

ANNAIK LIMITED

(Company Registration No. 197702066M)
(Incorporated in the Republic of Singapore)

INCREASE OF SHAREHOLDING IN SUBSIDIARY

The board of directors of AnnAik Limited (the "**Company**") and together with its subsidiaries, the "Group") wishes to announce that Pioneer Environmental Technology Pte Ltd ("Pioneer Singapore") has increased the shareholding in Suzhou Pioneer Environmental Technology Pte Ltd (苏州派宁环保科技有限公司) ("Suzhou Pioneer") from 70% to 80% by acquiring 50,000 ordinary shares (the "Shares") from an individual party.

The shareholders currently own the entire paid-up share capital of Suzhou Pioneer in the following proportion:-

Table 1:

<i>Shareholders</i>	<i>Shareholding Percentage</i>
Pioneer Singapore	80%
Shih, Chih-Ang (史志昂)	10%
Fu Yunlin (付云林)	10%

Financial Impact

The aggregate cash consideration will be paid by Pioneer Singapore for the Shares is RMB 50,000, which is calculated based on par value. The consideration will be financed through internal, and is not expected to have any material impact on the consolidated net tangible assets or net earnings per share of the Company and the Group for the current financial year ending 31 December 2017.

Directors' and Substantial Shareholders' Interest

None of the directors, and as far as the Company is aware, none of the substantial shareholders of the Company has any interest, direct or indirect, in the transactions described in this announcement, other than their shareholdings (if any) in the Company. Persons who are in doubt as to the action they should take, should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Ng Kim Keang

Executive Director

21 December 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor Hong Leong Finance Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by 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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