

ANWELL TECHNOLOGIES LIMITED (REG NO. 200308707W)

Updates on Investigation and Related Matters

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as in the Company's announcements dated 13 August 2013, 23 August 2013, 10 September 2013, 9 October 2013, 19 November 2013, 14 January 2014, 28 February 2014, 5 March 2014, 4 April 2014, 14 May 2014, 16 June 2014, 18 June 2014 and 26 June 2014 (the "Announcements").

Further to the Company's Announcements, the Board would like to update shareholders of the Company as follows:-

1. The Company had announced on 31 October 2013 that two Hong Kong subsidiaries of the Group, namely Anwell Precision Technology (HK) ("Anwell Precision") and Umedisc (HK) Limited ("Umedisc") had defaulted in the repayment of bank loans granted by a bank in Hong Kong, namely Shanghai Commercial Bank Limited ("Shanghai Commercial Bank"). The aggregate outstanding amount due including accrued interest is approximately HK\$28 million. The assets pledged to Shanghai Commercial Bank for these defaulted loans comprise primarily office premises used by the Hong Kong subsidiaries and has a total book value of approximately HK\$18 million as at 31 August 2013. Anwell Technologies Limited is also the corporate guarantor for the said outstanding loans from Shanghai Commercial Bank.
2. The Interim Management Team has since been negotiating with the said bank in respect of rescheduling the loan repayments. However, no settlement as to the repayment has been reached thus far.
3. On 25 June 2014, two letters of demand were issued by Shanghai Commercial Bank in relation to the aforesaid outstanding bank loans. As stated in the letters of demand, in the event that the outstanding loans are not fully repaid on or before 30 June 2014, Shanghai Commercial Bank will commence legal proceedings against the aforesaid subsidiaries.

4. The Company and the aforesaid subsidiaries in default are in the process of seeking professional advice in this regard and will update shareholders as soon as there is any progress and development.

Trading in the shares of the Company on the SGX-ST has been suspended from 9 a.m. on 14 August 2013 and will remain suspended until further notice.

BY ORDER OF THE BOARD

Chan Kun Shuin

Lead Independent Director

Audit Committee Chairman

27 June 2014