

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

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

- UPDATE ON UTILISATION OF PROCEEDS FROM THE ISSUANCE OF THE FIRST TO SIXTEENTH SUB-TRANCHE OF THE TRANCHE 1 REDEEMABLE CONVERTIBLE BONDS

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

- a. the Company’s circular dated 11 December 2015 (the “**Circular**”) on the issuance of 2% redeemable convertible bonds (the “**RCBs**”) due in 2018 in the aggregate principal amount of up to S\$60,000,000 pursuant to a subscription agreement dated 31 July 2015 (as amended by a supplemental agreement dated 18 September 2016) (the “**Subscription Agreement**”) between the Company and Premier Equity Fund Sub Fund F (the “**Subscriber**”) and its manager, Value Capital Asset Management Private Limited; and
- b. (i) the issuance of the first to sixteenth sub-tranche of the Tranche 1 RCBs, with an aggregate principal amount of S\$8,000,000, as announced by the Company on 30 December 2015, 5 January 2016, 28 March 2016, 6 May 2016, 24 May 2016, 19 July 2016, 29 July 2016, 26 October 2016 and 21 March 2017; and
 (ii) the utilisation of the proceeds arising from the issuance of the first to fifteenth sub-tranche of the Tranche 1 RCBs as announced by the Company on 30 December 2015, 19 January 2016, 2 March 2016, 30 March 2016, 9 May 2016, 25 May 2016, 20 July 2016, 8 August 2016, 31 October 2016 and 1 March 2017 (please refer to paragraph 8 in the Company’s unaudited financial statements and dividend announcement for the financial year ended 31 December 2016);

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

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

The Board wishes to provide an update on the utilisation of the proceeds from the issuance of the first to sixteenth sub-tranche of the Tranche 1 RCBs (the “**RCB Net Proceeds**”) as follows:

Purpose	Total RCB Net Proceeds utilised before the date of this announcement	Utilisation of RCB Net Proceeds reported in this announcement	Total RCB Net Proceeds utilised as at the date of this announcement	Percentage of total RCB Net Proceeds
	S\$’000	S\$’000	S\$’000	%
Set-off of loan against issuance of RCBs to the Subscriber	1,699	-	1,699	21
Group’s general working capital ⁽¹⁾	3,298	425	3,723	47
Arranger’s fee on RCBs issued	375	25	400	5
Expenses incurred by the Subscriber in accordance with the terms and conditions of the Subscription Agreement	40	-	40	- ⁽²⁾
Consideration for the acquisition of GPE Power Systems Sdn Bhd (the “ GPE Acquisition ”) ⁽³⁾	1,838	-	1,838	23
Repayment of third party liabilities	250	50	300	4
Total	7,500	500	8,000	100
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Notes:

- (1) Funds used for the Group's general working capital were for payments to suppliers, refundable deposit paid to a supplier for purchase of inventories, capital expenditure and operating expenses including staff salaries and professional fees.
- (2) Amount is less than 1%.
- (3) Please refer to the Company's announcements dated 11 January 2016, 1 March 2016 and 9 May 2016 on the GPE Acquisition. The total consideration for the Company's 70% shareholding interest in GPE Power Systems (M) Sdn Bhd was S\$1,837,500.

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

By Order of the Board

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

3 April 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Continuing Sponsor, Stamford Corporate Services Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

*The contact person for the Sponsor is Mr Bernard Lui:
Telephone number: (65) 6389 3000
Email address: bernard.lui@morganlewis.com*