

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

**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
REGARDING TRADING ACTIVITY**

The board of directors (the “**Board**”) of Annica Holdings Limited (the “**Company**”) refers to the queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 28 March 2016 (the “**SGX-ST queries**”) in connection with the recent unusual volume movements in the shares of the Company (the “**Shares**”) and wishes to respond to the SGX-ST queries as follows:

SGX-ST Query 1:

Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 9 in Appendix 7A of the Catalist Rules for further examples.

- If yes, the information shall be announced immediately.

Company’s response:

The Company is not aware of any information not previously announced concerning the Company, its subsidiaries or associated companies which, if known, might explain the recent unusual volume movements in the Company’s Shares.

However, the Board wishes to highlight the following corporate actions recently undertaken by the Company:

1. The Company’s circular dated 11 December 2015 and a subscription agreement dated 31 July 2015 (the “**Subscription Agreement**”) entered into between the Company and Premier Equity Fund Sub Fund F (the “**Subscriber**”) and Value Capital Asset Management Private Limited (the “**Manager**”) on: (a) the issuance of 2% redeemable convertible bonds due in 2018 in the aggregate principal amount of S\$60,000,000 (the “**RCBs**” or “**RCB Issue**”) and the allotment and issuance of up to 24,000,000 conversion shares (the “**Conversion Shares**”) pursuant to the conversion of the RCBs; (b) possible transfer of controlling interest; and (c) the allotment and issuance of up to 400,000,000 consideration shares (the “**Consideration Shares**”);
2. The proposed debt conversion and the proposed grant of options to subscribe for Shares in the Company as announced by the Company on 11 February 2016 pursuant to:
 - (i) a debt conversion agreement entered into between the Company and an investor (the “**Investor**”) whereby the Company proposes, that the Investor be granted an option to convert certain debts into an aggregate number of up to 3,504,878,770 Shares of the Company; and
 - (ii) an option agreement entered into between the Company and the Investor whereby the Company proposes, for the aggregate consideration of S\$50,000, to issue to the Investor an aggregate of 5,555,555,555 transferable share options, with each option carrying the right to subscribe for Shares in the Company to raise an amount of up to S\$5,000,000 in aggregate;
3. The Company’s announcements dated 11 January 2016 and 1 March 2016 on the acquisition of 350,000 ordinary shares in GPE Power Systems Sdn Bhd by the Company;
4. The Company’s announcements dated 14 March 2016 and 17 March 2016 on the Company’s disposal of its entire shareholding interest in Industrial Power Technology Pte Ltd and The Think Environmental Co. Sdn. Bhd.; and

5. The unaudited full year results for the year ended 31 December 2015 as announced by the Company on 29 February 2016.

SGX-ST Query 2:

Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

Company's response:

In addition to the Company's response to SGX-ST Query 1 above, the Company noted that the Subscriber and its Manager, have today, pursuant to the RCB Issue, given the Company the following notices (the "RCB Notices") :

- (i) to subscribe for the RCBs with an aggregate principal amount of S\$1,000,000 and in accordance with the Subscription Agreement, the Subscriber will be allotted and issued 100,000,000 Consideration Shares at the issue price of S\$0.0015 per Consideration Share; and
- (ii) to exercise its rights to convert fifteen (15) RCBs with an aggregate principal value of S\$750,000 which are to be converted into 937,500,000 Conversion Shares at the issue price of S\$0.0008 per Conversion Share.

The Company will be releasing further announcements relating to RCB Notices later today.

Save for the above, the Company is not aware of any other possible explanation for the recent unusual volume movements in the Company's Shares.

SGX-ST Query 3:

Can you confirm your compliance with the listing rules and, in particular, Catalist Rule 703?

Company's response:

The Board confirms that the Company is in compliance with the listing rules and, in particular, Catalist Rule 703.

The Board collectively and individually takes responsibility for the accuracy of the aforesaid responses to the SGX-ST queries and confirms after making all reasonable enquiries that, to the best of its knowledge and belief, these responses constitute full and true disclosure of all material facts about the recent unusual volume movements in the Company's Shares and the Board is not aware of any facts, the omission of which would make these responses misleading.

By Order Of the Board

Sandra Liz Hon Ai Ling
Executive Director and CEO

28 March 2016

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 correctness of any of the statements or opinions made or reports contained in this announcement.

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