

ANNAIK LIMITED

(Company Registration No. 197702066M)
(Incorporated in Singapore)

INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF A 70% OWNED SUBSIDIARY-WESCO STEEL PTE LTD

The Board of Directors of AnnAik Limited (the "Company", and together with its subsidiaries, "Group") wishes to announce that its 70%-owned subsidiary, Wesco Steel Pte Ltd ("Wesco"), incorporated in Singapore, has increased its issued & paid-up share capital from S\$800,000.00 to S\$886,623 as part of the Company's restructuring exercise.

The increase in share capital in Wesco was made by way of an allotment and issuance of 86,623 new ordinary shares ("New Shares") at an issue price of S\$1.00 each by Wesco to existing shareholders.

In connection with the aforesaid increase in issued and paid-up share capital of Wesco, the equity participation in Wesco shall be as follows:

<i>Shareholders</i>	<i>Paid up Capital (SGD)</i>	<i>Shareholding Percentage</i>
The Company	620,636	70%
Kuah Wei Keong (Ke WeiQiang)	265,987	30%

Financial Impact

The above transaction is funded by internal resources and is not expected to have any material impact of the consolidated net tangible assets and earnings per share of the Company for the current financial year. This transaction will result in a change in Wesco's net tangible assets from negative to zero.

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
Director
07 August 2018

*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 ("**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. The Sponsor and 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.

The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone: +65 6415-9886.