

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

**RECEIPT OF NOTICE TO PROVIDE CASH COVER IN CONNECTION WITH GUARANTEE
PROVIDED TO INDUSTRIAL POWER TECHNOLOGY PTE LTD**

Unless otherwise defined herein or the context otherwise requires, all terms used herein have the same meanings as defined in the Previous Announcements (as defined herein).

The board of directors (the “**Board**”) of Annica Holdings Limited (the “**Company**”) refers to its previous announcements dated 13 May 2015, 15 May 2015 and 22 June 2015 in relation to the receipt of notice of default by Industrial Power on the SKB Project (the “**Previous Announcements**”).

The Board wishes to announce that the Company has received from The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) a notice (the “**HSBC Notice**”) requesting the Company to provide a cash cover of S\$2,600,000. The obligation of the Company to provide the cash cover arises from a corporate guarantee (the “**HSBC Guarantee**”) provided by the Company in favour of HSBC, in relation to the Advance Payment Bond Security provided by HSBC to Industrial Power in favour of Songkhla, for the same sum of S\$2,600,000.

Under the terms of the HSBC Guarantee, the Company and the Co-guarantor, Liongold Corp Ltd, guaranteed to pay to HSBC, amongst others, all monies owed by Industrial Power to HSBC. The HSBC Notice provides that the aggregate amount of contingent and prospective liability of Industrial Power to HSBC is S\$2,600,000 and in accordance with the agreed contractual terms, HSBC is entitled to call for cash cover for this amount from Industrial Power. The HSBC Notice further provides that HSBC had exercised its right to call for cash cover from Industrial Power, but Industrial Power has failed to do so. As such, HSBC claims the cash cover amount of S\$2,600,000 from the Company and the Co-guarantor under the HSBC Guarantee.

The Company is currently contemplating its options in respect of the HSBC Notice and will also be seeking legal advice. The Company will take all appropriate steps to resolve the matter with HSBC via amicable negotiations.

The Company will make further announcements as and when there are material developments on the above matter.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
ANNICA HOLDINGS LIMITED

Edwin Sugiarto
Chairman and Executive Director

14 August 2015

*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 Catalyst. The Sponsor has not independently verified the contents of this announcement.*

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

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