



ANAN INTERNATIONAL LIMITED
(Incorporated in Bermuda)
(Company Registration no. 35733)

**RESPONSE TO QUERIES BY
SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)**

SGX-ST raised certain queries to AnAn International Limited (“**Company**”, and together with its subsidiaries, collectively “**Group**”) in respect of the Company’s Condensed Interim Consolidated Financial Statements for the Fourth Quarter and Full Year Ended 31 December 2023 released on 29 February 2024. The Board of Directors (“**Board**”) of the Company responds to these queries as follows.

SGX Query 1

SGX: Please provide a commentary of the significant trends and competitive conditions of the industry in which the group operates, pursuant to Provision 10 of Appendix 7.2 Financial Statements and Dividend Announcement.

Company’s response to SGX Query 1

The Group’s revenue is mainly derived from Dyneff Group, who is a leading independent energy distributor in the French and Spanish markets. The oil distribution industry in France and Spain is grappling with transformations driven by factors such as the global push towards renewable energy, market consolidation, shifting consumer preferences towards cleaner energy sources, and global economic dynamics.

Dyneff Group’s strategic plan involves maintaining its current market privileges in oil distribution with a stable customer base while diversifying its energy distribution activities to meet evolving customer demands in an increasingly diverse energy mix. In addition to pursuing organic growth, Dyneff Group is employing an acquisition strategy to explore growth opportunities, aligning with their goal of transforming from an oil distributor to an energy service provider. Despite uncertainties in the economic outlook, Dyneff Group remains cautious while continuing to focus on these strategies to ensure competitiveness and resilience in the evolving energy landscape over the next reporting period and the subsequent 12 months.

SGX Query 2

SGX: With respect to the Proposed acquisition of CPA SAS announced on 26 July 2023, please disclose the following information:

(i) Please provide an update on the acquisition and clarify whether the Company will be going ahead with the proposed acquisition, considering that the Company had previously disclosed that all the Conditions Precedent have to be "satisfied by 31 December 2023 (the "Limit Date"), then, unless Seller and Purchaser agree in writing to extend the Limit Date, this Agreement shall terminate at 23:59 (Paris time) on the Limit Date."

(ii) Noting that the Company's Current Market Cap is S\$25.4 million as opposed to S\$84.6 million as at 24 July 2023 when the relative figures pursuant to Listing Rule 1006 were assessed, please confirm if shareholders' approval will be sought if the Company is going ahead with this Proposed Acquisition.

Company's response to SGX Query 2

(i) For acquisition of CPA SAS, the share purchase agreement (the "Agreement") dated 25 July 2023, signed by both Seller ("Rubis Terminal") and Purchaser ("Dyneff SAS") (collectively referred to as the "Parties"), is a legally binding document for both Parties. Both Parties have agreed to extend the Limit Date of the Agreement to 31 January 2024 given that more time is needed to obtain clearances from French authorities. Final clearances from French authorities were obtained by both Parties on 10 January 2024, and the closing date has been determined on the same date. Dyneff SAS paid the pre-adjusted consideration amounting to EUR 9,471,247 as at the closing date, in accordance with the Agreement. The difference between the final consideration and pre-adjusted value would be paid or refunded after both Parties agree on adjustment accounts in accordance with the terms of the Agreement. Further updates on the full completion of the acquisition will be announced accordingly upon completion.

(ii) The Agreement dated 25 July 2023, signed by both Parties, is a legally binding document for both Parties and remains effective. The acquisition has been assessed with the relative figures pursuant to Listing Rule 1006 as a disclosable transaction. The market capitalisation of the Group was computed for the relative figures based on market day preceding the date of the sale and purchase agreement, according to the definition stated in Listing Rule 1002. Hence, no shareholders' approval will be sought unless the Agreement becomes invalid.

BY ORDER OF THE BOARD

Zang Jian Jun
Executive Director and Executive Chairman
12 March 2024