by the Board so that the dormant BVI Subsidiaries will be automatically struck off from the BVI Government Register of companies. The Board is of the view that the Striking Off (BVI Subsidiaries) does not constitute material information (for the purposes of Rule 703 of the Catalist Rules) as the BVI Subsidiaries are dormant. Nevertheless, as the Striking Off (BVI Subsidiaries) involved Avital Enterprises Limited and Nu-Haven Incorporated ceasing to be subsidiaries of the Company from 1 May 2022, the Company is making this announcement to update shareholders on the changes to the corporate structure of the Group.

4. FINANCIAL IMPACT OF THE DISPOSAL AND THE STRIKING OFF (BVI SUBSIDIARIES)

The Disposal and the Striking Off (BVI Subsidiaries) 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 2023.

5. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company has an interest, direct or indirect, in the above transactions, other than through their respective shareholdings in the Company.

6. DOCUMENT(S) AVAILABLE FOR INSPECTION

The sale and purchase agreement entered between CSE and the Purchaser on 1 February 2023 in connection with the Disposal is available for inspection during normal business hours at the Company's registered office for a period of three (3) months from the date of this announcement.

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

1 February 2023

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.

*The contact person for the Sponsor is Mr Bernard Lui.
Tel: 6389 3000 Email: bernard.lui@morganlewis.com*