

ANNICA HOLDINGS LIMITED

Unaudited Financial Statements And Dividend Announcement For The Financial Year Ended 31 December 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's 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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For the purpose of this Announcement, **FY2014** refers to the full financial year ended 31 December 2014 whereas **FY2013** refers to the corresponding full financial year ended 31 December 2013.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial period

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	Group		
	FY2014 \$'000	FY2013 \$'000	Increase/ (Decrease) %
Revenue	28,971	37,421	(23)
Cost of sales	(26,213)	(32,305)	(19)
Gross profit	2,758	5,116	(46)
Other income	193	461	(58)
Selling and distribution expenses	(568)	(676)	(16)
Administrative and general expenses	(5,654)	(5,575)	1
Other expenses	(11,265)	(13,213)	(15)
Finance costs	(78)	(25)	NM
Share of loss of associated companies	(5)	(117)	(96)
Loss before income tax	(14,619)	(14,029)	4
Income tax credit	127	53	NM
Net loss for the financial year	(14,492)	(13,976)	4
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	28	(193)	NM
Fair value loss on available-for-sale financial assets	(266)	(3,238)	(92)
Reclassification adjustment on disposal of available-for-sale financial assets	(301)	(137)	NM
Other comprehensive loss, net of tax	(539)	(3,568)	(85)
Total comprehensive loss	(15,031)	(17,544)	(14)
Net loss attributable to:			
Equity holders of the Company	(12,037)	(13,747)	(12)
Non-controlling interests	(2,455)	(229)	NM
	(14,492)	(13,976)	4
Total comprehensive loss attributable to:			
Equity holders of the Company	(12,576)	(17,315)	(27)
Non-controlling interests	(2,455)	(229)	NM
	(15,031)	(17,544)	(14)

NM: Not meaningful

1(a)(ii) Total net loss for the financial year is arrived at after charging/(crediting) the following:

	Group		Increase/ (Decrease) %
	FY2014 \$'000	FY2013 \$'000	
Interest income from bank and deposits	(15)	(23)	(35)
Interest income from advance to a related party	(3)	-	NM
Amortisation of intangible assets	1,929	2,345	NM
Impairment loss on intangible assets	4,259	-	NM
Impairment loss on investments in available-for-sale financial assets	557	1,224	(54)
Interest on borrowings	78	25	NM
Foreign currency exchange loss	89	73	22
Gain on disposal of property, plant and equipment	-	(17)	NM
Loss/(gain) on disposal of available-for-sale financial assets	46	(41)	NM
Loss on disposal of financial assets, at fair value through profit or loss, net	407	2,486	(84)
Fair value loss on financial assets, at fair value through profit or loss	116	4,585	(97)
Gain on bargain purchase on acquisition of a subsidiary	-	(95)	NM
Impairment loss on goodwill arising on consolidation	-	2,500	NM
Gain on discounting of long-term trade receivables	(9)	(38)	(76)
Allowance for doubtful trade receivables	3,460	-	NM
Allowance for doubtful debts - other receivables	122	-	NM
Allowance for inventory obsolescence	279	-	NM
Depreciation expense on property, plant and equipment	324	332	(2)
Overprovision of income tax liabilities	(133)	-	NM

NM: Not meaningful

1(b)(i) Statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial period.

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	Group		Company	
	As at FY2014 \$'000	As at FY2013 \$'000	As at FY2014 \$'000	As at FY2013 \$'000
ASSETS				
Current assets:				
Cash and cash equivalents	3,100	2,050	1	70
Fixed deposits	291	1,784	-	1,500
Trade and other receivables	10,647	17,587	2,800	5,865
Inventories	829	1,861	-	-
Financial assets, at fair value through profit or loss	227	1,411	227	1,411
	<u>15,094</u>	<u>24,693</u>	<u>3,028</u>	<u>8,846</u>
Non-current assets:				
Investments in subsidiaries	-	-	2,805	10,839
Investments in associated companies	44	49	-	-
Available-for-sale financial assets	639	2,365	231	1,225
Property, plant and equipment	3,412	3,671	2,607	2,769
Trade receivables	112	130	-	-
Intangible assets	24	6,187	-	-
	<u>4,231</u>	<u>12,402</u>	<u>5,643</u>	<u>14,833</u>
Total assets	<u>19,325</u>	<u>37,095</u>	<u>8,671</u>	<u>23,679</u>

1(b)(i) Statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial period (Cont'd)

STATEMENTS OF FINANCIAL POSITION (Cont'd)
AS AT 31 DECEMBER 2014

	Group		Company	
	As at FY2014 \$'000	As at FY2013 \$'000	As at FY2014 \$'000	As at FY2013 \$'000
LIABILITIES				
Current liabilities:				
Trade and other payables	9,782	11,682	721	1,819
Borrowings	89	645	38	38
Current income tax liabilities	31	229	-	-
	<u>9,902</u>	<u>12,556</u>	<u>759</u>	<u>1,857</u>
Non-current liabilities:				
Borrowings	314	406	86	124
Deferred tax liabilities	7	-	-	-
	<u>321</u>	<u>406</u>	<u>86</u>	<u>124</u>
Total liabilities	10,223	12,962	845	1,981
Net assets	9,102	24,133	7,826	21,698
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	54,224	54,224	54,224	54,224
Accumulated losses	(42,587)	(30,550)	(46,398)	(32,526)
Other reserves	(1,642)	(1,103)	-	-
	<u>9,995</u>	<u>22,571</u>	<u>7,826</u>	<u>21,698</u>
Non-controlling interests	(893)	1,562	-	-
Total equity	9,102	24,133	7,826	21,698

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial period:

Amount repayable in one year or less, or on demand

As at FY2014		As at FY2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
89	-	645	-

Amount repayable after one year

As at FY2014		As at FY2013	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
314	-	406	-

The secured borrowings relates to liabilities arising from finance lease agreements and bank borrowings secured on the Group's motor vehicles and certain leasehold properties, respectively.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	Group	
	FY2014 \$'000	FY2013 \$'000
Cash flows from operating activities:		
Net loss for the financial year	(14,492)	(13,976)
Adjustments for:		
Income tax credit	(127)	(53)
Depreciation expense on property, plant and equipment	324	332
Interest expense	78	25
Interest income	(18)	(23)
Loss on disposal of financial assets at fair value through profit or loss	407	2,486
Fair value loss on financial assets at fair value through profit or loss	116	4,585
Impairment loss on available-for-sale financial assets	557	1,224
Gain on disposal of property, plant and equipment	-	(17)
Loss/(gain) on disposal of available-for-sale financial assets	46	(41)
Amortisation of intangible assets	1,929	2,345
Impairment loss on intangible assets	4,259	-
Impairment loss on goodwill arising from acquisition of a subsidiary	-	2,500
Share of loss of associated companies	5	117
Gain on bargain purchase on acquisition of a subsidiary	-	(95)
Gain on discounting of long term trade receivables	(9)	(38)
Allowance for doubtful debts - other receivables	122	-
	(6,803)	(629)
Changes in working capital:		
Financial assets, at fair value through profit or loss	659	(811)
Trade and other receivables and other current assets	6,906	(6,294)
Inventories	1,032	(528)
Trade and other payables	(2,142)	(165)
Cash used in operations	(348)	(8,427)
Income tax paid	(69)	(17)
Net cash used in operating activities	(417)	(8,444)
Cash flows from investing activities:		
Net cash inflow from acquisition of a subsidiary	-	13
Receipt of interest	15	23
Purchases of available-for-sale financial assets	(18)	(148)
Proceeds from disposal of available-for-sale financial assets	574	90
Investment in associated companies	-	(49)
Purchases of property, plant and equipment	(71)	(2,023)
Proceeds from disposal of property, plant and equipment	-	38
Acquisition of intangible assets	(25)	-
Net cash generated from/(used in) investing activities	475	(2,056)
Cash flows from financing activities:		
Proceeds from issuance of shares	-	9,842
Share issue expenses	-	(277)
Capital contribution from non-controlling interests	-	173
Advance to a related party	(24)	-
Advance from/(repayment to) related parties	255	(20)
Repayment of borrowings	(500)	(126)
Release of/(increase in) fixed deposit pledged as security for banking facilities, net	1,493	(1,301)
Interest paid	(78)	(25)
Net cash generated from financing activities	1,146	8,266
Effects of foreign currency translation on cash and cash equivalents	(7)	(46)
Net increase/(decrease) in cash and cash equivalents	1,197	(2,280)
Cash and cash equivalents at beginning of the financial year	1,903	4,183
Cash and cash equivalents at end of the financial year	3,100	1,903

MAJOR NON-CASH TRANSACTIONS:

The Group had no major non-cash transactions in FY2014.

During FY2013, the Group:

- (i) acquired a motor vehicle with an aggregate cost of \$290,000 of which \$200,000 was acquired by means of a finance lease agreement. Cash payment of approximately \$90,000 was made to acquire the motor vehicle;
- (ii) acquired a leasehold property in Singapore for a consideration of \$2,570,000, satisfied by cash payment of \$1,566,000 and non-cash consideration of \$1,004,000;
- (iii) acquired two leasehold properties in Malaysia for a consideration of \$211,000 of which cash payment of \$78,000 was made and \$133,000 was financed by bank borrowings; and
- (iv) increased its investment in an associated company by capitalising \$86,000 owing by the associated company to the Group.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	----- Attributable to equity holders of the Company -----					Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Capital reserve \$'000	Translation reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000			
Group								
Balance as at 1 January 2014	54,224	(1,389)	(281)	567	(30,550)	22,571	1,562	24,133
Total comprehensive loss for the financial year	-	-	28	(567)	(12,037)	(12,576)	(2,455)	(15,031)
Balance as at 31 December 2014	54,224	(1,389)	(253)	-	(42,587)	9,995	(893)	9,102
Balance as at 1 January 2013	44,659	(1,389)	(88)	3,942	(16,803)	30,321	1,618	31,939
Shares issued during the financial year	9,842	-	-	-	-	9,842	-	9,842
Share issue expenses	(277)	-	-	-	-	(277)	-	(277)
Acquisition of non-controlling interests	-	-	-	-	-	-	173	173
Total comprehensive loss for the financial year	-	-	(193)	(3,375)	(13,747)	(17,315)	(229)	(17,544)
Balance as at 31 December 2013	54,224	(1,389)	(281)	567	(30,550)	22,571	1,562	24,133

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial period.

	Number of shares '000	Share Capital \$'000
Balance as at 1 January 2013	656,140	44,659
Issue of shares	656,140	9,842
Share issue expenses	-	(277)
Balance as at 31 December 2013 and 31 December 2014	1,312,280	54,224

There was no change in the Company's share capital since the end of the previous financial year reported on.

During FY2013, the Company completed a renounceable non-underwritten rights issue of 656,139,662 new ordinary shares ("**Rights Issue Exercise**") in the capital of the Company (each a "**Rights Share**", collectively the "**Rights Shares**") at an issue price of S\$0.015 for each Right Share (the "**Issue Price**"), on the basis of one (1) Rights Share for every one (1) existing ordinary share in the capital of the Company (the "**Shares**"). The Rights Shares were fully subscribed and listed and quoted for trading on 16 January 2013. Out of the net proceeds from the Rights Shares of \$9,565,000 ("**Rights Shares Net Proceeds**"), approximately \$6,500,000 had been utilised as general working capital of the Company (as payment for operating expenses including staff salaries and legal and professional fees), funding the operations of the Company's subsidiaries (as payments to suppliers and operating expenses including staff salaries) and cash consideration for the acquisition of a leasehold property. Pending deployment, the remaining Rights Shares Net Proceeds are being invested in short-term money market instruments and maintained in the Group's bank account as operating funds. The Company will make further announcements when the Rights Shares Net Proceeds are materially utilised.

Convertible Securities

There are no shares that may be issued on conversion of any outstanding convertibles as at the end of the current financial year and as at the end of the immediately preceding financial year.

Treasury Shares

The Company has no treasury shares as at the end of the current financial year and as at the end of the immediately preceding financial year.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at FY2014	As at FY2013
Total number of issued shares excluding treasury shares ('000)	1,312,280	1,312,280

The Company has no treasury shares as at the end of the current financial year and as at the end of the immediately preceding financial year.

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group adopted the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the most recently audited financial statements for the financial year ended 31 December 2013 except for the adoption of revised Financial Reporting Standards (FRS) and Interpretations to FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the revised FRS and INT FRS as discussed in paragraph 4 are not expected to result in any significant changes to the Group's accounting policies and methods of computation.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial period, after deducting any provision for preference dividends.

	Group	
	FY2014	FY2013
a. Loss per ordinary share based on the weighted average number of ordinary shares on issue (in cents)	(0.92)	(1.07)
Weighted average number of shares ('000)	1,312,280	1,285,314
b. Diluted loss per ordinary share based on the weighted average number of ordinary shares on issue (in cents)	(0.92)	(1.07)
Weighted average number of shares ('000)	1,312,280	1,285,314

Basic and diluted loss per share for FY2014 were calculated by dividing the total net loss for the financial year attributable to equity holders of \$12,037,000 (FY2013: \$13,747,000) by the weighted average number of ordinary shares of 1,312,279,324 as at FY2014 (FY2013: 1,285,314,680).

The basic and diluted loss per share are the same as the Group did not have any potentially dilutive instruments for the respective financial year.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial period.

	Group		Company	
	FY2014	FY2013	FY2014	FY2013
Net asset value per ordinary share based on the issued share capital at the end of the year (in cents)	0.76	1.72	0.60	1.65

Net asset value per ordinary share of the Group as at FY2014 was calculated by dividing the Group's net asset value attributable to equity holders as at FY2014 of \$9,995,000 (FY2013: \$22,571,000) divided by the number of ordinary shares of the Company as at FY2014 of 1,312,279,324 (FY2013: 1,312,279,324).

Net asset value per ordinary share of the Company as at FY2014 was calculated by dividing the Company's net asset value as at FY2014 of \$7,826,000 (FY2013: \$21,698,000) divided by the number of ordinary shares of the Company as at FY2014 of 1,312,279,324 (FY2013: 1,312,279,324).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Revenue and Gross Profit

The Group posted revenue of \$28,971,000 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 \$8,450,000 in the Group's revenue from that of \$37,421,000 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 \$2,358,000 from \$5,116,000 in FY2013 to \$2,758,000 in FY2014 due to the decrease in revenue and cost overruns from project delays. On an overall basis, gross margin was reduced to 9% 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 \$193,000 in FY2014 comprised of interest received and agency and commission income. There was a decrease of \$268,000 compared to \$461,000 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 the selling and distribution expenses of \$568,000 were maintained at approximately 2% of total revenue. This explained the decrease of \$108,000 from \$676,000 incurred in FY2013.

Administrative and general expenses

The Group's administrative and general expenses rose from \$5,575,000 in FY2013 to \$5,654,000 in FY2014, a marginal increase of \$79,000 arising from higher staff cost.

Other expenses

Other expenses decreased by \$1,948,000 from \$13,213,000 in FY2013 to \$11,265,000 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 \$78,000 in FY2014 were from interest expenses on bank borrowings, trust receipts and finance leases. The higher interest of \$53,000 compared to that of \$25,000 in FY2013 was from short-term bank facilities taken up during FY2014.

Net loss for the financial year

The Group reported net loss of \$14,492,000 for FY2014, an increase of \$516,000 from FY2013's loss of \$13,976,000. The net loss arose mainly from operating expenses incurred and other expenses as discussed above, partially offset by an adjustment for overprovision of a foreign subsidiary's corporate income tax.

FINANCIAL POSITION

Current assets

Current assets of the Group totalled \$15,094,000 as at FY2014. The decrease of \$9,599,000 from \$24,693,000 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.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (Cont'd).**

FINANCIAL POSITION (Cont'd)

Non-current assets

The Group's non-current assets was \$4,231,000 as at FY2014 which included mainly investments in available-for-sale financial assets and associated companies 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 expense on property, plant and equipment and amortisation of and impairment loss on intangible assets associated with customers' contracts led to the net decrease of \$8,171,000 from the Group's non-current assets of \$12,402,000 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 \$9,902,000 as at FY2014 which was a decrease of \$2,654,000 from \$12,556,000 as at FY2013 consequent to payments of trade payables and repayment of borrowings.

Non-current liabilities

Non-current liabilities of the Group decreased by \$85,000 from \$406,000 as at FY2013 to \$321,000 as at FY2014 due to repayment of borrowings.

Shareholders' equity

Capital and reserves attributable to equity holders of the Company was \$9,995,000 as at FY2014. This is a decrease of \$12,576,000 from \$22,571,000 as at FY2013 as a result of the net loss for the financial year and decrease in fair value reserve on investments in available-for-sale financial assets.

CASH FLOWS

The Group had cash and cash equivalents of \$3,100,000 as at FY2014, an increase of \$1,197,000 from \$1,903,000 as at FY2013. The increase was mainly due to fixed deposit previously pledged as security 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 \$417,000 in operating activities in FY2014 compared to \$8,444,000 in FY2013.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group's FY2014 operating results were in line with the expectations as disclosed in the Company's FY2013 Annual Report and the results for FY2013 and for the six months financial period ended 30 June 2014 announced on 27 February 2014 and 13 August 2014, respectively.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Directors remain cautious in the near term as the South East Asian market, which the Group operates in and of which is dependent on the performance of the major world economies, is volatile. As the Group's core businesses require high internal working capital, the management constantly undertakes reviews of the Group's operating models, strategies and planning process to enable it to enhance its competitiveness and market presence. The Directors shall continue to balance risks and rewards associated with the Group's investment portfolio, taking into consideration the changing investors' sentiments and fluctuating financial market conditions.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on?
No ordinary dividend has been recommended or declared.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared/recommended for the corresponding period of the immediately preceding financial year?
No ordinary dividend was recommended or declared.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared /recommended, a statement to that effect.

No dividend has been recommended or declared for the current financial period.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for interested person transactions.

During FY2014, there were no interested person transactions entered into by the Group pursuant to Chapter 9 of the Catalyst Rules of the SGX-ST.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmental revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

Primary segment

Analysis by Geographical Segments – The group’s activities are primarily based in Singapore, Malaysia and Indonesia.

	Singapore	Malaysia	Indonesia	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
For the financial year ended 31 December 2014					
Geographical segments by location of assets					
Revenue:					
External sales	26,400	2,594	1,533	(1,556)	28,971
Inter-segment sales	(1,538)	(18)	-	1,556	-
Total revenue	24,862	2,576	1,533	-	28,971
Results:					
Segment results	(21,682)	(52)	(91)	7,271	(14,554)
Share of loss of associated companies	(5)	-	-	-	(5)
Interest income	193	3	1	(179)	18
Interest expense	(251)	(6)	-	179	(78)
Loss before income tax	(21,745)	(55)	(90)	7,271	(14,619)
Income tax	-	(5)	132	-	127
Net loss for the financial year	(21,745)	(60)	42	7,271	(14,492)
Other information:					
Capital expenditure	59	12	-	-	71
Depreciation	304	20	-	-	324
Amortisation of intangible assets					1,929
Impairment loss on intangible assets					4,259
Impairment loss on available-for-sale financial assets					557
					<u>7,069</u>

14. Segmental revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (Cont'd).

Primary segment (Cont'd)

Analysis by Geographical Segments (Cont'd)

	Singapore	Malaysia	Indonesia	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets:					
Segment assets	23,446	1,507	1,306	(7,225)	19,034
Fixed deposits	210	81	-	-	291
					19,325
Liabilities:					
Segment liabilities	16,489	213	806	(7,726)	9,782
Borrowings	287	116	-	-	403
Current income tax liabilities	64	(34)	1	-	31
Deferred tax liabilities	-	7	-	-	7
					10,223

	Singapore	Malaysia	Indonesia	Thailand	Vietnam	Brunei and Myanmar	Peoples' Republic of China	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Geographical segments by customer base									
Revenue	876	3,856	1,843	21,299	97	479	-	521	28,971

14. Segmental revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (Cont'd).

Primary segment (Cont'd)

Analysis by Geographical Segments (Cont'd)

	Singapore	Malaysia	Indonesia	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
For the financial year ended 31 December 2013					
Geographical segments by location of assets					
Revenue:					
External sales	33,316	5,684	806	(2,385)	37,421
Inter-segment sales	(640)	(1,160)	(585)	2,385	-
Total revenue	<u>32,676</u>	<u>4,524</u>	<u>221</u>	<u>-</u>	<u>37,421</u>
Results:					
Segment results	(14,849)	(863)	(653)	2,455	(13,910)
Share of loss of associated companies	(117)	-	-	-	(117)
Interest income	81	-	-	(58)	23
Interest expense	(83)	-	-	58	(25)
Loss before income tax	(14,968)	(863)	(653)	2,455	(14,029)
Income tax	(18)	(69)	140	-	53
Net loss for the financial year	<u>(14,986)</u>	<u>(932)</u>	<u>(513)</u>	<u>2,455</u>	<u>(13,976)</u>
Other information:					
Capital expenditure	2,985	365	1	-	3,351
Depreciation	311	21	-	-	332
Amortisation of intangible assets					2,345
Impairment loss on available-for-sale financial assets					1,224
Impairment loss on goodwill arising on acquisition of a subsidiary					2,500
					<u>6,401</u>

	Singapore	Malaysia	Indonesia	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets:					
Segment assets	50,330	2,302	969	(18,290)	35,311
Fixed deposits	1,704	80	-	-	1,784
Consolidated total assets					<u>37,095</u>
Liabilities:					
Segment liabilities	18,974	882	393	(8,567)	11,682
Borrowings	912	139	-	-	1,051
Current income tax liabilities	64	35	130	-	229
Consolidated total liabilities					<u>12,962</u>

	Singapore	Malaysia	Indonesia	Thailand	Vietnam	Brunei and Myanmar	Peoples' Republic of China	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Geographical segments by customer base									
Revenue	3,057	22,038	856	10,996	324	51	29	70	37,421

14. Segmental revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (Cont'd).

Secondary segment

Analysis by Business Segments

The Group operates in four product segments – engineering services, oil and gas equipment, biomass projects and investments and others.

The following table shows the revenue, the carrying amounts of segment assets and additions to property, plant and equipment, analysed by business segments:

	Revenue		Segment assets		Capital additions	
	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Engineering services	648	1,271	2,868	3,123	-	-
Oil and gas equipment	9,435	10,416	3,622	4,232	28	366
Biomass projects	18,888	25,734	8,694	15,426	43	135
Investments and others	-	-	4,141	14,314	-	2,850
	<u>28,971</u>	<u>37,421</u>	<u>19,325</u>	<u>37,095</u>	<u>71</u>	<u>3,351</u>

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8.

16. A breakdown of sales as follows:

	Group		Increase/ (Decrease) %
	FY2014 \$'000	FY2013 \$'000	
Revenue reported for first half year	16,616	19,565	(15)
Operating (loss)/profit after tax before deducting non-controlling interest reported for first half year	(905)	10,409	NM
Revenue reported for second half year	12,355	17,856	(31)
Operating loss after tax before deducting non-controlling interest reported for second half year	(13,587)	(24,385)	(44)

NM: Not meaningful

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

- (a) Ordinary: Not Applicable
- (b) Preference: Not Applicable
- (c) Total: Not Applicable

18. Utilisation of Net Proceeds from Rights Shares

As discussed in paragraph 1(d)(ii), the Company will make periodic announcements on the utilisation of the Rights Shares Net Proceeds as and when they are materially disbursed and provide a status report on their use.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704 (10) of the Listing Manual of the SGX-ST, the Company confirms that there is no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD
ANNICA HOLDINGS LIMITED**

Mr Edwin Sugiarto
Chairman and Executive Director
27 February 2015