

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

DISPOSAL OF SHARES IN 92% OWNED SUBSIDIARY- SHINSEI RESOURCES RECOVERY SDN BHD

The Board of Directors of AnnAik Limited (the "Company" together with its subsidiaries, the "Group") wishes to announce that its 92% owned subsidiary, Shinsei Industry Sdn Bhd ("Shinsei Industry") has disposed its entire shareholding interest, being 100% owned subsidiary, Shinsei Resources Recovery Sdn Bhd ("Shinsei Resources") to unrelated individual as part of restructuring exercise ("Disposal"). Upon completion of the disposal, Shinsei Resources will cease to be a subsidiary of the Company. The buyer need to change the name of the company and remove using the word of "Shinsei". The Sales and Purchase agreement was signed on 13 December 2018 and the Disposal was completed on 2 January 2019.

The total consideration of MYR 11,000 equivalent to S\$ 3,600 was arrived at following arm's length negotiations on a willing-buyer, willing-seller basis and taking into account, inter alia, the net assets book value of Shinsei Resources based on the latest management financial statements as at 30 November 2018, the book value and the negative net tangible asset value attributable to the Sale Shares was approximately US\$1,098 equivalent to S\$ 1,500.

As all of the relative figures for the Disposal computed on the bases set out in Rule 1006 of the listing manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited amount to less than 5%, the Disposal is not a disclosable transaction under Chapter 10 of Listing Manual. The Disposal is not expected to have any material impact on the net tangible asset or earnings per share of the Group for the financial year ending 31 December 2019.

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
07 January 2019

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.