

Ref: REG/LC/QR2020020010

6 February 2020

ANNAIK LIMITED
52, Tuas Avenue 9,
Singapore 639193

PRIVATE AND CONFIDENTIAL

Attn: The Board of Directors

Dear Sirs

ANNAIK LIMITED (THE "COMPANY")

REQUIREMENT TO PERFORM QUARTERLY REPORTING

1. On 9 January 2020, SGX RegCo announced the removal of the market capitalisation threshold for quarterly reporting ("**QR**") of financial statements, and instead take a risk-based approach. SGX RegCo will require QR for (a) companies whose auditors have issued a qualified opinion, disclaimer of opinion or adverse opinion (collectively, "**modified opinions**") and (b) companies that have a material uncertainty relating to going concern as highlighted by their auditors, both based on their latest financial statements. In addition, SGX RegCo can also exercise our administrative powers to require QR for companies where we have regulatory concerns.
2. We enclose the amendments to the SGX-ST Listing Rules (Catalist) for your reference.

Requirement to perform Quarterly Reporting

3. Your company, AnnAik Limited, will be required to start performing QR with effect from 7 February 2020 in view of the modified opinion issued by your statutory auditor in your latest annual report. A grace period of one year will be extended to you. For the avoidance of doubt, the Company will report the next set of quarterly financial statements for Q3 period from Jul to Sep 2021 by 14 November 2021.
4. In the announcement of your quarterly results, please include a statement on the cover page that the QR announcement is mandatory, made pursuant to the Exchange's requirements, as required under Listing Rule 705(2C).
5. The Company can cease to do QR if it is able to resolve the issues raised by your statutory auditor in the next annual report and obtain an unqualified opinion without any material uncertainty relating to going concern.

6. Companies that are subject to QR will need to provide: (a) updates on efforts taken to resolve each outstanding audit issue; and (b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This will not be required for any audit issue that relates to going concern.

7. Should you require further clarifications, please contact Jenn Ho at 6713 6028 and the undersigned at 6236 8349.

Yours faithfully

A handwritten signature in blue ink, appearing to be "Gladys Tay", is written over the typed name and title.

Gladys Tay
Vice President
Listing Compliance
Regulation

cc: Mr Tang Yeng Yuen, Hong Leong Finance Limited