



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 “Unaudited Financial Statements for the Period Ended 31 March 2021” released on 11 May 2021. The Board of Directors (“**Board**”) of the Company responds to these queries as follows:

SGX Query 1

Page 3: Amounts due from related parties

Explain the increase to \$4,231,000 and provide details on the related parties and underlying transactions.

Company’s response to SGX Query 1

The increase in amounts due from related parties from US\$2,308,000 to US\$4,231,000 was mainly due to advances provided by Dyneff SAS to a 50% joint venture in France for its working capital requirements. The advance was to acquire plant and machinery.

SGX Query 2

Page 3: Derivative financial liabilities

Provide details on these derivative financial liabilities, and explain the increase to \$2,494,000.

Company’s response to SGX Query 2

Derivative financial liabilities are for petroleum products hedging done on the ICE Future market by our Dyneff Group in France. The increase was mainly due to higher prices of gasoil futures.

SGX Query 3

Page 10: Review of the Group's financial position

Elaborate upon and break down the US\$21.03 million increase in loans and borrowings.

Company's response to SGX Query 3

The breakdown of loans and borrowings was as follow:

| | 31/03/2021 | 31/12/2020 | Increase |
|-----------------|---------------|---------------|---------------|
| | <u>US'000</u> | <u>US'000</u> | <u>US'000</u> |
| Bank overdraft | 36,545 | 20,650 | 15,895 |
| Short term debt | 25,222 | 20,369 | 4,853 |
| Term loan | 4,693 | 4,411 | 282 |
| | <u>66,460</u> | <u>45,430</u> | <u>21,030</u> |

The increase of the loans and borrowings was mainly due to the drawn down on the bank facilities to meet the fluctuations in the operating and financing activities for Q1 2021 of our Dyneff Group which was explained in the announcement dated 11 May 2021.

**For and on Behalf of the Board of
AnAn International Limited**

Shirley Tan
Company Secretary
20 May 2021