

ANNICA HOLDINGS LIMITED

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

THE DISPOSAL OF 350,000 ISSUED AND PAID UP ORDINARY SHARES IN THE SHARE CAPITAL OF GPE POWER SYSTEMS (M) SDN. BHD. – REPAYMENT OF THIRD TRANCHE CONSIDERATION

Reference is made to the announcements made on 26 July 2018, 29 October 2018, 15 January 2019, 15 February 2019, 2 May 2019, 20 May 2019, 31 May 2019 and 9 June 2019 in relation to the sale and purchase agreement dated 26 July 2018 (the “**Sale and Purchase Agreement**”) as amended and supplemented by a supplemental agreement dated 15 February 2019 entered into between the Company and Chong Shin Mun (the “**Purchaser**”) on the disposal by the Company of its entire shareholding interest of 350,000 ordinary shares in the share capital of GPE Power Systems (M) Sdn. Bhd. (“**GPE**”), representing 70.0% of the total number of issued shares in GPE (the “**Earlier Announcements**”).

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the Earlier Announcements.

The Board wishes to update the Shareholders that the Purchaser and the Company have, on 27 June 2019 entered into the following Definitive Agreements under which the Purchaser has granted certain rights of control and sale to the Company in respect of the 697,330,000 Controlled Shares:

- (a) A Share Charge and Control Deed entered into between the Purchaser and the Company; and
- (b) A Power of Attorney granted by the Purchaser in favour of the Company.

Under the Share Charge and Control Deed, the Purchaser shall *inter alia*, charge to the Company by way of a FIRST FIXED CHARGE, all her rights, title, benefit and interest in and to the Controlled Shares as continuing security for the due and punctual payment of the Outstanding Amounts. “**Outstanding Amounts**” as defined under the Share Charge and Control Deed means the amount outstanding under the Third Tranche Consideration of S\$600,000 plus accrued interest of S\$17,556.14 up to 27 June 2019. For the avoidance of doubt, the Outstanding Amounts shall continue to accrue interest up to the date when all the agreements or documents necessary to secure the obligations of the Purchaser under the Share Charge and Control Deed have been put in place. In addition, following the execution of the Share Charge and Control Deed, the Company has complete control over the Controlled Shares and the Purchaser will have no access to the Controlled Shares.

Further, under the Share Charge and Control Deed, the Company or its nominee(s) may, upon execution of the Share Charge and Control Deed and without further notice or authority, sell, dispose of or realize all or any part of the Controlled Shares (as the Company may elect and without prejudice to any later exercise of this power) to such transferee(s) at such time or times and in such manner and for such consideration as the Company in its absolute discretion may think fit.

Under the Power of Attorney, the Purchaser has appointed the Company to be her attorney to, *inter alia*, sign, seal, execute, deliver, perfect and do all deeds, instruments, acts and things in connection with any transfer or disposition of the Controlled Shares.

All amounts paid to or received or recovered by the Company or any nominee(s), in exercise of their rights under the Share Charge and Control Deed and the Power of Attorney, shall be applied in or towards the discharge of the Outstanding Amounts and all costs and expenses (including legal and professional fees on a full indemnity basis) incurred by the Company in connection with the exercise of its rights thereunder, as the Company may in its absolute discretion think fit, with any surplus being paid free of any interest to the Purchaser or any other person who may be entitled to it.

Lastly, the Board wishes to inform shareholders that under the Share Charge and Control Deed, the Controlled Shares are to be held by the Company in the form of physical scrip. As of the date of this announcement, the Purchaser has delivered 610,000,000 Controlled Shares in physical scrip to the Company. The remainder of the 87,330,000 Controlled Shares in physical scrip is in the process of being delivered, and the Company will update the shareholders upon receipt of the same. As abovementioned, the Outstanding Amounts shall continue to accrue interest up to the date when all of the agreements or documents necessary to secure the obligations of the Purchaser under the Share Charge and Control Deed have been put in place, which includes the Company having received all the Controlled Shares in physical scrip.

The Company will make further announcements as appropriate or when there are further developments on the same and/or when the Controlled Shares have been fully disposed of, whether in part or in full.

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

27 June 2019

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.

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

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