

ANNAIK LIMITED

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

ANNOUNCEMENT

COMPULSORY LAND ACQUISITION OF ANNAIK LIMITED'S FACTORY AND OFFICE PREMISES SITUATED AT 135 PIONEER ROAD, SINGAPORE 639589

1. We refer to the Company's announcement dated 10 October 2011 (the "**Earlier Announcement**") on the Compulsory Land Acquisition. All capitalised terms shall, unless otherwise defined in this announcement, have the same meaning ascribed to them in the Earlier Announcement.
2. In the Earlier Announcement, the Company announced it had applied to the SGX-ST for a waiver from complying with Rule 1014 of the Listing Manual in respect of the Compulsory Land Acquisition. This is because the Compulsory Land Acquisition occurs by operation of law and the Company is bound by law to return the Premises to the Singapore Land Authority.
3. As the Compulsory Land Acquisition occurred by operation of law under the Land Acquisition Act (Cap. 152) of Singapore, the Company wishes to clarify that it was not required to convene a shareholders meeting to approve the Compulsory Land Acquisition, as Rule 1014 of the Listing Manual is not applicable in such circumstances. Hence, the SGX-ST had not granted a waiver from complying with Rule 1014 of the Listing Manual but rather had advised that Rule 1014 is not applicable in the case of the Compulsory Land Acquisition.
4. It should be noted that the SGX-ST reserves the right to amend and/or vary their confirmation/decision as it deems fit and such confirmation/decision is subject to changes in the SGX-ST's policies.

By Order of the Board

Ng Kim Keang
Finance Director

14 February 2012