

ANNAIK LIMITED

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

INCREASE IN ISSUED AND PAID-UP CAPITAL OF A SUBSIDIARY

AnnAik Limited (the "Company") wishes to announce that its 60% owned subsidiary, Metal Wang Pte. Ltd. ("MW"), a Singapore incorporated company, has increased its issued and paid-up capital from S\$200,000 to S\$300,000 as part of the Company's capital risk management policy.

The increase in issued and paid-up capital in MW was made by way of an allotment of 100,000 ordinary shares at an issue price of S\$1.00 each as below:

| Shareholder | Number of shares | Cash consideration |
|----------------------|------------------|--------------------|
| The Company | 60,000 | S\$60,000 |
| Terence Sim Soo Yong | 30,000 | S\$30,000 |
| Ng Swan Meen | 10,000 | S\$10,000 |
| Total | 100,000 | S\$100,000 |

Prior to the above capital increase, MW's issued and paid-up capital was S\$200,000 comprising the following shareholdings:

| Shareholders | Number of shares | Percentage |
|----------------------|------------------|-------------|
| The Company | 120,000 | 60% |
| Terence Sim Soo Yong | 60,000 | 30% |
| Ng Swan Meen | 20,000 | 10% |
| Total | 200,000 | 100% |

Following to the above increases in MW's issued and paid-up capital from S\$200,000 to S\$300,000, there is no changes in the Company's interest in MW which comprises the following shareholdings:

| Shareholders | Number of shares | Percentage |
|----------------------|------------------|-------------|
| The Company | 180,000 | 60% |
| Terence Sim Soo Yong | 90,000 | 30% |
| Ng Swan Meen | 30,000 | 10% |
| Total | 300,000 | 100% |

The funding of the above transaction for the Company is through internal resources. It 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.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Ng Kim Keang
Chief Operating Officer
7 December 2015