

ANNAIK LIMITED

(Company Registration: 197702066M)
(Incorporated in the Republic of Singapore)

ESTABLISHMENT OF COMPANY IN REPUBLIC OF KOREA – HANDEL CO., LTD

The Board of Directors of AnnAik Limited (the “Company”, and together with its subsidiaries, “Group”) wishes to announce that its 60% owned subsidiary, Metal Wang Pte Ltd (“Metal Wang”) has established Handel Co., Ltd (“Handel”) in Korea on 16 March 2017. The setting up of Handel is to undertake the export and import and trading business of metal and steel products in Korea and overseas market.

About Handel

Handel is a 60% owned subsidiary of Metal Wang and the remaining 20% each are owned by our Korean partners; Ha Jung Min and Kang Pyeong Soo; both have long experience in trading of steel business. Handel has been incorporated with a paid up capital of Korean Won 100,000,000.

<i>Shareholders</i>	<i>Paid Up Capital (Korean Won)</i>	<i>Shareholding Percentage</i>
Metal Wang Pte Ltd	60,000,000	60%
Ha Jung Min	20,000,000	20%
Kang Pyeong Soo	20,000,000	20%

Financial Impact

The incorporation of Handel will be funded through internal resources, 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

24 March 2017

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

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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.

The contact person for the sponsor is Mr. Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581. Telephone (65) 64159886.