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

(a) ACQUISITION OF 22% OF EQUITY INTERESTS OF ANGWEI ENVIRONMENTAL ECOLOGICAL & ENGINEERING (SHANGHAI) CO., LTD[1] (上海昂为环境生态工程有限公司**);**
(b) ACQUISITION OF 22% OF EQUITY INTERESTS OF CHANGXING ANGWEI ENVIRONMENTAL & ECOLOGICAL ENGINEERING CO., LTD[1] (长兴昂为环境生态工程有限公司**); AND**
(c) ACQUISITION OF 19.6% OF EQUITY INTERESTS OF SHUANGLIN (HUZHOU) WASTEWATER TREATMENT CO., LTD[1] (湖州双林水质净化有限公司**)**

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1. THE ACQUISITIONS

1.1 Introduction

The Board of Directors of AnnAik Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Anxon Environmental Pte. Ltd. ("**Anxon Environmental**") has on 31 July 2026 entered into:-

(a) separate sale and purchase agreements with:

(i) Ye Shaolin (叶少林) ("**Ye Shaolin**") to acquire 16% of the shares in AngWei Environmental Ecological & Engineering (Shanghai) Co., Ltd[1] (上海昂为环境生态工程有限公司) ("**Shanghai AngWei**"); and
(ii) Bai Xianghu (白祥虎) ("**Bai Xianghu**") to acquire 6% of the shares in Shanghai AngWei,

(collectively, the "**Shanghai AngWei SPAs**");

(b) A sale and purchase agreement ("**ChangXing AngWei SPA**") with ChangXing Runjin Environmental Engineering Co., Ltd[1] (长兴润锦环境工程有限公司) ("**ChangXing Runjin**") to acquire 22% of the shares in ChangXing AngWei Environmental & Ecological Engineering Co., Ltd[1] (长兴昂为环境生态工程有限公司) ("**ChangXing AngWei**"); and

(c) A sale and purchase agreement ("**Shuanglin SPA**") with Bai Xianghu and Ye Likui (叶立魁) ("**Ye Likui**") to acquire 8.4% and 11.2% of the shares in Shuanglin (Huzhou) Wastewater Treatment Co., Ltd[1] (湖州双林水质净化有限公司) ("**Shuanglin**") respectively,

(collectively, the "**Acquisitions**").

Anxon Environmental currently holds 66% of the registered share capital of Shanghai AngWei, 66% of the registered share capital of ChangXing AngWei and 62% of the registered share capital of Shuanglin. On completion of the proposed acquisitions under the Acquisitions, Anxon Environmental will hold 88% of the registered share capital of Shanghai AngWei, 88% of the registered share capital of ChangXing AngWei and 81.6% of the registered share capital of Shuanglin.

Each of Ye Shaolin, Bai Xianghu and Ye Likui is an independent party to the Group. Ye Shaolin and Bai Xianghu are also the shareholders in ChangXing Runjin. Ye Shaolin is currently a director of Shanghai AngWei and ChangXing Runjin and will resign from such directorships following completion of the relevant acquisitions. Bai Xianghu and Ye Likui do not hold any executive or directorship role in Shanghai AngWei and Shuanglin, respectively. Ye Shaolin and Ye Likui are father and son, while Bai Xianghu is a business partner of Ye Shaolin.

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[1] *These are transliteration of the Chinese names of the entities. They may not be the legal names of the entities.*

1.2 Information on Shanghai AngWei, ChangXing AngWei and Shuanglin

1.2.1 Shanghai AngWei was incorporated in the People's Republic of China on 23 February 2004 and its principal activity is investment holding. Shanghai AngWei has three wholly-owned operating subsidiaries; ChangXing LiJiaXiang New Era Wastewater Treatment Co., Ltd, ChangXing AnnYi Wastewater Treatment Co., Ltd and ChangXing HengYi Wastewater Treatment Co., Ltd and their principal activities include owning and management of wastewater treatment plants. The consolidated audited profit before tax of Shanghai AngWei was approximately RMB 12,231,137 for the financial year ended 31 December 2025 ("**FY2025**").

1.2.2 ChangXing AngWei was incorporated in the People's Republic of China on 27 February 2006 and its principal activities include owning and management of wastewater treatment plants. The audited profit before tax of ChangXing Angwei was approximately RMB 6,994,612 for FY2025.

1.2.3 Shuanglin was incorporated in the People's Republic of China on 14 May 2007 and its principal activities include the treatment of domestic and industrial wastewater in Shuanglin Town, Huzhou. The audited profit before tax of Shuanglin was approximately RMB 7,213,565 for FY2025.

1.3 Principal Terms of the Acquisitions

1.3.1 Shanghai AngWei SPAs

1.3.1.1 Consideration

The aggregate value of the Shanghai AngWei SPA consideration comprises of RMB 12,518,460 payable to Ye Shaolin in respect of the acquisition of 16% equity interest in Shanghai AngWei, and RMB 4,694,422 payable to Bai Xianghu in respect of the acquisition of 6% equity interest in Shanghai AngWei (the "**Shanghai AngWei SPA Consideration**") and the funds required to satisfy the Shanghai AngWei SPA Consideration payable by Anxon Environmental under the Shanghai AngWei SPAs will be financed through internal funds and bank borrowings. The Shanghai AngWei SPA Consideration was determined based on an arms' length, willing-seller-willing-buyer basis, after taking into account various factors, including, inter alia, the net asset value ("**NAV**") of Shanghai AngWei as at 31 December 2025.

Based on the audited accounts of Shanghai AngWei for the financial year ended 31 December 2025, the NAV and net tangible assets ("**NTA**") of Shanghai AngWei was approximately RMB 102,421,117, including service concession of RMB 53,462,011. No independent valuation was conducted on Shanghai AngWei.

1.3.1.2 Terms of Payment

The Consideration will be paid in three tranches as follows:-

(a) The first tranche of RMB 5,163,865, being 30% of the Shanghai AngWei SPA Consideration, to be paid to Ye Shaolin and Bai Xianghu based on shareholdings disposed of by each of them within 30 business days of the execution of the Shanghai AngWei SPA;

(b) The second tranche of RMB 8,606,441, being 50% of the Shanghai AngWei SPA Consideration, to be paid to Ye Shaolin and Bai Xianghu based on shareholdings disposed of by each of them within 30 business days after completion by both parties of the necessary filings and registrations to effect the transfer of shares in Shanghai AngWei; and

(c) The third tranche of RMB 3,442,576, being 20% of the Shanghai AngWei SPA Consideration, to be paid to Ye Shaolin and Bai Xianghu based on shareholdings disposed of by each of them within two (2) months after the completion of paragraph (b) above.

In the event that Anxon Environmental fails to pay the Shanghai AngWei SPA Consideration to Ye Shaolin and Bai Xianghu in accordance with the above payment schedule, it shall pay liquidated damages to Ye Shaolin and Bai Xianghu at the rate of 0.02% of the total outstanding amount that remains payable, for each day overdue.

In the event that Ye Shaolin and/or Bai Xianghu fail to transfer the shares in Shanghai AngWei to Anxon Environmental on the date specified in the Shanghai AngWei SPA, they shall pay liquidated damages to Anxon Environmental at the rate of 0.02% of the total price of the shares that have not been transferred, for each day overdue.

1.3.1.3 Effective Date

Under the Shanghai AngWei SPAs, the shareholder equity closing date is 1 January 2026. From such date, Anxon Environmental is entitled to the shareholder rights and economic benefits, legal liabilities and assumes the corresponding shareholder obligations, in respect of the equity interests acquired, subject to completion of the relevant registration filings and approvals. For the avoidance of doubt, all undistributed profits, surplus reserves and other retained earnings attributable to the equity interests acquired as at the shareholder equity closing date shall belong to Anxon Environmental with effect from the shareholder equity closing date.

1.3.2 ChangXing AngWei SPA

1.3.2.1 Consideration

The aggregate value of the consideration for ChangXing AngWei SPA is RMB 5,077,167 (the "**ChangXing AngWei SPA Consideration**") and the funds required to satisfy the ChangXing AngWei SPA Consideration payable by Anxon Environmental under the ChangXing AngWei SPA will be financed through internal funds and bank borrowings. The ChangXing AngWei SPA Consideration was determined based on an arms' length, willing-seller-willing-buyer basis, after taking into account various factors including, inter alia, the NAV of ChangXing AngWei as at 31 December 2025.

Based on the audited accounts of ChangXing AngWei for the financial year ended 31 December 2025, the NAV and NTA of ChangXing AngWei was approximately RMB 44,695,148, including service concession of RMB 33,895,254. No independent valuation was conducted on ChangXing AngWei.

1.3.2.2 Terms of Payment

The Consideration will be paid in three tranches as follows:-

(a) The first tranche of RMB 1,523,150, being 30% of the ChangXing AngWei SPA Consideration, to be paid to ChangXing Runjin within 30 business days of the execution of the ChangXing AngWei SPA;

(b) The second tranche of RMB 2,538,584, being 50% of the ChangXing AngWei SPA Consideration, to be paid to ChangXing Runjin within 30 business days after completion by both parties of the necessary filings and registrations to effect the transfer of shares in ChangXing AngWei; and

(c) The third tranche of RMB 1,015,433, being 20% of the ChangXing AngWei SPA Consideration, to be paid to ChangXing Runjin within two (2) months after the completion of paragraph (b) above.

In the event that Anxon Environmental fails to pay the ChangXing AngWei SPA Consideration to ChangXing Runjin in accordance with the above payment schedule, it shall pay liquidated damages to ChangXing Runjin at the rate of 0.02% of the total outstanding amount that remains payable, for each day overdue.

In the event that ChangXing Runjin fails to transfer the shares in ChangXing AngWei to Anxon Environmental on the date specified in the ChangXing AngWei SPA, it shall pay liquidated damages to Anxon Environmental at the rate of 0.02% of the total price of the shares that have not been transferred, for each day overdue.

1.3.2.3 Effective Date

Under the ChangXing AngWei SPA, the shareholder equity closing date is 1 January 2026. From such date, Anxon Environmental is entitled to the shareholder rights and economic benefits, legal liabilities and assumes the corresponding shareholder obligations, in respect of the equity interests acquired, subject to completion of the relevant registration filings and approvals. For the avoidance of doubt, all undistributed profits, surplus reserves and other retained earnings attributable to the equity interests acquired as at the shareholder equity closing date shall belong to Anxon Environmental with effect from the shareholder equity closing date.

1.3.3 Shuanglin SPA

1.3.3.1 Consideration

The aggregate value of the consideration for the Shuanglin SPA comprises of RMB 5,389,104 payable to Bai Xianghu in respect of the acquisition of 8.4% equity interest in Shuanglin, and RMB 7,185,473 payable to Ye Likui in respect of the acquisition of 11.2% equity interest in Shuanglin (collectively, the "**Shuanglin SPA Consideration**") and the funds required to satisfy the Shuanglin SPA Consideration payable by Anxon Environmental under the Shuanglin SPA will be financed through internal funds and bank borrowings. The Shuanglin SPA Consideration was determined based on an arms' length, willing-seller-willing-buyer basis, after taking into account various factors including, inter alia, the NAV of Shuanglin as at 31 December 2025 and its future cash flow potential.

Based on the audited accounts of Shuanglin for the financial year ended 31 December 2025, the NAV and NTA of Shuanglin was approximately RMB 55,769,218, including service concession of RMB 42,361,786. No independent valuation was conducted on Shuanglin.

1.3.3.2 Terms of Payment

The Consideration will be paid in one tranche of RMB 12,574,577, being 100% of the Shuanglin SPA Consideration, to be paid to Bai Xianghu and Ye Likui within 60 days of the execution of the Shuanglin SPA.

1.3.3.3 Effective Date

Under the Shuanglin SPA, the shareholder equity closing date is 1 January 2026. From such date, Anxon Environmental is entitled to the shareholder rights and economic benefits, legal liabilities and assumes the corresponding shareholder obligations, in respect of the equity interests acquired, subject to completion of the relevant registration filings and approvals. For the avoidance of doubt, all undistributed profits, surplus reserves and other retained earnings attributable to the equity interests acquired as at the shareholder equity closing date shall belong to Anxon Environmental with effect from the shareholder equity closing date.

2. RELATIVE FIGURES BASED ON RULE 1006 OF THE CATALIST RULES

The relative figures for the Acquisitions are aggregated and computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**") based on the Group's latest announced audited consolidated financial statements for 31 December 2025 ("**FY2025**") as follows:

Rule 1006	Bases	Aggregated Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable[(1)]
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits	51.7[(2)]
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	35.5[(3)]
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable[(4)]
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable[(5)]

Notes:

(1) Not applicable as this relates to acquisitions.

(2) Based on the net profits attributable to the Acquisitions for FY2025 of approximately RMB 5,644,000 or approximately S$1,034,000 and the Group's profit before tax for FY2025 of approximately S$1,998,000.

(3) Based on the Purchase Consideration of RMB 34,864,626 or approximately S$6,406,000 and the Company's market capitalisation of approximately S$18,061,369 which is determined by multiplying the volume weighted average price of S$0.0626 per Share on 22 July 2026, being the last market day on which the Shares were traded on SGX-ST preceding the date of the signing of the Acquisitions, with the Company's total number of issued ordinary shares (excluding treasury shares) of 288,520,000 Shares.

(4) Not applicable as no equity securities are issued by the Company as consideration for the Acquisitions.

(5) Not applicable as the Company is not a mineral, oil or gas company.

As the relative figures computed on the basis set out in Rule 1006 (b) and (c) of the Catalist Rules exceeds 5% but does not exceed 75%, the Acquisitions are classified as discloseable transactions under Rule 1010 of the Catalist Rules. Accordingly, the Acquisitions are not subject to the approval of the Company's shareholders at a general meeting.

3. RATIONALE FOR THE ACQUISITIONS

The Acquisitions will enhance the Group's effective interests in its existing subsidiaries, thereby allowing the Group to consolidate a larger share of cash flows and earnings generated by the environmental business. The Acquisitions are also expected to strengthen the Group's asset value and financial position, which may provide greater flexibility for future corporate exercises, if any.

4. FURTHER INFORMATION RELATING TO THE ACQUISITIONS

4.1 Financial Effects

The financial effects of the Acquisitions on the Group set out below have been presented based on the latest announced audited financial statements of the Group for FY2025. The financial effects are purely for illustrative purposes only and do not reflect the actual future financial position and performance of the Group after the Acquisitions. The following are the bases and key assumptions used:

(i) the financial effects on the profit attributable to the equity holders of the Group and the earnings per share ("**EPS**") are computed assuming that the Acquisitions had been completed on 1 January 2025;

(ii) the financial effects on the NTA attributable to the equity holders of the Group and the NTA per share are computed assuming that the Acquisitions on 31 December 2025; and

(iii) the expenses incurred in connection with the Acquisitions have not been included in the computation of the financial effects.

4.1.1 EPS

	Before the Acquisitions	**After the Acquisitions**
(Loss)/Profit attributable to owners of the Company[(1)] (S$'000)	(520)	333
Weighted average number of issued Shares (excluding treasury shares and subsidiary holdings) ('000)	288,520	288,520
(LPS)/EPS (S$ cents)	(0.18)	0.12

Note:

(1) Profit attributable to owners of the Company refers to the profit after income tax after deducting non-controlling interests.

4.1.2 NTA per Share

	Before the Acquisitions	**After the Acquisitions**
NTA attributable to owners of the Company[(1)] (S$'000)	64,125	72,081
Number of ordinary shares (excluding treasury shares and subsidiary holdings) ('000)	288,520	288,520
NTA per Share (S$ cents)	22.23	24.98

Note:

(1) NTA attributable to owners of the Company refers to total assets less the sum of total liabilities, non-controlling interests and goodwill.

4.2 Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Acquisitions, other than through their respective shareholdings (if any) in the Company.

4.3 Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Acquisitions. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

5. DOCUMENTS FOR INSPECTION

Copies of the Shanghai AngWei SPA, ChangXing AngWei SPA and Shuanglin SPA are available for inspection during normal business hours at the Company's registered office at 52, Tuas Avenue 9, Singapore 639193 for a period of three (3) months commencing from the date of this announcement.

6. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax, legal or other professional advisers.

7. RESPONSIBILITY STATEMENT BY THE DIRECTORS

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that, as at the date hereof, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Acquisitions and the Group. The Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Ng Kim Keang
Executive Director and Chief Operating Officer
31 July 2026
