

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

2.0% REDEEMABLE CONVERTIBLE BONDS DUE 2018 WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$60,000,000

- UPDATE ON UTILISATION OF PROCEEDS FROM THE ISSUANCE OF FIFTH AND SIXTH SUB-TRANCHE OF THE TRANCHE 1 RCBs

The board of directors (the “**Board**”) of Annica Holdings Limited (the “**Company**”) refers to:

- a. the Company’s circular dated 11 December 2015 (the “**Circular**”) on the issuance of 2% redeemable convertible bonds (the “**RCBs**”) due in 2018 in the aggregate principal amount of up to S\$60,000,000 (the “**RCB Issue**”) pursuant to a subscription agreement dated 31 July 2015 (the “**Subscription Agreement**”) between the Company and the RCBs subscribers, Premier Equity Fund Sub Fund F and its manager, Value Capital Asset Management Private Limited; and
- b. (i) the Company’s announcement dated 30 December 2015 on the issuance of first, second, third and fourth sub-tranche of the Tranche 1 RCBs, with an aggregate principal amount of S\$2,000,000 on 30 December 2015 (the “**301215 Tranche 1 RCBs**”); and
(ii) the Company’s announcements dated 5 January 2016 and 19 January 2016 in relation to the issuance of fifth and sixth sub-tranche of the Tranche 1 RCBs on 5 January 2016 (the “**050116 Tranche 1 RCBs**”) and the utilisation of the net proceeds of S\$1,000,000 arising from the issuance of the 050116 Tranche 1 RCBs (the “**050116 Tranche 1 RCBs Net Proceeds**”), respectively,

(collectively, the “**Previous Announcements**”).

Unless otherwise defined, all capitalised terms herein shall bear the same meaning ascribed to them in the Circular and Previous Announcements.

The Board wishes to provide an update on the utilisation of the 050116 Tranche 1 RCBs Net Proceeds as follows:

Purpose	Amount S\$	Percentage of 050116 Tranche 1 RCBs Net Proceeds %
Arranger’s fee of 5% of S\$2,000,000, being the aggregate principal amount of 301215 Tranche 1 RCBs issued	100,000	10
Arranger’s fee of 5% of S\$1,000,000, being the aggregate principal amount of 050116 Tranche 1 RCBs issued	50,000	5
Expenses incurred in connection with the preparation of the Subscription Agreement and the issuance of the RCBs	40,000	4
Cash paid on the acquisition of 70% interest in GPE Power Systems Sdn Bhd as announced by the Company on 11 January 2016 and 1 March 2016	500,000	50
Group’s general working capital ⁽¹⁾	310,000	31
Total 050116 Tranche 1 RCBs Net Proceeds	1,000,000	100

Note:

- (1) Funds used for the Group's general working capital were for payments to suppliers and operating expenses including staff salaries and professional fees.

As a result, the 050116 Tranche 1 RCBs Net Proceeds have been fully utilised.

The above use of proceeds is consistent with the intended use of proceeds for the RCBs as disclosed in the Circular.

By Order Of the Board

Sandra Liz Hon Ai Ling
Executive Director and CEO

2 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 Singapore Exchange Securities Trading Limited (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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