

**CIRCULAR DATED 15 APRIL 2015**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

If you have sold or transferred all your ordinary shares in the capital of Annica Holdings Limited (the “**Company**”), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

This Circular 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 Catalyst. The Sponsor has not independently verified the contents of this Circular. This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular including the correctness of any of the statements or opinions made or reports contained in this Circular. The contact person for the Sponsor is Mr. Bernard Lui, Tel: (65) 6389 3000, Email: Bernard.lui@stamfordlaw.com.sg

## **ANNICA HOLDINGS LIMITED**

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

### **CIRCULAR TO SHAREHOLDERS**

**in relation to**

**THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 1,312,279,324 NEW ORDINARY SHARES OF THE COMPANY (THE “RIGHTS SHARES”) WITH UP TO 1,312,279,324 FREE DETACHABLE WARRANTS (THE “WARRANTS”), ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF THE COMPANY HELD AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED**

#### **IMPORTANT DATES AND TIMES:**

- |  |   |  |
|--|---|--|
| Last date and time for lodgement of Proxy Form | : | 28 April 2015 at 10.30 a.m.  |
| Date and time of Extraordinary General Meeting | : | 30 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting         | : | Singapore Yacht Club, Nautica III, Level 2<br>52 West Coast Ferry Road<br>Singapore 126887   |

---

## CONTENTS

---

	PAGE
<b>DEFINITIONS</b> .....	3
 <b>LETTER TO SHAREHOLDERS</b>	
1. INTRODUCTION.....	9
2. THE RIGHTS CUM WARRANTS ISSUE.....	10
3. INDICATION OF INTEREST .....	21
4. FINANCIAL INFORMATION OF THE GROUP .....	21
5. FINANCIAL EFFECTS OF THE RIGHTS CUM WARRANTS ISSUE.....	21
6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS .....	24
7. EXTRAORDINARY GENERAL MEETING.....	24
8. ACTION TO BE TAKEN BY SHAREHOLDERS .....	24
9. DIRECTORS' RECOMMENDATION .....	24
10. DIRECTORS' RESPONSIBILITY STATEMENT .....	24
11. OFFER INFORMATION STATEMENT .....	25
12. MATERIAL LITIGATION .....	25
13. MATERIAL CONTRACTS .....	26
14. DOCUMENTS FOR INSPECTION .....	26
 <b>FINANCIAL INFORMATION OF THE GROUP</b> .....	 27
 <b>NOTICE OF EXTRAORDINARY GENERAL MEETING</b> .....	 36
 <b>PROXY FORM</b>	

---

## DEFINITIONS

---

For the purposes of this Circular, the following definitions apply throughout unless the context requires otherwise:

- “Act” or “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
- “Announcement”** : The announcement released by the Company on 1 April 2015 in relation to the Rights cum Warrants Issue
- “ARE”** : The application and acceptance form for Rights Shares with Warrants and excess Rights Shares with Warrants to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue
- “ARS”** : The application and acceptance form for Rights Shares with Warrants to be issued to purchasers of the provisional allotments of Rights Shares with Warrants under the Rights cum Warrants Issue traded on Catalist through the book-entry (scripless) settlement system
- “Articles”** : The articles of association of the Company, as amended or modified from time to time
- “ATM”** : Automated teller machine of a Participating Bank
- “Authority”** : The Monetary Authority of Singapore
- “Board” or “Directors”** : The board of Directors of the Company, as at the Latest Practicable Date
- “Books Closure Date”** : The time and date, to be determined by the Directors, at and on which the Share Transfer Books and Register of Members of the Company will be closed to determine the provisional allotments of Rights of the Entitled Shareholders under the Rights cum Warrants Issue
- “Business Day”** : A day (other than a Saturday, Sunday or public holiday) on which banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore
- “Catalist”** : The Catalist board of the SGX-ST
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 15 April 2015
- “Closing Date”** : The time and date to be determined by the Directors, being the last time and date for acceptance and/or excess application and payment, and renunciation and payment of, the Rights Shares with Warrants under the Rights cum Warrants Issue
- “Code”** : The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
- “Company”** : Annica Holdings Limited
- “CPF”** : Central Provident Fund
- “CPF Approved Bank”** : Any bank appointed by the CPF Board to be a bank for the purposes of the CPF Regulations

---

## DEFINITIONS

---

<b>“CPF Board”</b>	:	The board of the CPF established pursuant to the Central Provident Fund Act, Chapter 36 of Singapore, as may be amended, modified or supplemented from time to time
<b>“CPF Investment Account”</b>	:	An account opened by a member of CPF with a CPF Approved Bank from which money may be withdrawn
<b>“CPFIS”</b>	:	CPF Investment Scheme
<b>“Deed Poll”</b>	:	The deed poll to be executed by the Company constituting the Warrants and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrantholders
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be held on 30 April 2015, notice of which is set out on page 36 of this Circular
<b>“Entitled Depositors”</b>	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who had, no later than 5.00 p.m. on the date being three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
<b>“Entitled Scripholders”</b>	:	Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names and (iii) registered addresses are in Singapore as at the Books Closure Date or who have, no later than 5.00 p.m. on the date being three (3) Market Days prior to the Books Closure Date, provided the Company with addresses in Singapore for the service of notices and documents
<b>“Entitled Shareholders”</b>	:	Entitled Depositors and Entitled Scripholders
<b>“EPS / LPS”</b>	:	Earnings per Share or loss per Share as the case may be
<b>“Excess Applications”</b>	:	Applications by Entitled Shareholders for Excess Rights Shares with Warrants
<b>“Excess Rights Shares with Warrants”</b>	:	The additional Rights Shares with Warrants that Entitled Shareholders will be eligible to apply for in excess of their provisional allotments under the Rights cum Shares Issue. Please refer to Section 2.1 of this Circular for more information
<b>“Exercise Period”</b>	:	The period during which the Warrants may be exercised, commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members of the Company is closed or is not a Market Day, in which event the Warrants shall expire on the date prior to closure of the Register of Members of the Company or on the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warrantholders may be closed), subject to the terms and conditions of the Warrants to be set out in the Deed Poll. The right to exercise the Warrants will not be extended beyond the Exercise Period

---

## DEFINITIONS

---

<b>“Exercise Price”</b>	:	The price payable in respect of each Warrant Share upon the exercise of a Warrant shall be S\$0.005, subject to certain adjustments in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
<b>“Existing Share Capital”</b>	:	The existing issued and paid-up share capital of the Company of 1,312,279,324 Shares (excluding treasury shares) as at the Latest Practicable Date
<b>“Foreign Purchasers”</b>	:	Persons purchasing the Rights through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
<b>“Foreign Shareholders”</b>	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior to the Books Closure Date, provided to the Company, the Share Registrar or CDP, as the case may be, addresses in Singapore for the service of notices and documents
<b>“FY”</b>	:	Financial year ended or ending 31 December, as the case may be
<b>“Group”</b>	:	The Company and its Subsidiaries collectively
<b>“Indication of Interest”</b>	:	The indication of interest given by Mr. Edwin Sugiarto to the Company as disclosed in Section 3 of this Circular
<b>“Issue Price”</b>	:	The issue price of the Rights Shares, being S\$0.003 for each Rights Share
<b>“Latest Practicable Date”</b>	:	13 April 2015, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b> or <b>“Catalist Rules”</b>	:	The Listing Manual, Section B: Rules of Catalist issued by the SGX-ST, as may be amended, supplemented or revised from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Maximum Subscription Scenario”</b>	:	Based on the Existing Share Capital and assuming that (i) no new Shares are issued on or prior to the Books Closure Date; and (ii) all of the Entitled Shareholders subscribe and pay for their <i>pro-rata</i> entitlements of Rights Shares with Warrants in full and subsequently exercise all their Warrants
<b>“Mr. Edwin Sugiarto”</b>	:	The Chairman and Executive Director of the Company
<b>“Notice of EGM”</b>	:	The notice of EGM set out on page 36 of this Circular
<b>“NTA”</b>	:	Net tangible assets
<b>“Offer Information Statement”</b>	:	The offer information statement referred to in Section 277 of the Securities and Futures Act and, together with the PAL, the ARE, the ARS and all accompanying documents including any supplementary or replacement document, to be issued by the Company in connection with the Rights cum Warrants Issue

---

## DEFINITIONS

---

<b>“Participating Banks”</b>	:	The banks that will be participating in the Rights cum Warrants Issue by making available their ATMs to Entitled Depositors and persons purchasing the “nil-paid” rights through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares with Warrants and applications for excess Rights Shares with Warrants, as the case may be, to be made under the Rights cum Warrants Issue, and each of them a <b>“Participating Bank”</b>
<b>“Provisional Allotment Letter” or “PAL”</b>	:	The provisional allotment letter to be issued to Entitled Scripholders, setting out the provisional allotment of Rights Shares with Warrants under the Rights cum Warrants Issue
<b>“Purchaser”</b>	:	A purchaser of the Rights
<b>“Record Date”</b>	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
<b>“Register of Members”</b>	:	Register of members of the Company
<b>“Rights”</b>	:	The “nil-paid” rights (evidenced by the provisional allotments of Rights Shares with Warrants)
<b>“Rights cum Warrants Issue”</b>	:	The renounceable non-underwritten rights issue by the Company of up to 1,312,279,324 Rights Shares at an issue price of S\$0.003 for each Rights Share with up to 1,312,279,324 free detachable Warrants, each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.005 for each Warrant Share, on the basis of one (1) Rights Share for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given with one (1) Share subscribed, fractional entitlements to be disregarded
<b>“Rights Shares”</b>	:	Up to 1,312,279,324 new Shares to be allotted and issued by the Company pursuant to the Rights cum Warrants Issue
<b>“Rights Trading Period”</b>	:	The trading period of the Rights on a “nil-paid” basis
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
<b>“Securities and Futures Act” or “SFA”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore, as may be amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Share Registrar”, “Warrant Agent” or “Warrant Registrar”</b>	:	B.A.C.S. Private Limited
<b>“Share Transfer Books”</b>	:	The share transfer books of the Company

---

## DEFINITIONS

---

“Shareholders”	:	The registered holders of Shares in the Register of Members of the Company, except where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors who have Shares entered against their names in the Depository Register. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Shares”	:	Ordinary shares in the capital of the Company
“Sponsor”	:	Stamford Corporate Services Pte. Ltd.
“Subsidiaries”	:	Has the meaning ascribed to it in Section 5 of the Companies Act and “Subsidiary” shall be construed accordingly
“Substantial Shareholder”	:	A person who holds directly and/or indirectly 5% or more of the total issued share capital of the Company
“Warrantholders”	:	Registered holders of the Warrants, except where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context admits, mean the Entitled Depositors whose Securities Accounts are credited with such Warrants
“Warrant(s)”	:	Up to 1,312,279,324 free detachable warrants in registered form, to be allotted and issued by the Company together with the Rights Shares pursuant to the Rights cum Warrants Issue, and where the context so admits, such additional warrants as may be required or permitted to be allotted and issued by the Company pursuant to the terms and conditions of the warrants to be set out in the Deed Poll (any such additional warrants to rank <i>pari passu</i> with the warrants to be issued together with the Rights Shares and for all purposes to form part of the same series of warrants constituted by the Deed Poll), subject to the terms and conditions to be set out in the Deed Poll, each warrant entitling the holder thereof to subscribe for one (1) Warrant Share at the Exercise Price
“Warrant Share(s)”	:	Up to 1,312,279,324 new ordinary shares of the Company to be issued by the Company, credited as fully paid, upon the exercise of the Warrants, subject to and in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll
“S\$” and “cents”	:	Singapore dollars and cents, being the lawful currency of the Republic of Singapore
“%” or “per cent”	:	Per centum or percentage
“RM”	:	Malaysian ringgit, being the lawful currency of Malaysia

The terms “**Depositor**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

---

## DEFINITIONS

---

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act, or the Listing Manual or the Catalist Rules or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the Securities and Futures Act or the Listing Manual or Catalist Rules or such modification thereof, as the case may be.

Any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the figures in this Circular between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

### **Cautionary Note on Forward-Looking Statements**

*All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the Catalist Rules and/or any other regulatory or supervisory body or agency.*



---

## LETTER TO SHAREHOLDERS

---

### ANNICA HOLDINGS LIMITED

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

#### Directors

Edwin Sugiarto (Chairman and Executive Director)  
Nicholas Jeyaraj s/o Narayanan (Non-Independent and Non-Executive Director)  
Augustine A/L T.K. James (Lead Independent and Non-Executive Director )  
Ong Su Aun Jeffrey (Independent and Non-Executive Director)  
N. Sivagurunathan V. Narayanasamy (Independent and Non-Executive Director)  
Goh Hin Calm (Independent and Non-Executive Director)

#### Registered Office

9 Temasek Boulevard  
#41-01  
Suntec Tower 2  
Singapore 038989

15 April 2015

To: The Shareholders of Annica Holdings Limited

Dear Sir/Madam

**THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 1,312,279,324 NEW ORDINARY SHARES OF THE COMPANY (THE “RIGHTS SHARES”) WITH UP TO 1,312,279,324 FREE DETACHABLE WARRANTS (THE “WARRANTS”), ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF THE COMPANY HELD AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED**

#### 1. INTRODUCTION

##### 1.1. Rights cum Warrants Issue

On 1 April 2015, the Company announced the Rights cum Warrants Issue, subject to, *inter alia*, (a) the Shareholders’ approval for the Rights cum Warrants Issue being obtained at the EGM (and such approval not having been withdrawn or revoked on or prior to the Books Closure Date) and if such approval is granted subject to conditions, such conditions being acceptable to the Company; (b) the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist; and (c) the lodgement of the Offer Information Statement, together with all other accompanying documents (if applicable), with the SGX-ST acting as agent on behalf of the Authority.

The Rights cum Warrants Issue will be undertaken by the Company on a non-underwritten basis.

On 13 April 2015, the Company received the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist subject to:

- (a) compliance with the listing requirements of the SGX-ST;
- (b) Shareholders’ approval being obtained for the proposed Rights cum Warrants Issue at the EGM to be convened; and
- (c) submission of a confirmation by the Company that a sufficient spread in the Warrants as required under Rule 826 of the Catalist Rules is complied with.

**The listing and quotation notice issued by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares is not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its Subsidiaries and their securities. The Sponsor and the SGX-ST assume no responsibility for the correctness of the statements made or reports contained, or opinions expressed, in this Circular.**

---

## LETTER TO SHAREHOLDERS

---

Pursuant to the Catalist Rules, the SGX-ST normally requires a sufficient spread of holdings to provide an orderly market in the securities and as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants. Shareholders should note that in the event permission is not granted by the Sponsor for the listing of and quotation for the Warrants on Catalist due to an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, Warrant holders will not be able to trade their Warrants on Catalist but the Company shall nevertheless proceed with and complete the Rights cum Warrants Issue in such event.

### 1.2. Purpose of the Circular

The purpose of this Circular is to provide Shareholders with information pertaining to the Rights cum Warrants Issue and to seek Shareholders' approval for the proposed resolutions set out in the Notice of EGM as set out on page 36 of this Circular.

## 2. THE RIGHTS CUM WARRANTS ISSUE

### 2.1. Basis of the Rights cum Warrants Issue

The Company is offering to Entitled Shareholders up to 1,312,279,324 Rights Shares at the Issue Price of S\$0.003 per Rights Share and up to 1,312,279,324 free detachable Warrants, with each Warrant carrying the right to subscribe for one (1) Warrant Share at the Exercise Price of S\$0.005 per Warrant Share, on the basis of one (1) Rights Share for every one (1) existing Share held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, and one (1) Warrant for every one (1) Rights Share subscribed.

Entitled Shareholders will be at liberty to accept (in full or in part), or decline, or otherwise renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotment of Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue (the "**Excess Rights Shares with Warrants**").

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders' provisional allotments of Rights Shares and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of Excess Rights Shares with Warrants, preference will be given to Entitled Shareholders in satisfaction of their application for Excess Rights Shares with Warrants, if any, provided that where there are insufficient Excess Rights Shares with Warrants to allot to each application, the Company shall allot the Excess Rights Shares with Warrants to Entitled Shareholders such that preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority. The Company will also not make any allotment and issue of any Excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The Rights Shares with Warrants are payable in full upon acceptance and application by Entitled Shareholders. The Rights Shares with Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares with Warrants.

The Rights cum Warrants Issue is renounceable and Entitled Shareholders who do not wish to subscribe for the Rights Shares with Warrants may sell their Rights during the Rights trading period.

---

## LETTER TO SHAREHOLDERS

---

After taking into consideration the cost of engaging an underwriter and having to pay commission in relation to the underwriting, the Company has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Substantial Shareholders (if such Substantial Shareholder chooses to subscribe for its *pro-rata* Rights Shares with Warrants entitlement and/or apply for Excess Rights Shares with Warrants) to avoid placing the relevant Substantial Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlements fully.

### 2.2. Size of Rights cum Warrants Issue

As at the Latest Practicable Date, the Existing Share Capital comprises 1,312,279,324 Shares. The Company does not have any outstanding convertible securities.

Based on the Existing Share Capital and assuming that (1) no new Shares are issued on or prior to the Books Closure Date; and (2) all of the Entitled Shareholders subscribe and pay for their *pro-rata* entitlements of Rights Shares with Warrants in full and subsequently exercise all their Warrants (the “**Maximum Subscription Scenario**”), the Company will issue 1,312,279,324 Rights Shares and 1,312,279,324 Warrants Shares under the Rights cum Warrants Issue.

### 2.3. Principal Terms of the Rights Shares

**Number of Rights Shares** : Up to 1,312,279,324 Rights Shares (with up to 1,312,279,324 free detachable Warrants).

**Basis of Provisional Allotment** : The Rights cum Warrants Issue is made on a renounceable basis to Entitled Shareholders on the basis of one (1) Rights Share for every one (1) existing Share held by Entitled Shareholders as at the Books Closure Date, and one (1) Warrant given for every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

**Issue Price** : S\$0.003 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price represents a discount of approximately 40% to the last traded price of S\$0.005 for Shares traded on the Catalist on 31 March 2015, being the Market Day immediately preceding the Announcement on which Shares were traded on the Catalist.

**Eligibility to participate** : Please refer to Section 2.5 entitled “Eligibility of Shareholders to Participate in the Rights cum Warrants Issue” of this Circular.

**Status of the Rights Shares** : The Rights Shares are payable in full upon acceptance and application, and when allotted and issued, will rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

**Listing of the Rights Shares** : The Company has on 13 April 2015 obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist. The Rights Shares, the Warrants and the Warrant Shares will be admitted on Catalist after the certificates relating thereto have been issued and the allotment letters from CDP have been despatched.

---

## LETTER TO SHAREHOLDERS

---

The listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist are in no way reflective of and are not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its Subsidiaries and their securities.

### **Acceptance and Excess Application**

- : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or in the case of Entitled Depositors, trade their provisional allotments of Rights Shares on Catalist during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Provisional allotments which are not taken up for any reason shall be aggregated and used to satisfy Excess Applications (if any) or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and that Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

### **Trading of the Rights Shares**

- : Upon the listing and quotation of the Rights Shares on the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise of 100 Shares.

### **Scaling Down**

- : Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Substantial Shareholders (if such Substantial Shareholder chooses to subscribe for its *pro-rata* Rights Shares with Warrants entitlement) to avoid placing the relevant Substantial Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlement fully.

---

## LETTER TO SHAREHOLDERS

---

**Use of CPF Funds** : Persons who have previously bought their Shares under the CPFIS – Ordinary Account (“**CPFIS Shareholders**”), can only use, subject to applicable CPF rules and regulations, their CPF account savings (“**CPF Funds**”) for the payment of the Issue Price to subscribe for the Rights Shares and (if applicable) apply for excess Rights Shares. CPFIS Shareholders who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved banks, where such CPFIS Shareholders hold their CPF Investment Accounts, to accept the provisional allotments of Rights Shares and (if applicable) apply for the excess Rights Shares on their behalf in accordance with the Offer Information Statement. In the case of insufficient CPF funds or stock limit, CPFIS Shareholders could top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Shares and (if applicable) apply for excess Rights Shares. Any application made directly to the CDP or through ATMs will be rejected. CPF Funds cannot, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

**Governing Law** : Laws of the Republic of Singapore.

### 2.4. Principal Terms of the Warrants

**Number of Warrants** : Up to 1,312,279,324 Warrants to be issued free together with the Rights Shares.

**Basis of Allotment** : One (1) free detachable Warrant with every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

**Detachability and Trading** : The Warrants will be detached from the Rights Shares on issue and will be listed and traded separately on the SGX-ST under the book-entry (scripless) settlement system upon the listing and quotation of the Warrants on the SGX-ST, subject to, *inter alia*, an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other number as may be notified by the Company.

**Listing of the Warrants and the Warrant Shares** : The Company has on 13 April 2015 obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist. The Rights Shares, the Warrants and the Warrant Shares will be admitted on Catalist after the certificates relating thereto have been issued and the allotment letters from CDP have been despatched.

The listing and quotation notice granted by the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on Catalist are in no way reflective of and are not to be taken as an indication of the merits of the Rights cum Warrants Issue, the Rights Shares, the Warrants, the Warrant Shares, the Company, its Subsidiaries and their securities.

**However, it should be noted that the Warrants may not be listed and quoted on the SGX-ST if there is an insufficient spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, Warrantholders will not be able to trade their Warrants on the SGX-ST.**

---

## LETTER TO SHAREHOLDERS

---

**Form and subscription rights** : The Warrants will be issued in registered form and will be constituted by the Deed Poll. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warranholder, at any time during the Exercise Period, to subscribe for one (1) new Share at the Exercise Price in force on the relevant date of exercise of the Warrants.

**Exercise Price** : S\$0.005 for each Warrant Share on the exercise of a Warrant.

**Exercise Period** : The Warrants may be exercised at any time from and including the date of the issue of the Warrants up to 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Members and/or Register of Warranholders of the Company is closed or is not a Market Day, in which event the Exercise Period shall end on the date prior to the closure of the Register of Members or the immediately preceding Market Day, as the case may be, but excluding such period(s) during which the Register of Warranholders may be closed pursuant to the terms and conditions of the Warrants as set out in the Deed Poll. Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.

Notice of expiry of the Warrants shall be given to all Warranholders at least one (1) month before the Expiry Date.

**Mode of payment for exercise of Warrants** : Warranholders who exercise their Warrants must pay the Exercise Price by way of (i) remittance in Singapore currency by banker's draft or cashier's order drawn on a bank in Singapore in favour of the Company for the full amount of the Exercise Price payable in respect of the Warrants exercised; or (ii) by debiting the relevant Warranholder's CPF Investment Account with the specified CPF Approved Bank, for the credit of the Company for the full amount of the Exercise Price payable in respect of the Warrants exercised.

**Adjustments** : The Exercise Price and the number of Warrants to be held by each Warranholder will be subject to adjustments under certain circumstances provided for in the terms and conditions of the Warrants as set out in the Deed Poll.

Such circumstances include, without limitation, consolidation, subdivision or conversion of the Shares, capitalisation issues, rights issues and certain capital distributions.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* with the Warrants and will for all purposes form part of the same series. Any such adjustments shall (unless otherwise provided under the rules of the SGX-ST from time to time) be announced by the Company on the SGXNET.

**Status of Warrant Shares** : The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares, save that they will not be entitled to participate in any dividends, rights, allotments or other distributions, that may be declared or paid, the Record Date for which falls before the date of exercise of the Warrants.



---

## LETTER TO SHAREHOLDERS

---

### **Modifications**

- : The Company may, without the consent of the Warrantheolders but in accordance with the terms and conditions of the Deed Poll, effect modifications to the terms and conditions of the Deed Poll including, without limitation, the terms and conditions of the Warrants, which, in the opinion of the Company, (i) is not materially prejudicial to the interests of the Warrantheolders or is of a formal, technical or minor nature; (ii) is to correct a manifest error or to comply with mandatory provisions of Singapore law; or (iii) is to vary or replace provisions relating to the transfer or exercise of the Warrants, including the issue of Warrant Shares arising from the exercise thereof or meetings of Warrantheolders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST.

Any such modification shall be binding on all Warrantheolders and all persons having an interest in the Warrants and shall be notified to them in accordance with the terms and conditions of the Warrants as set out in the Deed Poll, as soon as practicable thereafter.

Without prejudice to any provision of the Deed Poll, any material alteration in the terms and conditions of the Warrants to the advantage of the Warrantheolders is subject to the approval of Shareholders except where the alterations are made pursuant to the terms and conditions of the Warrants as set out in the Deed Poll.

### **Transfer and Transmission**

- : The Warrants shall be transferable in lots entitling Warrantheolders to subscribe for whole numbers of Warrant Shares. A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants set out in the Deed Poll including, *inter alia*, the following:

- (i) Lodgement of Certificates and Transfer Forms – a Warrantheolder whose Warrants are registered in his own name (the “**Transferor**”) shall lodge, during normal business hours on any Business Day so as to be received at the specified office of the Warrant Agent, the Transferor's warrant certificate(s) together with an instrument of transfer (the “**Transfer Form**”) duly completed and signed by, or on behalf of, the Transferor and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll provided that the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to it;

---

## LETTER TO SHAREHOLDERS

---

- (ii) Deceased Warrantholder – the executors and administrators of a deceased Warrantholder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders whose Warrants are registered otherwise than in the name of CDP) or if the Warrantholder is CDP, of a deceased Depositor, and, in the case of one or more of several such joint Warrantholders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having title to Warrants registered in the name of a deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and the payment of the fees and expenses set out in the Deed Poll, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased holder could have made;
- (iii) Warrants registered in the name of CDP – where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry; and
- (iv) Effective Date of Transfer – A Transferor or Depositor, as the case may be, shall be deemed to remain a holder of the Warrant until the name of the transferee is entered in the Register of Warrantholders by the Warrant Agent or the Depository Register by CDP, as the case may be.

### **Winding-up**

- : Where there is a members' voluntary winding-up of the Company (other than a winding-up for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement approved by the Warrantholders by way of an extraordinary resolution), the Warrantholders shall be entitled upon and subject to the conditions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company, elect to be treated as if they had immediately prior to the commencement of such winding-up exercised the Warrants and had on such date been the holders of the Shares to which they would have been entitled pursuant to such exercise, and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the Warrantholders in accordance with the conditions of the Deed Poll of the passing of any such resolution within seven (7) business days after the passing thereof. Where a Warrantholder has elected to be treated as if it had exercised its Warrants as aforesaid, it shall be liable to pay the Exercise Price in relation to such exercise.

Subject to the foregoing, if the Company is wound up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and cease to be valid for any purpose.



---

## LETTER TO SHAREHOLDERS

---

- Further Issues** : Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and to issue further subscription rights, upon such terms and conditions as the Company sees fit but the Warrant holders shall not have any participating rights in such further issues of Shares or subscription rights unless otherwise resolved by the Company in general meeting.
- Use of CPF Funds** : CPF members may use their savings in the CPF Ordinary Account (subject to the availability of investible savings) for the payment of the Exercise Price upon exercise of the Warrants (in which case the Warrant Shares arising therefrom will be held through the CPF Investment Account). CPF members are NOT permitted to use the CPF monies to:
- (i) purchase the “nil-paid” rights traded on SGX-ST; and/or
  - (ii) purchase the Warrants traded on SGX-ST (the listing thereof subject to there being a sufficient spread of holdings).
- Warrant Agent** : B.A.C.S. Private Limited
- Governing Law** : Laws of the Republic of Singapore

The above terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights cum Warrants Issue will be set out in the Offer Information Statement to be despatched to Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Rights cum Warrants Issue at the EGM.

### 2.5. Eligibility of Shareholders to Participate in the Rights cum Warrants Issue

#### **Entitled Shareholders**

Entitled Shareholders will be entitled to participate in the Rights cum Warrants Issue and to receive the Offer Information Statement together with the AREs or PALs, as the case may be, and other accompanying documents at their respective Singapore addresses.

Entitled Depositors who do not receive the Offer Information Statement and the AREs may obtain them from CDP, the Share Registrar or any stockbroking firm during the period up to the Closing Date. Entitled Scripholders who do not receive the Offer Information Statement and the PALs may obtain them from the Share Registrar during the period up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares with Warrants under the Rights cum Warrants Issue on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or trade on Catalist during the provisional allotment trading period prescribed by the SGX-ST, in full or in part their provisional allotments of Rights Shares with Warrants and are eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue. For avoidance of doubt, only Entitled Shareholders (and not the purchasers of the renounces) shall be entitled to apply for additional Rights Shares with Warrants in excess of their provisional allotments.

**All dealings in, and transactions of, the provisional allotments of Rights Shares with Warrants through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.**

---

## LETTER TO SHAREHOLDERS

---

### **Entitled Depositors**

**Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP.** Entitled Depositors are reminded that they must have registered addresses in Singapore with CDP as at the Books Closure Date or if they have registered addresses outside Singapore, they must provide CDP, at 9 North Buona Vista Drive, #1-19/20 The Metropolis, Singapore 138588, with addresses in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) Market Days prior to the Books Closure Date, in order to receive their provisional allotments of Rights Shares.

### **Entitled Scripholders**

**Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Company.** Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach B.A.C.S. Private Limited at 63 Cantonment Road, Singapore 089758 not later than 5.00 p.m. on the date being three (3) Market Days before the Books Closure Date.

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12th) Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

### **Foreign Shareholders**

The Offer Information Statement and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than in Singapore. The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Offer Information Statement and its accompanying documents will not be despatched to Foreign Shareholders.

**Accordingly, Foreign Shareholders will not be entitled to participate in the Rights cum Warrants Issue. No provisional allotment of Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application therefore by Foreign Shareholders will be valid.**

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the provisional allotments of Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares with Warrants renounced to him. The Company further reserves the right to reject any acceptances of the Rights Shares with Warrants and/or any application for excess Rights Shares with Warrants where it believes, or has reason to believe, that such acceptance or application may violate the applicable legislation of any jurisdiction.

The Company reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Warrant Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports

---

## LETTER TO SHAREHOLDERS

---

to exclude any deemed representation or warranty. The Company further reserves the right to reject any acceptances of the Warrants and/or applications for excess Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

Foreign Shareholders who wish to be eligible to participate in the Rights cum Warrants Issue may by 5.00 p.m. on the date being three (3) Market Days prior to the Books Closure Date, provide to CDP or the Share Registrar, B.A.C.S. Private Limited at 63 Cantonment Road, Singapore 089758, as the case may be, addresses in Singapore for the service of notices and documents.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotment of Rights Shares with Warrants commence and the net proceeds therefrom will be dealt with in accordance with the terms set out in the Offer Information Statement to be issued by the Company for the Rights cum Warrants Issue.

If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be used to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders.

**Notwithstanding the above, Entitled Shareholders and any other person having possession of the Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.**

The procedures for, and the terms and conditions applicable to, the acceptance, renunciation and/or sale of the provisional allotments of the Rights Shares with Warrants and for Excess Application for the Rights Shares with Warrants pursuant to the Rights cum Warrants Issue will be set out in the Offer Information Statement to be despatched by the Company to Entitled Shareholders in due course.

### **2.6. Rationale of the Rights cum Warrants Issue and Use of Proceeds**

The Company undertook a rights issue exercise in 2012 (the “**2012 Rights Issue**”), the terms and conditions of which were contained in the Company’s offer information statement dated 19 December 2012 (the “**2012 OIS**”) and the change in the use of proceeds arising from the 2012 Rights Issue as announced by the Company on 12 June 2013 (the “**12 June 2013 Announcement**”). In accordance with the 2012 OIS and 12 June 2013 Announcement, the net proceeds from the 2012 Rights Issue have been utilised for the purposes of funding (i) the operations of the Company’s Subsidiaries; (ii) general working capital and; (iii) the purchase of a leasehold property located at 38 Kallang Place, Singapore 339166; and the remaining was invested in a mutual fund with a carrying value of approximately S\$0.04 million as at 28 February 2015. The Company is undertaking the present Rights cum Warrants Issue to strengthen the financial position and capital base of the Group. The Rights cum Warrants Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company, and will allow the Group to be less reliant on external sources of funding, thereby potentially incurring fewer expenses related to external funding, for future expansion both in and outside Singapore.

---

## LETTER TO SHAREHOLDERS

---

In the event of the Maximum Subscription Scenario, the Rights cum Warrants Issue is expected to raise net proceeds of approximately S\$3.7 million from the issuance of the Rights Shares which is expected to be received by the Company in the second half of the financial year ending 31 December 2015. The additional proceeds arising from the exercise of all of the Warrants is approximately S\$6.6 million.

The Company believes that the Issue Price of S\$0.003 for each Rights Share is attractive, and in the reasonable opinion of the Directors, there is no minimum amount that needs to be raised from the Rights cum Warrants Issue taking into consideration the intended use of proceeds.

For the purposes of Rule 814(1)(e) of the Catalist Rules, the Directors are of reasonable opinion that the present bank facilities and currently available working capital of the Group is sufficient to meet its present requirements.

The Directors wish to highlight that as the Group's core businesses require high internal working capital, the Directors, together with the management team, constantly undertake reviews of the Group's operating models, strategies and planning processes to enable it to enhance its competitiveness and market presence. These reviews may, where applicable and appropriate, include various measures like raising of financing via debt or equity (issuance of new Shares pursuant to placements or rights issues) or quasi-equity instruments, acquisitions of suitable businesses to strengthen the Group's existing businesses and earnings base as well as restructuring (including but not limited to acquisitions or disposals) of existing businesses or assets within the Group.

While the Directors are reasonably positive that the measures can be achieved, there is no assurance of success as they are subject to acceptable terms and conditions, Shareholders' approval as well as market conditions. Therefore, the success of the Rights cum Warrants Issue is an important measure to strengthen the financial position and capital base of the Group. Please refer to paragraph below on the intended use of proceeds for further information.

After taking into consideration the present bank facilities and the net proceeds of the Rights cum Warrants Issue, the working capital available to the Group is sufficient to meet its present requirements.

As announced by the Company on 27 March 2015 on the receipt of a notice of termination from a customer of one of the Company's Subsidiaries, the Subsidiary is seeking advice on the validity and merits of the said notice of termination. The Subsidiary will take all appropriate steps to resolve the matter via amicable negotiations and if necessary, initiate arbitration proceedings, which is likely to take about 1 to 2 years from commencement before an award is given. Please refer to paragraph 12 of this Circular for further information in this regard.

The intended use of the net proceeds (in the following order of priority) are set out below:

<b>Use of Proceeds</b>	<b>Percentage allocation</b>
a. To fund general corporate activities including, but not limited to, acquisitions, joint ventures and/or for strategic alliances	30%
b. General working capital <sup>(1)</sup>	70%
<b>Net proceeds arising from the Rights cum Warrants Issue</b>	<b>100%</b>

Notes:

- (1) The Directors intend to allocate the net proceeds available for general working capital purposes as follows: 50% for payments to suppliers and 50% for operating expenses. A further breakdown of the operating expenses is as follows: approximately 45% for salaries and Directors' fees; approximately 30% for legal and professional fees; and approximately 25% for rental, utilities and others.

---

## LETTER TO SHAREHOLDERS

---

The additional proceeds arising for the exercise of all of the Warrant is approximately S\$6.6 million. As and when the Warrants are exercised, the proceeds arising therefrom may, at the discretion of the Directors, be applied towards expanding the business of the Group, financing new business ventures through acquisitions and/or strategic investments, working capital and/or such other purposes as the Directors may deem fit. Pending the deployment of the net proceeds raised from the Rights cum Warrants Issue, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities, as the Directors may, in their absolute discretion, deem fit.

The Company will make periodic announcements on the use of the proceeds from the Rights cum Warrants Issue as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights cum Warrants Issue in the Company's annual reports and results announcement until such time the proceeds have been fully utilised.

### 2.7. Books Closure Date

Subject to the Shareholders' approval of the Rights cum Warrants Issue at the EGM, the Books Closure Date for the purpose of determining the Entitled Shareholders' entitlements under the Rights cum Warrants Issue will be announced at a later date.

### 3. INDICATION OF INTEREST

As at the Latest Practicable Date, Mr. Edwin Sugiarto has a direct and/or deemed interest in 108,269,800 Shares, representing approximately 8.25% of the Existing Share Capital.

To demonstrate his support for the Rights cum Warrants Issue, Mr. Edwin Sugiarto has indicated his interest to the Board to subscribe and pay for, and/or procure the subscription and payment for, his *pro-rata* entitlement of 108,269,800 Rights Shares with Warrants under the Rights cum Warrants Issue.

**Shareholders should note that this indication of interest does not amount to an irrevocable undertaking by Mr. Edwin Sugiarto to take up his *pro-rata* entitlement under the Rights cum Warrants Issue.**

### 4. FINANCIAL INFORMATION OF THE GROUP

The financial statements of the Group (the consolidated statements of income, financial position and cash flow) and the working capital position for FY2012, FY2013 and FY2014, as well as the review thereof, are set out under "Financial Information of the Group" of this Circular.

### 5. FINANCIAL EFFECTS OF THE RIGHTS CUM WARRANTS ISSUE

For illustrative purposes only and based on the latest audited consolidated financial statements of the Group, the consolidated financial effects of the Rights cum Warrants Issue are set out below, assuming the Maximum Subscription Scenario.

The analysis below has been prepared solely for illustrative purposes only and does not purport to be indicative or a projection of the results and financial position of the Company and the Group after the completion of the Rights cum Warrants Issue.

---

## LETTER TO SHAREHOLDERS

---

### 5.1. Share Capital

The effect of the Rights cum Warrants Issue on the share capital of the Company as at the Latest Practicable Date is as follows:

	<b>Number of Shares</b>
Existing Share Capital	1,312,279,324
Add: Rights Shares to be issued	1,312,279,324
Issued Share Capital after the issuance of the Rights Shares	2,624,558,648
Add: New Shares rising from the conversion of all the Warrants <sup>(1)</sup>	1,312,279,324
Enlarged share capital after the Rights cum Warrants Issue upon exercise of all the Warrants	<u>3,936,837,972</u>

**Note:**

(1) Assuming that there is no adjustment to the number of Warrants.

### 5.2 NTA

The effect of the Rights cum Warrants Issue on the NTA of the Group based on the consolidated statement of financial position as at FY2014 is as follows:

As at FY2014

**Before the Rights cum Warrants Issue**

NTA as at FY2014 (S\$'000)	9,078
Number of Shares in issue as at FY2014	1,312,279,324
After the issue of the Rights Shares	
Add: Net proceeds from the issue of the Rights Shares (S\$'000)	3,737
NTA after the issue of the Rights Shares (S\$'000)	12,815
Number of Shares after the issue of the Rights Shares	2,624,558,648
NTA per Share after the issue of the Rights Shares (S\$ cents)	0.49

**After the issue of the Rights Shares and the exercise of all the Warrants**

NTA after the issue of the Rights Shares and the exercise of all the Warrants (S\$'000)	19,376
Number of Shares after the issue of the Rights Shares and the exercise of all the Warrants	3,936,837,972
NTA per Share after the issue of the Rights Shares and the exercise of the Warrants (S\$ cents)	0.49

### 5.3 EPS

The enlarged share capital of the Company following the Rights cum Warrants Issue may have a dilutive effect on the EPS in the event future earnings do not increase to a level that commensurates with the earnings dilution arising from the enlarged share capital of the Company. The future effect of the Rights cum Warrants Issue on the Group's earnings will in turn depend on the returns earned from such deployment of the net proceeds from the Rights Issue and is not determinable at this point in time.



---

## LETTER TO SHAREHOLDERS

---

The effect of the Rights cum Warrants Issue on the EPS of the Group based on the consolidated income statement for FY2014 is as follows:

<b>Loss attributable to Shareholders for FY2014 (S\$'000)</b>	12,037
Number of Shares in issue as at FY2014	1,312,279,324
<b>LPS for FY2014 (before the Rights Issue) (S\$ cents)</b>	0.92
Number of Shares after the issue of the Rights Shares	2,624,558,648
<b>Adjusted LPS after adjusting for the issue of the Rights Shares (S\$ cents)<sup>(1)</sup></b>	0.46
Number of Shares after the issue of the Rights Shares and the exercise of all the Warrants	3,936,837,972
<b>Adjusted LPS after adjusting for the issue of the Rights Shares and the exercise of all the Warrants (S\$ cents)<sup>(1)</sup></b>	0.31

**Note:**

- (1) The adjusted LPS after adjusting for the issue of Rights Shares and for the issue of Right Shares and exercise of Warrants was calculated on the assumption that the Right Shares were in issue and the Warrants were exercised at the beginning of FY2014 and added to the weighted average number of Shares in issue in FY2014. It is also assumed that the consideration from the issue of Rights Shares and exercise of Warrants has no impact on the profit attributable to Shareholders for FY2014.

### 5.4 Gearing

The effect of the Rights cum Warrants Issue on the gearing of the Group, based on the consolidated financial statements of the Group as at FY2014 is as set out below.

Total borrowings <sup>(1)</sup> as at FY2014 (S\$'000)	403
Shareholders' funds <sup>(2)</sup> as at FY2014	9,995
Total capital <sup>(3)</sup> as at FY2014	10,398
Gearing as at FY2014 (times) <sup>(4)</sup>	0.04
<u>Add:</u> Net proceeds from the issue of the Rights Shares (S\$'000)	3,737
Total capital <sup>(3)</sup> after the issue of the Rights Shares	14,135
Gearing after the issue of the Rights Shares (times) <sup>(4)</sup>	0.03
<u>Add:</u> Net proceeds from the exercise of all the Warrants (S\$'000)	6,561
Total capital <sup>(3)</sup> after the exercise of all the Warrants	20,696
Gearing after the exercise of all the Warrants (times) <sup>(4)</sup>	0.02

**Notes:**

- (1) "Total borrowings" mean the amount of liabilities arising from all the borrowings from banks and other financial institutions.
- (2) "Shareholders' funds" means the aggregate of the issued share capital, accumulated losses and other reserves of the Group.
- (3) "Total capital" is computed based on Shareholders' funds plus total borrowings.
- (4) "Gearing" means the ratio of the Group's total borrowings to total capital.

---

## LETTER TO SHAREHOLDERS

---

### 6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained under the provisions of the Act are as follows:

	DIRECT INTEREST		DEEMED INTEREST	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Edwin Sugiarto	108,269,800	8.25	–	–
Nicholas Jeyaraj s/o Narayanan	–	–	–	–
Augustine A/L T.K. James	–	–	–	–
Ong Su Aun Jeffrey	–	–	–	–
N. Sivagurunathan V. Narayanasamy	–	–	–	–
Goh Hin Calm	–	–	–	–

**Note:**

(1) The percentage shareholding interest is based on the Existing Share Capital of 1,312,279,324.

### 7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 36 of this Circular, will be held at Republic of Singapore Yacht Club, Nautica III, Level 2, 52 West Coast Ferry Road, Singapore 126887 on Thursday, 30 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolutions set out in the Notice of EGM.

### 8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the proxy form attached to this Circular in accordance with the instructions printed thereon. The completed and signed proxy form should then be returned as soon as possible and in any event so as to arrive at the Company's registered office at 9 Temasek Boulevard #41-01 Suntec Tower 2, Singapore 038989 not later than 48 hours before the time fixed for the EGM. Shareholders who have completed and returned the proxy form may still attend and vote in person at the EGM, if they so wish, in place of their proxy.

A proxy need not be a Shareholder of the Company.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP, as at 48 hours before the EGM.

### 9. DIRECTORS' RECOMMENDATION

The Directors, having fully considered the purpose of the Rights cum Warrants Issue in Section 2 of this Circular are of the opinion that the approval of the Rights cum Warrants Issue is in the best interest of the Company. The Directors accordingly recommend that Shareholders vote in favour of the ordinary resolution relating thereto to be proposed at the EGM as set out in the Notice of EGM.

### 10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have individually and collectively reviewed and approved the issue of this Circular, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular are fair and accurate in all material aspects and that no material facts have been omitted from this Circular which would make any statement in this Circular misleading, and they jointly and severally accept responsibility accordingly.



---

## LETTER TO SHAREHOLDERS

---

Where any information contained in this Circular has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

### 11. OFFER INFORMATION STATEMENT

An Offer Information Statement will be despatched to Entitled Shareholders subject to, *inter alia*, the approval of Shareholders for the Rights cum Warrants Issue being obtained at the EGM. Acceptances and applications under the Rights cum Warrants Issue can only be made on the following (all of which will form part of the Offer Information Statement):

- (i) the PAL, in the case of Entitled Scripholders;
- (ii) the ARE or through the ATMs of the Participating Banks, in the case of Entitled Depositors; and
- (iii) the ARS or through the ATMs of the participating banks, in the case of persons purchasing provisional allotments of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore.

### 12. MATERIAL LITIGATION

The Company is not, as at the Latest Practicable Date, engaged in any litigation, either as plaintiff or defendant, which might materially or adversely affect the financial position or businesses of the Group.

Save as disclosed below, the Directors are not aware of any litigation, claim or proceeding pending or threatened against the Group or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group taken as a whole.

- (i) On 27 March 2015, the Company announced that one of its subsidiaries, Industrial Power Technology Pte. Ltd. ("**Industrial Power**"), has received a notice of termination dated 26 March 2015 ("**Termination Notice**") in respect of the Engineering, Procurement, Construction & Commissioning Turnkey Contract ("**EPCC Contract**") between Industrial Power and FTJ Bio Power Sdn. Bhd. ("**FTJ**"), incorporated in Malaysia, dated 29 December 2010 on the grounds of alleged breach and default by Industrial Power of certain terms under the EPCC Contract ("**FTJ Claims**").

Industrial Power has sought legal advice in relation to its position on the validity and merits of the Termination Notice and FTJ Claims and has been advised by its solicitors who opined that Industrial Power's position has merits on the FTJ Claims, the Termination Notice and liquidated damages invoices issued by FTJ. Industrial Power has been directed to take all appropriate steps to resolve the matter via amicable negotiation and if necessary, initiate arbitration proceedings at the Kuala Lumpur Regional Centre for Arbitration as provided for in the EPCC Contract. The arbitration proceeding is likely to take about 12 to 24 months from commencement before an award is given.

The EPCC Contract is for the engineering, procurement, construction and commissioning of a Biomass Power Plant ("**Power Plant**") in Malaysia. As at the Latest Practicable Date, Industrial Power has completed the engineering, procurement and construction of the Power Plant which Industrial Power has received approximately S\$29.3 million for (equivalent to RM78.3 million at the current prevailing exchange rate), being approximately 90% of the EPCC Contract's original contract sum. As at 31 December 2014, according to the terms of the EPCC Contract, the exposure of the maximum liquidated damages is approximately S\$6.8 million (equivalent to RM18 million at the current prevailing exchange rate).

---

## LETTER TO SHAREHOLDERS

---

On the basis that (i) the solicitors opined that Industrial Power's position has merits on the FTJ Claims, the Termination Notice and liquidated damages invoices issued by FTJ; and (ii) the matter is still at its preliminary stage and that any awards, arising from arbitration proceedings will only be known in the next 12 to 24 months from the Latest Practicable Date, and (iii) based on the foregoing factors, the outcome of the Termination Notice and FTJ Claims cannot be reliably estimated and the obligation of the liquidated damages are subject to those outcome, hence the Directors are of the opinion that no further provision on the amount owing from FTJ of S\$2.86 million and no provision for liquidated damages invoices issued by FTJ amounting to approximately S\$5.05 million are necessary as at 31 December 2014.

Please refer to the Company's announcement dated 27 March 2015 and the Company's annual report for FY2014 for further information in this regard.

- (ii) As announced by the Company on 4 April 2014 and 29 April 2014, the Company and certain of its Subsidiaries, being Industrial Power Technology Pte Ltd, P.J. Services Pte Ltd and Nu-Haven Incorporated, have provided certain information and documents for the period from 1 January 2011 to 3 April 2014 as required by the Commercial Affairs Department ("CAD") regarding its investigations into an offence under the Securities and Futures Act (Cap. 289). Since then, the Company has been cooperating fully with the CAD in its investigations. On 20 January 2015, the CAD confirmed to the Company's external auditors that its investigations are still ongoing.

As at the Latest Practicable Date, the CAD has not given the Company any details or developments of its investigations and the Directors are not aware of any offence that has been committed by the Company, its Subsidiaries or a Director/ex-Director of the Company.

The business and day-to-day operations of the Group are not affected by the investigations and have continued as normal.

Please refer to the Company's announcements dated 4 April 2014, 29 April 2014 and the Company's annual report for FY2014 for further information in this regard.

### 13. MATERIAL CONTRACTS

Save as disclosed below, neither the Company nor any of its Subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years preceding the Latest Practicable Date.

In 2014, the Company together with a third party has issued joint and several corporate guarantees to an insurance company and banks for advance payment security, performance security and certain banking facilities of S\$17.30 million for a project of a subsidiary.

### 14. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours from the date of this Circular to the time and date of the EGM:

- (i) the Memorandum and Articles of Association of the Company; and
- (ii) the annual reports of the Company for FY2012, FY2013 and FY2014.

Yours faithfully  
For and on behalf of the Board  
**ANNICA HOLDINGS LIMITED**

Edwin Sugiarto  
Chairman and Executive Director

## FINANCIAL INFORMATION OF THE GROUP

### A. Consolidated Income Statements

The audited consolidated income statements of the Group for FY2012, FY2013 and FY2014 are set out below:

	FY2012 S\$'000 Audited	FY2013 S\$'000 Audited	FY2014 S\$'000 Audited
<b>Revenue</b>	16,958	37,421	28,971
Cost of sales	(14,292)	(32,305)	(26,213)
Gross profit	2,666	5,116	2,758
Other income	7,451	461	193
Selling and distribution expenses	(310)	(676)	(568)
Administrative and general expenses	(3,430)	(5,575)	(5,654)
Other expenses	(2,499)	(13,213)	(11,265)
Finance costs	(37)	(25)	(78)
Share of loss of associated companies	–	(117)	(5)
<b>Profit/(loss) before income tax</b>	<b>3,841</b>	<b>(14,029)</b>	<b>(14,619)</b>
Income tax (expenses)/credit	(15)	53	127
<b>Net profit/(loss) for the financial year</b>	<b>3,826</b>	<b>(13,976)</b>	<b>(14,492)</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Currency translation differences arising from consolidation	(61)	(193)	28
Fair value gains/(loss) on available-for-sale financial assets	4,712	(3,238)	(266)
Reclassification adjustment on disposal of available-for-sale financial assets	(689)	(137)	(301)
<b>Other comprehensive income/(loss), net of tax</b>	<b>3,962</b>	<b>(3,568)</b>	<b>(539)</b>
<b>Total comprehensive income/(loss)</b>	<b>7,788</b>	<b>(17,544)</b>	<b>(15,031)</b>
<b>Net profit/(loss) attributable to:</b>			
Equity holders of the Company	3,709	(13,747)	(12,037)
Non-controlling interests	117	(229)	(2,455)
	<b>3,826</b>	<b>(13,976)</b>	<b>(14,492)</b>
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Company	7,671	(17,315)	(12,576)
Non-controlling interests	117	(229)	(2,455)
	<b>7,788</b>	<b>(17,544)</b>	<b>(15,031)</b>
<b>Earnings/(loss) per share attributable to equity holders of the Company</b>			
- Basic and diluted (in cents)	0.63	(1.07)	(0.92)

---

## FINANCIAL INFORMATION OF THE GROUP

---

A review of the operations, business and financial performance of the Group is set out below:

### **FY2013 vs FY2012**

#### Revenue and Gross Profit

The Group posted revenue of S\$37.42 million in FY2013, which was an increase of S\$20.46 million in the Group's revenue from that of S\$16.96 million in FY2012, with the biomass project segment making its maiden contribution representing 69% of the Group's revenue. Revenue from oil and gas equipment and engineering services businesses, which made up 28% and 3% respectively of the Group's, was lower during FY2013 as a result of the slowdown in demands in the oil and gas industry. Geographically, the Group continues to serve its customers in the Asia Pacific region through its operations in Singapore, Malaysia, Indonesia and Thailand. Gross profit reported in FY2013 amounted to S\$5.12 million which was an increase of S\$2.45 million from S\$2.67 million in FY2012, mainly contributed by the biomass project segment and higher margin in the oil and gas equipment and engineering services segments. Overall gross margin for the Group was 14%, which is 2% lower than that of 16% in FY2012 as the Group stayed price-competitive in the respective business segments.

#### Other income

Other income of S\$0.46 million in FY2013 was from commission and miscellaneous income and bargain purchase from the acquisition of a subsidiary. Lower trading gains and decrease in unrealised fair value gains adjustments on financial assets arising from declines in share prices of financial assets held by the Group explained the decrease in other income of S\$6.99 million compared to that of S\$7.45 million in FY2012.

#### Selling and distribution expenses

The higher selling and distribution expenses of S\$0.68 million in FY2013 compared to S\$0.31 million incurred in FY2012 remained comparable at 2% of total revenue.

#### Administrative and general expenses

The Group's administrative and general expenses rose from S\$3.43 million in FY2012 to S\$5.58 million in FY2013. The increase of S\$2.15 million was mainly a result of the inclusion of the expenses of subsidiaries acquired in FY2013.

#### Other expenses

Included in other expenses of S\$13.21 million in FY2013 were impairment loss adjustment, unrealised fair value loss and trading losses on investments in financial assets due to declines in quoted market prices of the equity securities held by the Group. During FY2013, the Group also recorded impairment loss adjustment and amortisation of intangible assets associated with the acquisitions of subsidiaries. The amount of S\$2.50 million reported in FY2012 arose from the impairment loss adjustment on intangible assets and foreign exchange loss.

#### Finance costs

Finance costs of S\$0.03 million in FY2013 were from interest expenses on bank borrowings, trust receipts and finance leases.

#### Share of loss of associated companies

The Group's share of loss of associated companies arose from losses incurred by an associate in FY2013.

#### Income tax credit

Income tax credit comprised mainly adjustment for overprovision of income tax of a subsidiary.

---

## FINANCIAL INFORMATION OF THE GROUP

---

### Net loss for FY2013

The Group reported net loss of S\$13.98 million for FY2013 compared to FY2012's net profit of S\$3.83 million. The net loss arose mainly from increases in expenses, decrease in other income and share of loss of associated companies partially offset by overprovision of corporate income tax.

### FY2014 vs FY2013

#### Revenue and Gross Profit

The Group posted revenue of S\$28.97 million in FY2014 with the biomass projects segment contributed 65% to the Group's revenue while the oil and gas equipment and engineering services segments made up 33% and 2%, respectively, of the revenue of the Group. The slow-down in the number of biomass contracts secured, customers' delay in procuring project financing and the depressed oil prices dampening the businesses in the oil and gas industry were the contributing factors to the decrease of 23% or S\$8.45 million in the Group's revenue from that of S\$37.42 million in FY2013. Geographically, the Group continues to serve its customers in the Asia Pacific region through its operations in Singapore, Malaysia, Indonesia and Thailand. Gross profit was set back by S\$2.36 million from S\$5.12 million in FY2013 to S\$2.76 million in FY2014 due to the decrease in revenue and cost overruns from project delays. On an overall basis, gross margin was reduced to 10% in FY2014 from 14% in FY2013 as a result of the lower margin from the biomass projects segment whereas the oil and gas equipment and engineering services segments maintained their gross margin throughout FY2014.

#### Other income

Other income of S\$0.19 million in FY2014 comprised interest received and agency and commission income. There was a decrease of S\$0.27 million compared to S\$0.46 million in FY2013 due to lower commission received in FY2014 and a one-off gain on bargain purchase on acquisition of a subsidiary recorded in FY2013.

#### Selling and distribution expenses

In FY2014, the Group's selling and distribution expenses of S\$0.57 million were maintained at approximately 2% of the total revenue. This explained the decrease of S\$0.11 million from S\$0.68 million incurred in FY2013.

#### Administrative and general expenses

The Group's administrative and general expenses rose from S\$5.58 million in FY2013 to S\$5.65 million in FY2014, a marginal increase of S\$0.07 million arising from higher staff cost.

#### Other expenses

Other expenses decreased by S\$1.94 million from S\$13.21 million in FY2013 to S\$11.27 million in FY2014. Included in FY2014's other expenses were amortisation of and impairment loss on intangible assets associated with customers' contracts, unrealised fair value adjustments on and trading loss from investments in financial assets due to declines in quoted market prices of the equity securities held by the Group, foreign exchange loss and allowance made on slow-moving inventories and doubtful receivables. The management undertook a review of overdue debts and construction contracts alongside project delays and cost overruns and made allowance for doubtful debts based on prudent judgement.

#### Finance costs

Finance costs of S\$0.08 million in FY2014 were from interest expenses on bank borrowings, trust receipts and finance leases. The higher interest of S\$0.05 million compared to that of S\$0.03 million in FY2013 was from short-term bank facilities taken up during FY2014.

## FINANCIAL INFORMATION OF THE GROUP

### Share of loss of associated companies

The Group's share of loss of associated companies arose from losses incurred by an associate in FY2014.

### Income tax credit

Income tax credit comprised mainly adjustment for overprovision of income tax of a subsidiary.

### Net loss for FY2014

The Group reported net loss of S\$14.49 million for FY2014, an increase of S\$0.51 million from FY2013's loss of S\$13.98 million. The increase in net loss arose mainly from lower revenue, gross profit and other income partially offset by net decrease in operating and other expenses as discussed above, lower share of loss of associated companies and adjustment for overprovision of corporate income tax.

## B. Consolidated Statement of Financial Position

The audited consolidated statement of financial position of the Group as at FY2012, FY2013 and FY2014 are set out below:

	As at FY2012 S\$'000 Audited	As at FY2013 S\$'000 Audited	As at FY2014 S\$'000 Audited
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4,183	2,050	3,100
Fixed deposits	483	1,784	291
Trade and other receivables	11,407	17,587	10,647
Inventories	1,333	1,861	829
Financial assets, at fair value through profit or loss	8,636	1,411	227
	26,042	24,693	15,094
<b>Non-current assets:</b>			
Investments in subsidiaries	–	–	–
Investments in associated companies	31	49	44
Available-for-sale financial assets	6,864	2,365	639
Property, plant and equipment	665	3,671	3,412
Deferred income tax asset	12	–	–
Trade receivables	122	130	112
Intangible assets	11,032	6,187	24
	18,726	12,402	4,231
<b>Total assets</b>	<b>44,768</b>	<b>37,095</b>	<b>19,325</b>

## FINANCIAL INFORMATION OF THE GROUP

	As at FY2012 S\$'000 Audited	As at FY2013 S\$'000 Audited	As at FY2014 S\$'000 Audited
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11,745	11,682	9,782
Borrowings	488	645	89
Current income tax liabilities	377	229	31
	12,610	12,556	9,902
<b>Non-current liabilities</b>			
Borrowings	219	406	314
Deferred income tax liabilities	–	–	7
	219	406	321
<b>Total liabilities</b>	<b>12,829</b>	<b>12,962</b>	<b>10,223</b>
<b>Net assets</b>	<b>31,939</b>	<b>24,133</b>	<b>9,102</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	44,659	54,224	54,224
Accumulated losses	(16,803)	(30,550)	(42,587)
Other reserves	2,465	(1,103)	(1,642)
	30,321	22,571	9,995
Non-controlling interests	1,618	1,562	(893)
<b>Total equity</b>	<b>31,939</b>	<b>24,133</b>	<b>9,102</b>

### FY2013 vs FY2012

#### Current assets

Current assets of the Group totalled S\$24.69 million as at FY2013. The decrease of S\$1.35 million from S\$26.04 million as at FY2012 was primarily from decreases in cash and cash equivalent and financial assets, at fair value through profit or loss following unrealised fair value loss adjustments partially offset by increases in fixed deposits and inventories, higher trade receivables and deposit for insurance bond for performance guarantee. The investments in the financial assets, comprising listed equity securities, were stated at quoted market price as at the respective dates.

#### Non-current assets

As at FY2013, the Group's non-current assets was S\$12.40 million comprising investments in available-for-sale financial assets and associates, long-term trade receivables and property, plant and equipment as well as intangible assets associated with the acquisitions of subsidiaries. During FY2013, the Group acquired leasehold properties in Singapore and Malaysia which explained the increase in property, plant and equipment. Declines in quoted market prices of equity securities and impairment loss adjustment and amortisation of intangible assets led to the net decrease of S\$6.33 million from the Group's non-current assets of S\$18.73 million as at FY2012.

#### Current liabilities

The Group reported current liabilities of S\$12.56 million as at FY2013 which was a decrease of S\$0.05 million from S\$12.61 million as at FY2012. Adjustment for overprovision of income tax liabilities and lower trade payables were partially offset by borrowings taken up on the purchase of leasehold properties and a motor vehicle.



---

## FINANCIAL INFORMATION OF THE GROUP

---

### Non-current liabilities

Non-current liabilities of the Group increased from S\$0.22 million as at FY2012 to S\$0.41 million as at FY2013 as a result of the non-current portion of the finance lease and borrowings taken up during FY2013.

### Shareholders' equity

Capital and reserves attributable to equity holders of the Company was S\$22.57 million as at FY2013. This was a decrease of S\$7.75 million from S\$30.32 million as at FY2012 as a result of the net loss for FY2013 and unrealised fair value loss adjustment on investments in available-for-sale financial assets, partially offset by capital raised from a rights issue exercise completed during FY2013.

### **FY2014 vs FY2013**

#### Current assets

Current assets of the Group totalled S\$15.09 million as at FY2014. The decrease of S\$9.60 million from S\$24.69 million as at FY2013 was primarily from the decrease in investments in financial assets, at fair value through profit or loss following disposal and unrealised fair value loss adjustments, lower trade and other receivables from collections and allowance made for doubtful receivables and decrease in inventories from stricter inventory management and write-down of slow-moving inventories. The Group's investments in financial assets, comprising listed equity securities, were stated at quoted market price as at the respective dates.

#### Non-current assets

The Group's non-current assets were S\$4.23 million as at FY2014 which included investments in available-for-sale financial assets and associated companies, long-term trade receivables and property, plant and equipment. Disposal of the financial assets and declines in the quoted market prices resulting in unrealised fair value loss adjustments made to the Group's investment portfolio, depreciation charge on property, plant and equipment and amortisation of and impairment loss on intangible assets associated with customers' contracts led to the net decrease of S\$8.17 million from the Group's non-current assets of S\$12.40 million as at FY2013. Leasehold properties of the Group include a two-storey leasehold factory in Singapore and two leasehold shop units in Malaysia. The properties are pledged as security for bank borrowings.

#### Current liabilities

The Group reported current liabilities of S\$9.90 million as at FY2014 which was a decrease of S\$2.66 million from S\$12.56 million as at FY2013 consequent to payments of trade payables and repayment of borrowings.

#### Non-current liabilities

As at FY2014, the Group's non-current liabilities was S\$0.32 million, which saw a decrease of S\$0.09 million from S\$0.41 million as at FY2013 due to repayment of borrowings.

#### Shareholders' equity

Capital and reserves attributable to equity holders of the Company was S\$10.00 million as at FY2014. This was a decrease of S\$12.57 million from S\$22.57 million as at FY2013 as a result of the net loss for FY2014 and decrease in fair value reserve on investments in available-for-sale financial assets.



## FINANCIAL INFORMATION OF THE GROUP

### C. Cash Flow Statement

The audited consolidated cash flow statements of the Group for FY2012, FY2013 and FY2014 are set out below:

	FY2012 S\$'000 Audited	FY2013 S\$'000 Audited	FY2014 S\$'000 Audited
<b>Cash flows from operating activities</b>			
<b>Loss after income tax</b>	3,826	(13,976)	(14,492)
Adjustments for:			
Income tax expense/(credit)	15	(53)	(127)
Depreciation expense on property, plant and equipment	80	332	324
Interest expense	37	25	78
Interest income	(11)	(23)	(18)
(Gain)/loss on disposal of financial assets at fair value through profit or loss	(1,076)	2,486	407
Fair value (gain)/loss on financial assets at fair value through profit or loss	(4,203)	4,585	116
Impairment loss on available-for-sale financial assets	–	1,224	557
Gain on disposal of property, plant and equipment	–	(17)	–
(Gain)/loss on disposal of available-for-sale financial assets	(1,790)	(41)	46
Amortisation of intangible assets	–	2,345	1,929
Impairment loss on intangible assets	–	–	4,259
Impairment loss on goodwill arising from acquisition of a subsidiary	2,468	2,500	–
Share of loss of associated companies	–	117	5
Gain on bargain purchase on acquisition of a subsidiary	–	(95)	–
Gain on discounting of long-term trade receivables	(26)	(38)	(9)
Allowance for doubtful debts - other receivables	–	–	122
	<b>(680)</b>	<b>(629)</b>	<b>(6,803)</b>
Changes in working capital:			
Financial assets, at fair value through profit or loss	(1,332)	(811)	659
Trade and other receivables and other current assets	1,705	(6,294)	6,906
Inventories	533	(528)	1,032
Trade and other payables	(322)	(165)	(2,142)
Cash used in operations	(96)	(8,427)	(348)
Income tax paid	(85)	(17)	(69)
<b>Net cash used in operating activities</b>	<b>(181)</b>	<b>(8,444)</b>	<b>(417)</b>

## FINANCIAL INFORMATION OF THE GROUP

	FY2012 S\$'000 Audited	FY2013 S\$'000 Audited	FY2014 S\$'000 Audited
<b>Cash flows from investing activities</b>			
Net cash inflow from acquisition of a subsidiary	2,467	13	–
Receipt of interest	11	23	15
Purchases of available-for-sale financial assets	(1,559)	(148)	(18)
Proceeds from disposal of available-for-sale financial assets	207	90	574
Investment in associated companies	–	(49)	–
Purchases of property, plant and equipment	(20)	(2,023)	(71)
Proceeds from disposal of property, plant and equipment	–	38	–
Purchases of intangible assets	–	–	(25)
<b>Net cash generated from/(used in) investing activities</b>	<b>1,106</b>	<b>(2,056)</b>	<b>475</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of shares	3,990	9,842	–
Share issue expenses	(25)	(277)	–
Capital contribution from non-controlling interests	–	173	–
Advance to a related party	–	–	(24)
Advance from/(repayment to) related parties	76	(20)	255
Repayment of borrowings	(1,570)	(126)	(500)
(Increase in)/release of fixed deposit pledged as security for banking facilities, net	(74)	(1,301)	1,493
Interest paid	(37)	(25)	(78)
<b>Net cash generated from financing activities</b>	<b>2,360</b>	<b>8,266</b>	<b>1,146</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,224</b>	<b>(2,234)</b>	<b>1,204</b>
Cash and cash equivalents at beginning of the financial year	959	4,183	1,903
Effects of foreign currency translation on cash and cash equivalents	(61)	(46)	(7)
<b>Cash and cash equivalents at end of the financial year</b>	<b>4,183</b>	<b>1,903</b>	<b>3,100</b>

A review of the cash flow position for the Group for FY2012, FY2013 and FY2014 is set out below:

### Review of cash flow for FY2012

The Group had cash and cash equivalents of S\$4.18 million as at FY2012, an increase of S\$0.96 million from S\$3.22 million as at the financial year ended 31 December 2011. The increase was mainly due to net proceeds from a share placement exercise completed during FY2012, net cash inflow from the acquisition of a subsidiary; and partially offset by net purchase of investments in available-for-sale financial assets, repayment of borrowings and cash used in operations. The Group utilised S\$0.18 million in operating activities during FY2012 as a result of net purchase of financial assets, at fair value through profit or loss, faster settlement of payables and income tax paid, partially offset by collections from trade receivables and reduced inventory level.

---

## FINANCIAL INFORMATION OF THE GROUP

---

### Review of cash flow for FY2013

The Group had cash and cash equivalents of S\$1.90 million as at FY2013, a decrease of S\$2.28 million from S\$4.18 million as at FY2012. The decrease was mainly due to cash used in operation, cash consideration relating to the purchase of properties and a motor vehicle, fixed deposit pledged as security for banking facilities and repayment of bank borrowings, partially offset by net proceeds from a rights issue exercise completed in FY2013. The Group utilised S\$8.44 million in operating activities during FY2013 as a result of operating loss, higher trade receivables, deposit paid for insurance bond for performance guarantee, net purchase of investments in financial assets and increase in inventories.

### Review of cash flow for FY2014

The Group had cash and cash equivalents of S\$3.10 million as at FY2014, an increase of S\$1.20 million from S\$1.90 million as at FY2013. The increase was mainly due to fixed deposits previously pledged as securities for banking facilities being released to operating funds, proceeds from disposal of financial assets and advance from related parties, partially offset by repayment of borrowings and cash used in operations. The Group utilised S\$0.42 million in operating activities during FY2014 as a result of operating losses and repayment of trade payables, partially offset by collections from trade receivables and decrease in inventories.

## D. Working Capital

The working capital of the Group as at FY2012, FY2013 and FY2014 are set out below:

	As at FY2012 S\$'000 Audited	As at FY2013 S\$'000 Audited	As at FY2014 S\$'000 Audited
Total Current Assets	26,042	24,693	15,094
Total Current Liabilities	12,610	12,556	9,902
Net Working Capital	13,432	12,137	5,192

A review of the working capital of the Group as FY2012, FY2013 and FY2014 is set out below:

### As at FY2013 compared to FY2012

The Group had a working capital of S\$12.14 million as at FY2013, a decrease of S\$1.29 million from S\$13.43 million as at FY2012 which was mainly due to decrease in current assets and partially offset by higher current liabilities. The decrease in current assets was attributed by decreases in cash and cash equivalents and financial assets, at fair value through profit or loss and partially offset by increases in fixed deposits, trade and other receivables and inventories. The lower current liabilities was the result of decreases in trade and other payables and current income tax liabilities and partially offset by higher borrowings.

### As at FY2014 compared to FY2013

The Group had a working capital of S\$5.19 million as at FY2014, a decrease of S\$6.95 million from S\$12.14 million as at FY2013 which was mainly due to decrease in current assets and partially offset by higher current liabilities. The decrease in current assets was attributed by decreases in fixed deposits, trade and other receivables, inventories and financial assets, at fair value through profit or loss, partially offset by increase in cash and cash equivalents. The lower current liabilities were the result of decreases in trade and other payables, current income tax liabilities and borrowings.

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

### ANNICA HOLDINGS LIMITED

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

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (the “**EGM**”) of Annica Holdings Limited (the “**Company**”) will be held at the Republic of Singapore Yacht Club, Nautica III, Level 2, 52 West Coast Ferry Road, Singapore 126887 on Thursday, 30 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the following resolution:

### ORDINARY RESOLUTION

#### APPROVAL OF THE RIGHTS CUM WARRANTS ISSUE

That a proposed renounceable non-underwritten rights cum warrants issue (the “**Rights cum Warrants Issue**”) of up to 1,312,279,324 new ordinary shares of the Company (the “**Rights Shares**”) at an issue price of S\$0.003 (the “**Issue Price**”) with up to 1,312,279,324 free detachable Warrants (the “**Warrants**”) with each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.005 per Warrant Share (the “**Exercise Price**”), on the basis of one (1) Rights Share for every one (1) existing share in the capital of the Company (the “**Share**”) held by the shareholders of the Company (the “**Shareholders**”) as at a books closure date to be determined (the “**Books Closure Date**”) and one (1) Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded, be and is hereby approved and authority be and is hereby given to the Board of directors (“**Directors**”) to:

- (a) create and issue:–
  - (i) up to 1,312,279,324 Rights Shares at the issue price of S\$0.003 per Rights Share;
  - (ii) up to 1,312,279,324 Warrants in registered form, each Warrant to entitle the holder thereof to subscribe for one (1) Warrant Share at an exercise price of S\$0.005 for each Warrant Share at any time during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants subject to the terms and conditions of the deed poll (the “**Deed Poll**”) constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may think fit; and
  - (iii) such further Warrants in registered form as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);
- (b) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:–
  - (i) up to 1,312,279,324 Warrant Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such Warrant Shares (when issued and paid) to rank *pari passu* in all respects with the then existing Shares of the Company (save as may otherwise be provided in the terms and conditions of the Deed Poll) save for any dividends, rights, allotments or other distributions the record date for which falls before the date of issue of the Warrant Shares; and

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

- (ii) on the same basis as paragraph (b)(i) above, such further Warrant Shares as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (a)(iii) above;
- (c) effect the Rights cum Warrants Issue on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:–
  - (i) the provisional allotments of the Rights Shares with Warrants under the Rights cum Warrants Issue shall be made on a renounceable basis to the Shareholders whose names appear in the Register of Members of the Company or the records of the Central Depository (Pte) Limited (the “**CDP**”) as at the Books Closure Date with registered addresses in Singapore or who have, at least three (3) Market Days prior to the Books Closure Date, provided to the CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents, on the basis of one (1) Rights Share for every one (1) Share, or in such other proportions as the Directors may think fit;
  - (ii) no provisional allotment of Rights Shares with Warrants shall be made in favour of Shareholders with registered addresses outside Singapore as at the Books Closure Date or who have not, at least three (3) Market Days prior thereto, provided to the CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”);
  - (iii) the entitlements to Rights Shares with Warrants which would otherwise accrue to Foreign Shareholders shall be disposed of by the Company in such manner and on such terms and conditions as the Directors shall deem fit for the purpose of renouncing the rights entitlements relating thereto to purchasers thereof and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) will be dealt with in accordance with the terms set out in the Offer Information Statement to be issued by the Company for the Rights cum Warrants Issue;
  - (iv) the entitlements to Rights Shares with Warrants not taken up or allotted for any reason (other than allotments to Foreign Shareholders referred to above) shall be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company; and
  - (v) the Rights Shares when issued and fully paid up will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of the issue of the Rights Shares; and
- (d) take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Rights cum Warrants Issue (including fixing the Books Closure Date), with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such the Directors or any of them may deem fit or expedient or to give effect to this Resolution or the transactions contemplated pursuant to or in connection with the Rights cum Warrants Issue.

### By Order of the Board

Ong Sing Huat  
Company Secretary  
Singapore, 15 April 2015

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

### Notes:

1. A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote instead of him.
2. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.
3. If the member is a corporation, the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
4. The instrument appointing a proxy must be deposited at the registered office of the Company at 9 Temasek Boulevard #41-01 Suntec Tower 2, Singapore 038989 not later than 48 hours before the time set for the EGM.
5. Unless defined herein, capitalised terms in the Resolutions set out in this Notice of EGM shall bear the same meanings as in the Circular to Shareholders dated 15 April 2015.

### Personal Data Privacy Terms:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# ANNICA HOLDINGS LIMITED

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

## IMPORTANT

1. For investors who have used their CPF monies to buy shares in the capital of Annica Holdings Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Extraordinary General Meeting as observers have to submit their requests through their CPF Approved Nominees so that their CPF Approved Nominee may register, within the specified timeframe, with the Company's Share Registrar.
4. CPF investors who wish to vote must submit their voting instructions to their CPF Approved Nominees to enable them to vote on their behalf.

## Proxy Form

(Please see notes overleaf before completing this Form)

I/We \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_

of \_\_\_\_\_ (Address)

being \*a member/members of ANNICA HOLDINGS LIMITED (the "Company") hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

\*and/or

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

or failing \*him/them, the Chairman of the Extraordinary General Meeting (the "EGM") as \*my/our \*proxy/proxies to attend and to vote for \*me/us on \*my/our behalf at the EGM of the Company to be held at the Republic of Singapore Yacht Club, Nautica III, Level 2, 52 West Coast Ferry Road, Singapore 126887 on Thursday, 30 April 2015, at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.00 a.m. on the same day and at the same place), and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for or against the Resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the \*proxy/proxies will vote or abstain from voting at \*his/their discretion as \*he/they will on any other matter arising at the EGM and at any adjournment thereof.

(Please indicate your vote "For" or "Against" on the Resolution as set out in the Notice of EGM dated 15 April 2015 with an "X" within the box provided.)

Ordinary Resolution	For	Against
To authorise the Rights cum Warrants Issue		

**Note:** The short description given above of the Resolution to be passed does not in any way whatsoever reflect the intent and purposes of the Resolution. The short description has been inserted for convenience only. Shareholders are encouraged to refer to the Circular dated 15 April 2015 and Notice of EGM dated 15 April 2015 for the full intent and purposes of the Resolution to be passed.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s) or  
Common Seal of Corporate Shareholder

\* Delete where inapplicable





**Notes:-**

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this proxy form will be deemed to relate to all the shares held by you.
2. A member entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 9 Temasek Boulevard #41-01 Suntec Tower 2, Singapore 038989 not less than 48 hours before the time set for the EGM.
5. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his attorney duly authorised in writing. Where an instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument shall be treated as invalid.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Cap. 50.
7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time set for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

**PERSONAL DATA PRIVACY TERMS:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 15 April 2015.

Affix  
Postage  
Stamp  
here

**ANNICA HOLDINGS LIMITED**  
9 TEMASEK BOULEVARD  
#41-01 SUNTEC TOWER 2  
SINGAPORE 038989