ANNUAL REPORTS AND RELATED DOCUMENTS::

Issuer & Securities

Issuer/ Manager
SANTAK HOLDINGS LIMITED

Securities
SANTAK HOLDINGS LIMITED - SG1J68891147 - 580

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No

Announcement Details

Announcement Title
Annual Reports and Related Documents

Date &Time of Broadcast
12-Oct-2026 17:45:21

Status
New

Report Type
Annual Report

Announcement Reference
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Submitted By (Co./ Ind. Name)
Lai Foon Kuen

Designation
Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)
Please refer to the attached.

Additional Details

Period Ended
30/06/2026

Attachments

Santak Holdings - Annual Report FY 30 June 2026.pdf

Total size =1580K MB

SANTAK

SANTAK HOLDINGS LIMITED

ANNUAL REPORT 2026

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This document has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Foo Quee Yin, at 160 Robinson Road, #21-05 SBF Center, Singapore 068914
Telephone number: 6221 0271

CORPORATE PROFILE

Established in 1978, the Santak Group is a manufacturing and trading group of companies with 2 divisions i.e. the Precision Engineering Division and the Trading and Distribution Division structured under the holding company, Santak Holdings Limited.

The Precision Engineering Division's main business is in the manufacturing and trading of precision machined components specially tailored to meet our customers' requirements. Its clientele include multi-national companies and other main contract manufacturers. Its products are mainly used in hard-disk drives, oil & gas equipment, medical equipments, sensor devices, fibre-optics connectors, consumer electronic devices, optical instrument devices, connectors/ contacts as well as computer peripherals.

The Trading and Distribution Division specialises in sourcing and supplying custom-made electronic, electrical and mechanical components/products. It acts as a representative for suppliers in the Asian region and facilitate the supply of these components/ products based on the specifications of customers. Its focus is on security/access control systems, OEM assembly of card readers, contactless smartcards, die-cast & machined parts, metal enclosures and stamped parts, heatsinks, solenoids and coils.

Strategic investments have been made in high precision and automated production machinery in addition to the training and development of the Group's workforce. On-going marketing efforts are supported by manufacturing and engineering expertise, built up over the past 48 years.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, I hereby present the Annual Report and Financial Statements of Santak Holdings Limited (the "Company") and its subsidiary companies (the "Group") for the Financial Year ended 30 June 2026 ("FY2026").

FY2026 VS FY2025
REVIEW OF INCOME STATEMENT

Revenue decreased by 5.6% to S$6.96 million in FY2026 compared to S$7.37 million in financial year ended 30 June 2025 ("FY2025"). The decrease was mainly due to lower sales derived from the Group's Trading & Distribution Division's ("T&D") at S$3.47 million, a drop of S$0.52 million or 13.0% compared to FY2025. The decrease in sales in T&D compared to the prior year was mainly due to the lower demand from its security/ access control systems business. On the other hand, the Group's Precision Engineering Division's ("PE") revenue was at S$3.48 million in FY2026, represents a slight increase of S$0.10 million or 3.0% compared to FY2025 mainly attributable to higher demand from a new major customer in Malaysia partially offset by lower sales to another major customer in Thailand from the computer/ server data storage sector as well as lower sales to oil and gas sector. Nevertheless, revenue in the second half year ended 30 June 2026 ("2HY2026") at S$3.64 million was higher by S$0.33 million or 9.8% when compared to sales of S$3.31 million in the preceding corresponding 2HY2025.



CHEN YEOW SIN
Chairman

The Group registered a lower gross loss of approximately S$0.04 million in 2HY2026 compared to a gross loss of S$0.19 million in 2HY2025 resulting in a lower negative gross margin of 1.2% in 2HY2026 versus negative gross margin of 5.6% in 2HY2025. This was mainly the results of higher sales and an improvement in PE's production activities level and machines utilization rate in 2HY2026 compared to prior corresponding period. Despite the improvement, as the turnover and production activities level still remained low resulting in inadequate level of economy of scale achieved, the Group's gross margin remained negative in 2HY2026 and FY2026.

Other expenses decreased by S$0.03 million from approximately S$0.04 million in FY2025 to S$0.01 million in FY2026. This was due to lower foreign exchange loss of S$0.01 million in FY2026 compared to S$0.04 million in FY2025 principally arising from the weakness of USD against both SGD and RM in FY2026. Other income was slightly higher by S$0.01 million in FY2026 compared to the previous year mainly due to a gain on disposal of intangible assets in a club membership of around S$0.01 million. The Group's distribution and selling expenses increased by approximately S$0.09 million or 12.1% to S$0.79 million in FY2026 primarily due to higher payroll related and commission cost as well as increase in freight expense and depreciation of right-of-use assets in

CHAIRMAN'S STATEMENT

FY2026 compared to FY2025. The Group's administrative expenses decreased marginally by S$0.02 million or 1.2% to approximately S$1.44 million in FY2026 compared to FY2025 mainly the results of lower professional fees expense in FY2026 compared to prior year.

The decrease in finance income by S$0.08 million or 79.6% to S$0.02 million in FY2026 was the results of a decrease in interest income from the short-term deposit placed with a bank in Singapore as a result of both lower short-term deposit balance and interest rates during FY2026 compared to previous year. The increase in finance costs by approximately S$5,000 in FY2026 arose from higher interest expense on lease liabilities compared to FY2025.

Loss before and after tax of S$2.50 million for FY2026 represents a higher loss by S$0.11 million or 4.7% compared to the loss before and after tax of S$2.39 million in FY2025. The Group's basic and diluted loss per share were both at 2.33 cents for FY2026 versus the previous year basic and diluted loss per share of 2.22 cents.

REVIEW OF FINANCIAL POSITION

The decrease in right-of-use assets by S$0.24 million to S$0.37 million as at 30 June 2026 versus 30 June 2025 arose from the depreciation of the right-of-use assets during FY2026. The drop in intangible assets was due to the disposal of a club membership during the year. The increases in inventories, trade receivables and trade payables by approximately S$0.33 million, S$0.24 million and S$0.68 million respectively as at 30 June 2026 compared to 30 June 2025 were mainly due to the higher production activities amid increase in PE sale during the 2HY2026 versus previous correspondence period. The increase in inventories was mainly in work-in-progress and raw material balances which was due to higher production activities to meet the higher sales to and sales orders received from customers in the 2HY2026 Vs 2HY2025. The higher trade receivables was primarily due to receivables from a new major customer during FY2026. The increase in other receivables by approximately S$0.08 million was mainly due to higher GST receivables as at 30 June 2026 versus 30 June 2025.

The cash and cash equivalents of S$1.49 million as at 30 June 2026 comprised of short-term deposits of S$0.68 million for 1 month term held with a bank in Singapore and cash at banks of S$0.81 million. The decrease in cash and cash equivalents by S$2.13 million from S$3.62 million as at 30 June 2025 to S$1.49 million as at 30 June 2026 is explained in the cash flow explanation in the following section below.

The increase in other payables by approximately S$0.17 million to S$0.82 million as at 30 June 2026 was mainly due to higher accruals of payroll related cost, electricity and sales commission cost as at 30 June 2026 versus 30 June 2025. The decrease in lease liabilities by approximately S$0.24 million to S$0.45 million as at 30 June 2026 was mainly due to the payment of lease liabilities during FY2026.

The Group's net asset value per share was 4.77 cents as at 30 June 2026 versus 6.92 cents as at 30 June 2025.

REVIEW OF CASH FLOW

The higher net cash flows used in operating activities of approximately S$1.89 million in FY2026 compared to S$1.57 million in FY2025 was primarily due to a lower cash inflow from working capital changes in FY2026 (which mainly arose from an increase in inventories and trade and other receivables versus a decrease in the previous year).

There was a net cashflow from investing activities of S$0.01 million mainly due to proceed from disposal of intangible assets in FY2026 versus net cash used in investing activities of approximately S$0.01 million for FY2025. Net cash used in financing activities increased by approximately S$0.12 million in FY2026 compared to FY2025 arose from higher payment of lease liabilities and interest expense during the year.

CHAIRMAN'S STATEMENT

Overall, cash and cash equivalents decreased by approximately S$2.13 million during FY2026 to S$1.49 million as at 30 June 2026 compared to the balance of S$3.62 million as at 30 June 2025.

The market in which the Group operates remains demanding and competitive going forward in the current financial year ending 30 June 2027 ("FY2027") in view of the challenging and volatile economic environment. The Group will continue its marketing and cost controls efforts of the Group's operations. Further, the Board and the Management will continue to seek opportunities which offer potential growth for the Group and enhancement of value for the Shareholders. We will update Shareholders as and when appropriate.

Subsequent to the financial year end, the Group's wholly-owned subsidiary in Malaysia entered into a sale and purchase agreement ("SPA") with a third-party purchaser (the "Purchaser") on 9 July 2026 for the disposal of its property located at 8 Jalan Teknologi Perintis 1/3, Taman Teknologi Nusajaya, 79200 Iskandar Puteri, Johor, Malaysia (the "Property") for a consideration of approximately SGD4.07 million, ie RM12.80 million (the "Disposal"). The Disposal was conditional upon obtaining the requisite corporate approvals, including the approval of the shareholders of the Company. The shareholders of the Company approved the Disposal at the Extraordinary General Meeting held on 19 August 2026 and, following the satisfaction of the relevant corporate approval condition and its delivery to the Purchaser's solicitors, the SPA became unconditional on 20 August 2026. Under the terms of the SPA, completion is required within four months from the date on which the SPA became unconditional, with provision for an extension of a further two months subject to interest at 8% per annum to be paid by the Purchaser, if exercised.

In connection with the Disposal, the Group has also entered into a tenancy agreement with the Purchaser for the leaseback of the Property for a period of three years (with a renewal option of another three years at market rates), thereby enabling the Group to continue its operations at the Property following completion of the Disposal.

Upon completion of the Disposal, the Group expects to receive net cash proceeds of approximately S$3.91 million (approximately RM12.32 million), inclusive of the deposit of approximately S$0.41 million (RM1.28 million) (the "Deposit") paid by the Purchaser and after deducting the estimated transaction expenses. The Disposal is expected to be completed before or on 19 December 2026, subject to the completion provisions of the SPA.

No final dividend has been declared or recommended for the financial year ended 30 June 2026. This is to conserve cash for working capital and capital expenditure purposes.

Please join me in extending our warmest welcome to Mr Chua Siong Kiat who joined the Board as Independent Non-Executive Director on 17 July 2026. I would also like to extend my gratitude to my fellow Board members for their counsel and guidance.

Our sincere appreciation goes to all our customers, shareholders and business associates for their support, confidence and trust all these years. Last but not least, we would like to thank our management and staff of the Group for their contributions and dedication. We look forward to your continued support in the future.

CHEN YEOW SIN
Chairman

CORPORATE DATA

COMPANY REGISTRATION NUMBER

200101065H

BOARD OF DIRECTORS

Chen Yeow Sin#
(Non-Executive Chairman/Independent Director)
Tan Chee Hawai
(Group Managing Director)
Ng Weng Wei
(Executive Director)
Cheam Heng Haw
(Independent Director)
Chua Siong Kiat*
(Independent Director)

AUDIT COMMITTEE

Chen Yeow Sin# *(Chairman)*
Cheam Heng Haw
Chua Siong Kiat*

NOMINATING COMMITTEE

Chua Siong Kiat* *(Chairman)*
Chen Yeow Sin#
Cheam Heng Haw
Tan Chee Hawai

REMUNERATION COMMITTEE

Cheam Heng Haw *(Chairman)*
Chen Yeow Sin#
Ng Weng Wei

SUSTAINABILITY COMMITTEE

Chen Yeow Sin# *(Chairman)*
Tan Chee Hawai
Ng Weng Wei

JOINT COMPANY SECRETARIES

Lai Foon Kuen and Adelynne Chin Ai Lyn
(appointed on 25 July 2025)

REGISTERED OFFICE

4 Clementi Loop
#01-01
Singapore 129810

Tel: 6755 4788
Email: santak.holdings@santak.com.sg
Website: www.santak.com.sg

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower, #14-07
Singapore 098632

AUDITORS

Nexia Singapore PAC
Chartered Accountants of Singapore
36 Robinson Rd
#11-01 City House
Singapore 068877

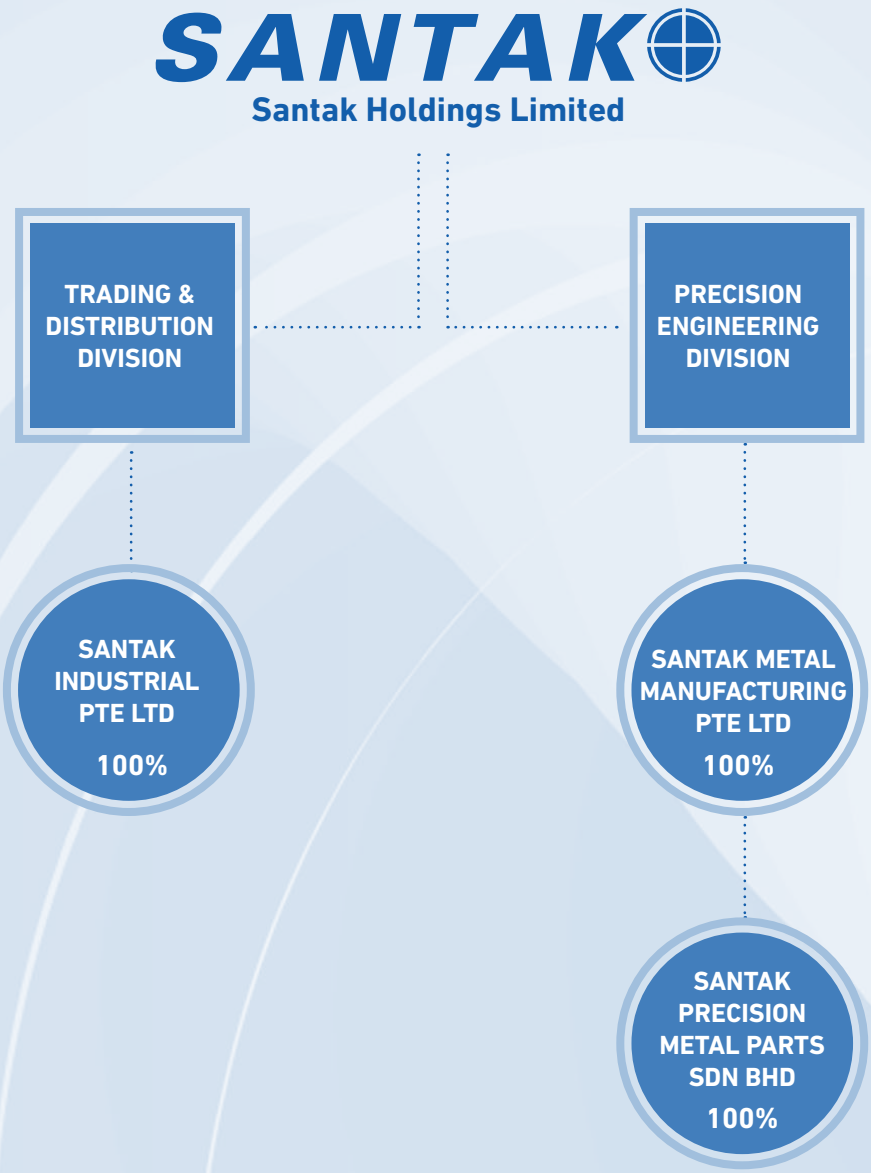
Partner-in-charge: **Chang Fook Kay** (Since FY2025)

Note:

 # Mr Chen Yeow Sin will not be seeking re-election and will retire as a Director at the forthcoming Annual General Meeting.

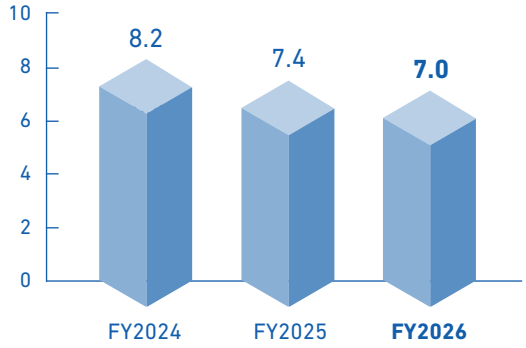
** Mr Chua Siong Kiat was appointed on 17 July 2026.*

CORPORATE STRUCTURE

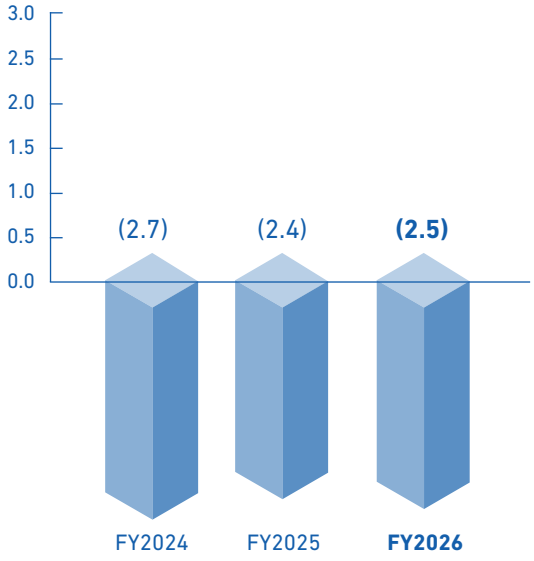


FINANCIAL HIGHLIGHTS

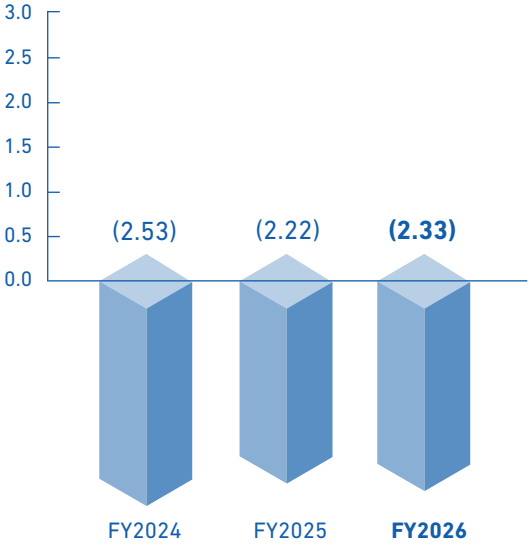
TURNOVER
(In S$Million)



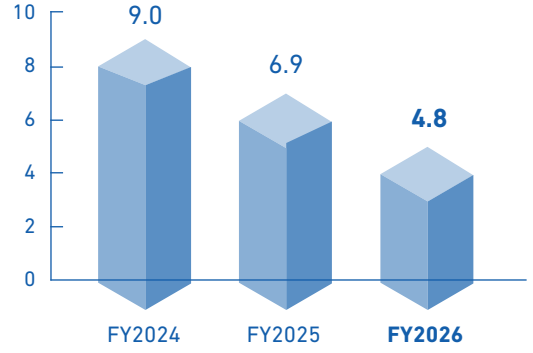
LOSS AFTER TAX
(In S$Million)



BASIC/DILUTED LOSS PER SHARE
(In Cents)



NET ASSET VALUE PER SHARE
(In Cents)



FINANCIAL REPORT

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22 Statements of Financial Position

23 Consolidated Statement of Changes in Equity

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26 Notes to Financial Statements

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members of the Company together with the audited consolidated financial statements of Santak Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position of the Company for the financial year ended 30 June 2026.

Opinion of the directors

In the opinion of the directors,

(i) the financial statements set out on pages 20 to 75 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"); and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Chen Yeow Sin	
Tan Chee Hawai	
Ng Weng Wei	
Cheam Heng Haw	
Chua Siong Kiat	(Appointed on 17 July 2026)
Tan Sin Hock	(Retired on 17 July 2026)
Heng Kheng Hwai	(Retired on 17 July 2026)

Arrangements to enable directors to acquire shares and debentures

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

Directors' interests

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings kept by the Company for the purposes of Section 164 of the Act, an interest in shares, share options, warrants and debentures of the Company and in related corporations (other than wholly-owned subsidiaries) are stated below:

	Direct interest		Deemed interest	
Name of director and corporation in which interests are held	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Tan Chee Hawai	47,858,570	45,518,675	4,667,000	-
Ng Weng Wei	1,618,000	1,618,000	-	-
Tan Sin Hock (Retired on 17 July 2026)	6,704,100	-*	-	-
Heng Kheng Hwai (Retired on 17 July 2026)	4,667,000	-*	47,858,570	45,518,675

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2026.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

Note:

* Mr Tan Sin Hock and Mdm Heng Kheng Hwai disposed their shares on 18 June 2026 respectively.

Share Options

No options were issued by the Company during the financial year. As at 30 June 2026, there are no options on the unissued shares of the Company or any other body corporate which were outstanding.

DIRECTORS' STATEMENT

Audit Committee

At the date of this statement, the Audit Committee (the "AC") comprises three independent non-executive directors, one of whom is also the Chairman of the Committee. The members of the AC are:

Chen Yeow Sin
Cheam Heng Haw
Chua Siong Kiat (Appointed on 17 July 2026)
Heng Kheng Hwai (Retired on 17 July 2026)

The AC performed the functions set out in the Section 201B of the Act and Section B of the Listing Manual of the Singapore Exchange Securities Trading Limited: Rules of Catalist ("Rules of Catalist"). In performing those functions, the AC reviewed the overall scope of the Company's external and internal auditors and the assistance given by the Company's officers to the auditors.

The AC had met with the Company's external and internal auditors to discuss the results of their audit. The AC had reviewed the financial statements of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2026, as well as the external and internal auditors' reports thereon.

Based on the internal controls established and maintained by the Group, work performed by the internal auditor, the external auditor and ISO 9001 auditor as well as reviews performed by management, the AC and the Board, the Board with the concurrence of the AC is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, and risk management systems, are adequate and effective to meet the needs of the Group within the current scope of the Group's business operations.

The AC convened two meetings during the year with full attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

The AC is satisfied with the independence and objectivity of the external auditor and has recommended to the board of directors that the auditor, Nexia Singapore PAC, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company. The AC has also conducted a review of interested person transactions.

In appointing the auditors for the Company and its subsidiaries, the Company has complied with Rules 712 and 715 of the Rules of Catalist.

Further details regarding the AC are disclosed in the Report on Corporate Governance in the Company's Annual Report 2026.

DIRECTORS' STATEMENT

Auditor

The auditor, Nexia Singapore PAC, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

Tan Chee Hawai
Director

Ng Weng Wei
Director

Singapore
28 September 2026

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Santak Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2026, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Key Audit Matters

Impairment assessment of property, plant and equipment ("PPE") (the Group)	
Key Audit Matter	How the matter was addressed in our audit
As at 30 June 2026, the carrying amount of the Group's property, plant and equipment ("PPE") amounted to S$3.5 million (2025: S$3.5 million). These assets comprised, in aggregate, approximately 45% (2025: 36%) of the total assets of the Group. The Group's PPE mainly comprised freehold land and buildings of S$3.1 million (2025: S$3.0 million) and plant and machinery of S$0.1 million (2025: S$0.1 million). PPE carried at cost are subject to impairment assessment. Based on external and internal sources of information, management has assessed that there are indicators of impairment. Cash-Generating Unit (CGU) Under SFRS(I) 1-36, a Cash-Generating Unit ("CGU") is defined as the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups. In practice, this means that for impairment testing purposes, assets are grouped together into a CGU based on independent cash flows and how management monitors and evaluates the performance of these assets. If there is an indication of impairment as and when the indicator(s) arises, management is required to conduct an impairment review on the Group's assets. Should there be any indication, the assessment of the recoverable amount of the assets is based on higher of value in use ("VIU") and fair value less costs of disposal ("FVLCD"). Management assessed the recoverable amounts of the land and building with reference to the consideration stipulated in the Sale and Purchase Agreement entered into with an independent third-party purchaser subsequent to the financial year end, while Asian Appraisal Company Pte Ltd ("AA") was engaged to perform an independent valuation of the plant and machinery. The impairment exercise and the estimation of the recoverable amounts involves judgment and is subject to significant estimation uncertainties. As such, we determined this is a key audit matter. Refer to Note 9 and Note 28 to the accompanying financial statements.	Our audit procedures, amongst others; included the following: - Reviewed the appropriateness of the CGUs (defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets) as identified by the management. - Reviewed for external and internal indicators of impairment of the CGUs associated with the PPE assets. - Reviewed management's estimates and key assumptions adopted in assessing for impairment indicators and in the FVLCD and VIU calculations for determining the recoverable amount of the PPE assets. - If and when planning to use the work of an expert (e.g. professional valuer), evaluate whether the expert has the necessary competence, capabilities and objectivity for the required purposes. - Inspected the Sale and Purchase Agreement ("SPA"), Tenancy Agreement and corporate approval documentation. We also obtained solicitor confirmation that the conditions precedent were satisfied and that the SPA became unconditional after the corporate approval was obtained on 19 August 2026. - Reviewed the adequacy of the work performed, including significant judgement, estimates and assumptions used by management (and the expert) in arriving at the valuation amounts. - Evaluated management's conclusion to recognise impairment loss, if any. - Reassessed reasonableness of depreciation rates of the PPE if allowance for impairment loss in the recent prior periods indicate that the depreciation rates may no longer be appropriate. - Reviewed the disclosures of significant judgements, estimates and assumptions used in determining the recoverable amounts of the CGUs including the PPE.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Key Audit Matters (Cont'd)

Impairment assessment of investment in subsidiaries (the Company)	
Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the Company's investment in subsidiaries amounted to S$6.4 million (2025: S$8.4 million) as at 30 June 2026. The cost of investment in subsidiaries represents a majority of the Company's assets, i.e. 74% of the Company's total assets as at 30 June 2026 (2025: 79%). In accordance with SFRS(I) 1-36 Impairment of Assets, the subsidiaries are reviewed at each reporting date to determine whether there is any indication of impairment. Management has assessed the recoverable amounts of its investments in subsidiaries based on FVLCD. FVLCD was determined based on adjusted net asset approach, comprising the fair value of land and building and fair value of plant and machinery, related parties balances, trade and other receivables, cash and cash equivalents and deducting total liabilities. Based on the assessment, an impairment of approximately $2.0 million was recognised in the Company's profit or loss for the financial year ended 30 June 2026 in respect of the Company's cost of investment in Santak Metal Manufacturing Pte. Ltd.. Impairment assessment by management involves significant judgement and estimates. Consequently, we have identified this as a key audit matter. Refer to Note 10 and Note 28 to the accompanying financial statements.	Our audit procedures, amongst others; included the following: - Reviewed for external and internal indicators of impairment of the investment in subsidiaries. - Ascertained that the recoverable amount of investment in subsidiaries is measured at the higher of VIU and FVLCD. - Reviewed management's estimates and key assumptions adopted in assessing for impairment indicators and in the FVLCD and VIU calculations for determining the recoverable amount of the investment in subsidiaries. - If and when planning to use the work of an expert (e.g. professional valuer), evaluated whether the expert has the necessary competence, capabilities and objectivity for the required purposes. The evaluation of objectivity included inquiry regarding interests and relationships that may create a threat to that expert's objectivity. - Inspected the Sale and Purchase Agreement ("SPA"), Tenancy Agreement and corporate approval documentation. We also obtained solicitor confirmation that the conditions precedent were satisfied and that the SPA became unconditional after the corporate approval was obtained on 19 August 2026. - Reviewed the adequacy of the work performed, including significant judgement, estimates and assumptions used by management (and the expert) in arriving at the valuation amounts. - Evaluated management's conclusion to recognise impairment loss, if any. - Reviewed the disclosures of significant judgements, estimates and assumptions used in determining the recoverable amounts of the CGUs.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Key Audit Matters (Cont'd)

Going concern	
Key Audit Matter	How the matter was addressed in our audit
The Group has incurred a net loss of S$2.50 million and recorded net operating cash outflows of S$1.89 million for the financial year ended 30 June 2026. As at that date, the Group had cash and cash equivalents of S$1.49 million. Management has prepared a cash-flow forecast covering the period after the reporting date to September 2027 and concluded that the going-concern basis of accounting remained appropriate. In making this assessment, management considered the disposal and leaseback of the Group's freehold land and building for a gross consideration of approximately S$4.07 million, i.e. RM12.80 million. The Sale and Purchase Agreement ("SPA") and related Tenancy Agreement were entered into on 9 July 2026. The required corporate approval was obtained on 19 August 2026 and, based on confirmation from the Group's solicitors, the SPA became unconditional after the corporate approval. Completion of the transaction and receipt of the balance sale proceeds remained outstanding at the date of the auditor's report. Management's assessment involved significant judgement regarding the timing of completion and receipt of the net disposal proceeds, forecast sales and collections, operating expenditure, transaction costs and future lease payments. While management's base forecast indicated that the Group would maintain positive cash balances, the available liquidity headroom was sensitive to adverse changes in forecast operating cash flows and delays in completing the disposal. We identified the going-concern assessment as a key audit matter because the conclusion involved significant management judgement and required significant auditor attention in assessing the reasonableness of the forecast assumptions and management's mitigating plans. Refer to Note 2.1 and Note 28 to the accompanying financial statements.	Our audit procedures, amongst others; included the following: - Assessed the events and conditions that may cast significant doubt on the Group's ability to continue as a going concern, including recurring losses, operating cash outflows, declining cash balances and dependence on the disposal and leaseback transaction. - Tested management's cash-flow forecast covering July 2026 to September 2027, including its mathematical accuracy and key assumptions. We compared forecast sales, collections and operating expenditure against historical results, the previous forecast, supporting documents and post-year-end performance. - Inspected the SPA, Tenancy Agreement and corporate approval documentation. We also obtained solicitor confirmation that the conditions precedent were satisfied and that the SPA became unconditional after the corporate approval was obtained on 19 August 2026. - Reviewed evidence of the related deposits received and assessed the expected net disposal proceeds, transaction costs and expected completion timetable. - Performed sensitivity analyses over key assumptions, including reductions in sales-linked cash flows and delays in completing the disposal, and evaluated the feasibility of management's mitigating actions under the downside scenarios. - Considered subsequent events, obtained written representations from management and assessed the appropriateness of the going-concern basis and adequacy of the related financial-statement disclosures.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Other Information

Management is responsible for the other information. The other information comprises information included in the annual report and directors' statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2026

Independent Auditor's Report to the members of Santak Holdings Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chang Fook Kay.

Nexia Singapore PAC
Public Accountants and
Chartered Accountants
Singapore

28 September 2026

CONSOLIDATED INCOME STATEMENT

For the financial year ended 30 June 2026

	Note	2026	2025
		$	$
Revenue	3	6,954,860	7,365,107
Cost of sales		(7,265,085)	(7,677,335)
Gross loss		(310,225)	(312,228)
Other income	4	51,575	42,468
Distribution and selling expenses		(785,378)	(699,986)
Administrative expenses		(1,440,909)	(1,459,822)
Other expenses	4	(12,802)	(43,220)
Results from operating activities		(2,497,739)	(2,472,788)
Finance costs	5	(26,534)	(21,811)
Finance income	5	20,832	103,362
Net finance (loss)/income		(5,702)	81,551
Loss before tax	6	(2,503,441)	(2,391,237)
Taxation	7	233	660
Loss for the year		(2,503,208)	(2,390,577)
Loss attributable to:			
Owners of the Company		(2,503,208)	(2,390,577)
Loss for the year attributable to owners of the Company		(2,503,208)	(2,390,577)
Loss per share attributable to owners of the Company (cents per share)			
Basic	8	(2.33)	(2.22)
Diluted	8	(2.33)	(2.22)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2026

	Note	2026	2025
		$	$
Loss for the year		(2,503,208)	(2,390,577)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences	20	191,097	124,790
Total other comprehensive income for the year, net of taxation		191,097	124,790
Total comprehensive loss for the year		(2,312,111)	(2,265,787)
Total comprehensive loss attributable to:			
Owners of the Company		(2,312,111)	(2,265,787)
Total comprehensive loss for the year attributable to equity owners of the Company		(2,312,111)	(2,265,787)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		$	$	$	$
Non-current assets					
Property, plant and equipment	9	3,531,726	3,504,062	39,644	47,573
Right-of-use assets	17	368,810	606,840	-	-
Investments in subsidiary companies	10	-	-	6,369,104	8,356,335
Intangible assets	11	267	7,907	-	-
Deferred tax assets	18	8,468	8,235	8,468	8,235
Trade and other receivables	13	95,777	95,444	-	-
		4,005,048	4,222,488	6,417,216	8,412,143
Current assets					
Inventories	12	622,955	296,272	-	-
Trade and other receivables	13	1,734,964	1,415,739	2,099,888	2,073,731
Prepayments		80,109	77,372	27,018	23,115
Loan to a subsidiary company	14	-	-	-	-
Cash and cash equivalents	15	1,486,552	3,620,646	27,961	23,312
		3,924,580	5,410,029	2,154,867	2,120,158
Current liabilities					
Trade and other payables	16	2,314,680	1,469,525	379,390	337,856
Lease liabilities	17	259,334	235,933	-	-
		2,574,014	1,705,458	379,390	337,856
Net current assets		1,350,566	3,704,571	1,775,477	1,782,302
Non-current liabilities					
Lease liabilities	17	186,171	445,505	-	-
Provisions	16	35,000	35,000	-	-
		221,171	480,505	-	-
Net assets		5,134,443	7,446,554	8,192,693	10,194,445
Equity attributable to owners of the Company					
Share capital	19	12,852,187	12,852,187	12,852,187	12,852,187
Translation reserve	20	128,904	(62,193)	-	-
Accumulated losses		(7,846,648)	(5,343,440)	(4,659,494)	(2,657,742)
		5,134,443	7,446,554	8,192,693	10,194,445

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2026

	Share capital (Note 19)	Accumulated losses	Translation reserve (Note 20)	Total equity
	$	$	$	$
Group				
2026				
At 1 July 2025	12,852,187	(5,343,440)	(62,193)	7,446,554
Loss for the year	-	(2,503,208)	-	(2,503,208)
Other comprehensive income				
Foreign currency translation differences	-	-	191,097	191,097
Other comprehensive income for the year, net of taxation	-	-	191,097	191,097
Total comprehensive loss for the year	-	(2,503,208)	191,097	(2,312,111)
At 30 June 2026	12,852,187	(7,846,648)	128,904	5,134,443
2025				
At 1 July 2024	12,852,187	(2,952,863)	(186,983)	9,712,341
Loss for the year	-	(2,390,577)	-	(2,390,577)
Other comprehensive loss				
Foreign currency translation differences	-	-	124,790	124,790
Other comprehensive loss for the year, net of taxation	-	-	124,790	124,790
Total comprehensive loss for the year	-	(2,390,577)	124,790	(2,265,787)
At 30 June 2025	12,852,187	(5,343,440)	(62,193)	7,446,554

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2026

	Note	2026	2025
		$	$
Cash flows from operating activities			
Loss before tax		(2,503,441)	(2,391,237)
Adjustments for:			
Depreciation of property, plant and equipment	9	152,471	172,871
Depreciation of right-of-use assets	17(a)	238,030	174,685
Amortisation of intangible assets	11	1,164	3,172
Write-off of property, plant and equipment	4(b)	219	-
Gain on sale of intangible assets	4(a)	(8,347)	-
Gain on sale of property, plant and equipment	4(a)	(1,845)	(2,413)
Interest expense - lease liabilities	5(a)	26,534	21,811
Interest income	5(b)	(20,832)	(103,362)
Write-off of inventories	12	541	1,703
Write-back of inventories, net	12	(5,263)	(9,638)
Unrealised exchange loss		2,798	201
Operating cash flows before changes in working capital		(2,117,971)	(2,132,207)
Changes in working capital			
(Increase)/decrease in:			
Inventories		(314,589)	356,937
Trade and other receivables		(300,346)	98,023
Prepayments		(335)	(8,448)
Increase/(decrease) in:			
Trade and other payables		825,782	(7,798)
Total changes in working capital		210,512	438,714
Cash flows from operations		(1,907,459)	(1,693,493)
Interest received		20,832	123,126
Net cash flows used in operating activities		(1,886,627)	(1,570,367)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2026

	Note	2026	2025
		$	$
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(7,462)	(16,392)
Purchase of intangible assets	11	(159)	(287)
Proceeds from disposal of intangible assets		15,000	-
Proceeds from sale of property, plant and equipment		1,845	2,420
Net cash flows generated from/(used in) investing activities		9,224	(14,259)
Cash flows from financing activities			
Interest paid	17(d)	(26,534)	(21,811)
Payment of principal portion of lease liabilities	17(d)	(235,933)	(124,503)
Net cash flows used in financing activities		(262,467)	(146,314)
Net decrease in cash and cash equivalents		(2,139,870)	(1,730,940)
Effect of exchange rate changes on cash and cash equivalents		5,776	(13,986)
Cash and cash equivalents at beginning of year		3,620,646	5,365,572
Cash and cash equivalents at end of year	15	1,486,552	3,620,646

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

1. Corporate information

Santak Holdings Limited is a limited liability company, incorporated and domiciled in Singapore and is listed on the Catalist Board of Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 4 Clementi Loop, #01-01, Singapore 129810.

The principal activities of the Company are those of investment holding and providing managerial, administrative, supervisory and consultancy services to any company in which the Company has an interest. The principal activities of its subsidiary companies are disclosed in Note 10.

The financial statements of the Group as at and for the year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

2. Summary of material accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). The changes to material accounting policies are described in Note 2.2.

The consolidated financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "$"), which is also the Company's functional currency.

Going concern basis

For the financial year ended 30 June 2026, the Group incurred a loss of S$2.50 million (2025: loss of S$2.39 million) and recorded net cash outflows from operating activities of S$1.89 million (2025: S$1.57 million). As at 30 June 2026, the Group had cash and cash equivalents of S$1.49 million (2025: S$3.62 million) and net current assets of S$1.35 million (2025: S$3.70 million).

These conditions required the directors to give careful consideration to the Group's ability to continue as a going concern. In making their assessment, the directors have considered the Group's existing cash resources, expected operating cash requirements, measures available to manage expenditure and working capital, and the expected proceeds from the sale and leaseback of the Group's property in Malaysia.

On 9 July 2026, the Group's wholly-owned subsidiary in Malaysia entered into a sale and purchase agreement ("SPA") with a third-party purchaser (the "Purchaser") for the disposal of its property located at 8 Jalan Teknologi Perintis 1/3, Taman Teknologi Nusajaya, 79200 Iskandar Puteri, Johor, Malaysia (the "Property") for a consideration of approximately S$4.07 million, ie RM12.80 million (the "Disposal") as disclosed in detail under Note 28.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

Going concern basis (cont'd)

In assessing the likelihood of completion of the Disposal, the directors have considered, among other matters, that the SPA has become unconditional, the deposit had been paid by the Purchaser and the contractual arrangements for completion are in place.

Based on the directors' assessment of the Group's expected operating expenditure and cash requirements, the expected net proceeds from the Disposal, together with the Group's existing cash resources and cashflow from operation, are expected to provide sufficient liquidity for the Group to meet its obligations and operating requirements for at least twelve months from the date of authorisation of these financial statements. The Group will also continue to implement cost-control measures, optimise operating efficiency and manage its working capital and expenditure to preserve its cash resources.

While completion of the Disposal and receipt of the balance consideration will occur subsequent to the date of authorisation of these financial statements, the directors have considered the advanced status of the Disposal, including the unconditional SPA, the deposit received and the contractual completion arrangements. Having considered these factors together with the Group's existing financial resources and expected cash requirements, the directors are of the view that the Group will have sufficient financial resources to meet its obligations as and when they fall due for at least twelve months from the date of authorisation of these financial statements. Accordingly, the directors are of the view that the use of the going concern basis of accounting in the preparation of these financial statements is appropriate.

Impairment assessment of property, plant and equipment (the Group) and investment in subsidiaries (the Company)

Management performed an impairment indicator assessment as at 30 June 2026. Based on the independent valuations performed as at 30 June 2026 and a review of market conditions, operating performance and key assumptions subsequent to that date, there were no material changes in market factors or asset utilization. Accordingly, management concluded that no impairment loss was required for property, plant and equipment (the Group) for the year. Nevertheless, an impairment charge of approximately S$2.0 million (2025: NIL) was made to the Company's investment in subsidiaries for the year as the recoverable amount was lower than the carrying amount. Management will continue to monitor relevant impairment indicators and perform an updated recoverable amount assessment should any adverse changes arise.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of a number of new and amended standards effective for annual periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial statements of the Group, or the financial position of the Group and the Company.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	*Effective for annual periods on or after*
Amendments to SFRS(I) 9 and SFRS(I) 7: Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s—Volume 11	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 1-21: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to SFRS(I) 1-28: Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	*To be determined*

Except for SFRS(I) 18 Presentation and Disclosure in Financial Statements, the directors expect that the adoption of other standards and interpretation above will have no material impact on the financial statements in the period of initial application. The nature of the ompeding changes in accounting policy on adoption of SFRS(I) 18 Presentation and Disclosure in Financial Statements is described below:

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.3 Standards issued but not yet effective (cont'd)

SFRS(I) 19 Subsidiaries without Public Accountability: Disclosure

SFRS(I) 19 allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other FRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in SFRS(I) 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with SFRS(I)s. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

2.4 Use of judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Information about judgements and significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

(i) Note 9 - impairment assessment of property, plant and equipment;

(ii) Note 10 - recoverability of investments in subsidiary companies;

(iii) Note 12 - measurement of allowance for obsolete inventories;

(iv) Note 13 - measurement of expected credit loss ("ECL") allowance for amounts due from subsidiary companies;

(v) Note 17 - impairment assessment of right-of-use assets ("ROU"); and

(vi) Note 18 - recognition and measurement of deferred tax assets.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest). The Group does not hold any assets or liabilities that are measured at fair value, and accordingly no fair value hierarchy disclosures are presented.

2.6 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as that of the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses arising from intra-group transactions are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.7 Subsidiaries

Subsidiaries are entities that are controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment losses.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.8 Foreign currencies

(a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was measured.

(b) Consolidated financial statements

On consolidation, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the average rate. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day maintenance servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Freehold land is not depreciated.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.9 Property, plant and equipment (cont'd)

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Building	-	50 years
Plant and machinery	-	5 to 8 years
Motor vehicles	-	10 years
Computers	-	2 to 5 years
Office equipment/furniture & fittings	-	10 years
Air-conditioners	-	10 years
Renovation/electrical installation	-	3 to 10 years
Tools and equipment	-	2 to 5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at the end of each financial year, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

Classification of freehold land and building

Subsequent to the financial year end, the Group entered into a sale-and-leaseback arrangement in respect of its freehold land and building. In assessing the classification of the property as at 30 June 2026, the Group considered the criteria in SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations. Although the property was available for immediate sale in its present condition, the sale was not considered highly probable at the reporting date as completion of the transaction remained subject to shareholder approval. The required shareholder approval was obtained only at an Extraordinary General Meeting held after the reporting date. Accordingly, the property did not meet the criteria for classification as held for sale as at 30 June 2026 and continued to be classified as property, plant and equipment.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.10 Impairment of non-financial assets

The carrying amounts of Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised to its recoverable amount if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs of disposal. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU (group of CGUs) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised. Such reversal is recognised in the profit or loss.

2.11 Financial instruments

(a) Non-derivative financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is classified as measured at amortised cost.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.11 Financial instruments (cont'd)

(a) Non-derivative financial assets (cont'd)

Classification and subsequent measurement

The Group determines the classification of its financial assets at initial recognition. Financial assets and liabilities are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which are all affected. Financial assets are reclassified on the first day of the reporting period following the change in the business model.

The Group's financial assets are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest. The financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) Non-derivative financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.12 Impairment of non-derivative financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECLs).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when it is probable that contractual payments due will not be collected in accordance with the terms of the agreement. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials: purchase costs on a weighted average cost basis; and

- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are accounted based on weighted average cost basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.16 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Group makes contributions to the Central Provident Fund scheme in Singapore and the Employees' Provident Fund in Malaysia, which are defined contribution pension schemes. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.16 Employee benefits (cont'd)

(c) Short-term employee benefits obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.17 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities and restoration costs. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group has elected to apply the practical expedient permitted by SFRS(I) 16 to account for lease and non-lease components as a single lease component. Accordingly, such service charges are included in the measurement of lease liabilities and right-of-use assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.10.

The Group's right-of-use assets are presented separately on the statement of financial position.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.17 Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments and variable lease payments that depend on an index or a rate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in Note 17.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2.18 Revenue from contracts with customers

Sale of goods

The Group manufactures and trades custom-made precision machined components, electronic, electrical goods and appliances and mechanical products.

Revenue from sale of goods is recognised at a point in time when the Group satisfies a performance obligation ("PO") by transferring control of a promised good to the customer based on the agreed shipping terms with the customer.

The amount of revenue recognised is the transaction price allocated to the satisfied PO. The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised good.

The Group generally does not allow returns except in the case of damaged products or products with quality issues.

Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.18 Revenue from contracts with customers (cont'd)

Commission income

Commission income is recognised at a point in time when the underlying transaction is completed and the Company has fulfilled its performance obligation and has a right to receive the commission.

Revenue from consignment sales

Revenue from sale of goods under consignment arrangements is recognised at a point in time when the Company satisfies its performance obligation by transferring control of the promised goods to the end customer.

The amount of revenue recognised is the transaction price allocated to the satisfied performance obligation.

Goods delivered to consignees but remaining unsold at the reporting date continue to be recognised as inventories of the Company. Revenue is recognised only when the goods are sold to the end customer.

2.19 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside of profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that
  - is not a business combination; and
  - at the time of the transaction (i) affects neither the accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.19 Taxes (cont'd)

(b) Deferred tax (cont'd)

- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax are recognised in the profit or loss except deferred tax relating to items recognised outside of profit or loss is recognised either in other comprehensive income or directly in equity.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.20 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

2. Summary of material accounting policies (cont'd)

2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 25, including the factors used to identify the reportable segments and the measurement basis of segment information.

A business segment is a distinguishable component of the Group that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of component operating in other economic environments.

3. Revenue

Disaggregation of revenue

	Precision engineering		Trading and distribution		Total revenue	
	2026	2025	2026	2025	2026	2025
	$	$	$	$	$	$
Primary geographical markets						
Singapore	165,070	144,518	-	-	165,070	144,518
United States of America	-	1,072	3,387,096	3,880,570	3,387,096	3,881,642
Malaysia	2,766,275	68,102	69,173	82,068	2,835,448	150,170
Ireland	400,014	938,275	-	-	400,014	938,275
Thailand	134,969	2,227,265	-	-	134,969	2,227,265
Others	14,472	-	17,791	23,237	32,263	23,237
	3,480,800	3,379,232	3,474,060	3,985,875	6,954,860	7,365,107
Timing of revenue recognition						
At a point in time	3,480,800	3,379,232	3,474,060	3,985,875	6,954,860	7,365,107

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

4. Other income and expenses

		Group	
		2026	2025
		$	$
(a)	**Other income**		
	Sale of scrap	3,134	8,449
	Gain on sale of property, plant and equipment	1,845	2,413
	Gain on sale of intangible assets	8,347	-
	Government grants*	37,640	31,606
	Others	609	-
		51,575	42,468

* The Group had been granted approximately $38,000 (2025: $32,000) of government support through wages and under the Productivity Solutions Grant during the year. There are no unfulfilled conditions or contingencies attached to these grants. These grants are recognised in the profit or loss over the period to match them with the costs they are intended to compensate.

		Group	
		2026	2025
		$	$
(b)	**Other expenses**		
	Foreign exchange loss, net	(12,583)	(43,220)
	Write-off of property, plant and equipment	(219)	-
		(12,802)	(43,220)

5. Finance costs and income

		Note	Group	
			2026	2025
			$	$
(a)	**Finance costs**			
	Interest expense on:			
	- lease liabilities	17	(26,534)	(21,811)
(b)	**Finance income**			
	Interest income from:			
	- Short-term deposits and bank balances		20,832	103,362

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

6. Loss before tax

The following items have been included in arriving at loss before tax:

	Note	Group 2026	Group 2025
		$	$
Audit fees:			
- Auditor of the Company		58,667	54,667
- Other auditor		12,756	13,308
Non-audit fees:			
- Auditor of the Company		-	-
- Other auditors		-	14,051
Write-off of inventories	12	541	1,703
Write-back of inventories, net	12	(5,263)	(9,638)
Depreciation of property, plant and equipment	9	152,471	172,871
Depreciation of right-of-use assets	17	238,030	174,685
Amortisation of intangible assets	11	1,164	3,172
Employee benefits expense (including directors):			
- Salaries and bonuses		2,735,081	2,393,677
- Contributions to defined contribution plans		275,718	252,323
- Other personnel expenses		43,462	24,908

7. Taxation

Major components of income tax (credit)/expense

The major components of income tax (credit)/expense for the years ended 30 June 2026 and 2025 are:

	Group 2026	Group 2025
	$	$
Deferred tax		
- Reversal and origination of temporary differences	(233)	(660)
Income tax credit recognised in profit or loss	(233)	(660)

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

7. Taxation (cont'd)

Relationship between income tax (credit)/expense and accounting loss

A reconciliation between income tax (credit)/expense and the product of accounting loss multiplied by the applicable corporate tax rate is as follows:

	Group	
	2026	2025
	$	$
Loss before tax	(2,503,441)	(2,391,237)
Tax using the Singapore tax rate of 17% (2025: 17%)	(425,585)	(406,510)
Effects of tax rates in foreign jurisdictions	344,491	(19,147)
Adjustments:		
Non-deductible expenses	92,457	139,573
Deferred tax assets not recognised	41,574	390,684
Income not subject to tax	(53,170)	(105,260)
Income tax credit recognised in profit or loss	(233)	(660)

8. Loss per share

Basic loss per share is calculated by dividing the loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted loss per share is calculated by dividing the loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year. There is no share option being granted during the financial years ended 30 June 2026 and 30 June 2025.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

8. Loss per share (cont'd)

The following reflects the loss for the year and share data used in the computation of basic and diluted loss per share for the years ended 30 June:

	Group	
	2026	2025
	$	$
Loss for the year, net of tax, attributable to owners of the Company used in the computation of basic and diluted earnings per share	(2,503,208)	(2,390,577)
Weighted average number of ordinary shares for basic and diluted loss per share computation	107,580,980	107,580,980

The basic and diluted loss per share are calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares for basic and diluted loss per share computation. These losses and share data are presented in the table above.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

9. Property, plant and equipment

	At cost									
Group	**Freehold land**	**Building**	**Plant and machinery**	**Motor vehicles**	**Computers**	**Office equipment/ furniture & fittings**	**Air-conditioners**	**Renovation/ electrical installation**	**Tools and equipment**	**Total**
	$	$	$	$	$	$	$	$	$	$
Cost										
At 1 July 2024	1,273,671	1,776,303	24,026,088	228,490	383,655	227,177	188,632	614,325	25,993	28,744,334
Additions	-	-	12,265	-	3,783	344	-	-	-	16,392
Written-off	-	-	(14)	-	-	-	-	-	(3)	(17)
Exchange differences	66,517	91,172	62,694	-	1,030	806	2,280	22,749	2,699	249,947
At 30 June 2025 and 1 July 2025	1,340,188	1,867,475	24,101,033	228,490	388,468	228,327	190,912	637,074	28,689	29,010,656
Additions	-	-	622	-	3,221	167	-	-	3,452	7,462
Written-off/Disposal	-	-	(498)	(80,434)	(119)	-	-	-	(2,090)	(83,141)
Exchange differences	70,869	97,138	80,535	-	1,902	1,245	2,478	24,237	2,557	280,961
At 30 June 2026	1,411,057	1,964,613	24,181,692	148,056	393,472	229,739	193,390	661,311	32,608	29,215,938

9. Property, plant and equipment (cont'd)

Group	Freehold land	Building	Plant and machinery	Motor vehicles	Computers	Office equipment/ furniture & fittings	Air-conditioners	Renovation/ electrical installation	Tools and equipment	Total
			Accumulated depreciation							
	$	$	$	$	$	$	$	$	$	$
Accumulated depreciation										
At 1 July 2024	-	182,636	23,912,143	121,950	380,854	210,400	91,879	325,887	25,697	25,251,446
Depreciation charge for the year	-	37,745	14,440	29,747	2,848	3,048	15,194	69,494	355	172,871
Write-off	-	-	(7)	-	-	-	-	-	(3)	(10)
Exchange differences	-	9,256	58,952	-	982	207	994	9,256	2,640	82,287
At 30 June 2025 and 1 July 2025	-	229,637	23,985,528	151,697	384,684	213,655	108,067	404,637	28,689	25,506,594
Depreciation charge for the year	-	39,325	15,964	26,394	2,495	3,081	15,376	49,065	771	152,471
Write-off/Disposal	-	-	(279)	(80,434)	(119)	-	-	-	(2,090)	(82,922)
Exchange differences	-	12,168	76,725	-	1,861	714	1,372	12,650	2,579	108,069
At 30 June 2026	-	281,130	24,077,938	97,657	388,921	217,450	124,815	466,352	29,949	25,684,212
Carrying amounts										
At 30 June 2025	1,340,188	1,637,838	115,505	76,793	3,784	14,672	82,845	232,437	-	3,504,062
At 30 June 2026	1,411,057	1,683,483	103,754	50,399	4,551	12,289	68,575	194,959	2,659	3,531,726

The depreciation expense is included in the "Cost of sales", "Administrative expenses" and "Distribution and selling expenses" line items in profit or loss.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

9. Property, plant and equipment (cont'd)

Company	Computers	Motor vehicles	Total
	$	$	$
Cost			
At 1 July 2024	281,145	81,346	362,491
Additions	1,479	-	1,479
At 30 June 2025 and 1 July 2025	282,624	81,346	363,970
Additions	1,230	-	1,230
At 30 June 2026	283,854	81,346	365,200
Accumulated depreciation			
At 1 July 2024	280,132	27,115	307,247
Depreciation charge for the year	1,015	8,135	9,150
At 30 June 2025 and 1 July 2025	281,147	35,250	316,397
Depreciation charge for the year	1,025	8,134	9,159
At 30 June 2026	282,172	43,384	325,556
Carrying amounts			
At 30 June 2025	1,477	46,096	47,573
At 30 June 2026	1,682	37,962	39,644

Impairment assessment

Management allocated the Group's property, plant and equipment to the respective CGUs based on their operational segments. The Precision engineering's CGU continues to incur operating losses contributing to the impairment indicator. This has resulted in the Group reassessing whether the recoverable amounts of the property, plant and equipment and right-of-use assets (Note 17) relating to Precision engineering CGU are higher than their carrying amounts. To determine the recoverable amounts of the assets, management assessed that its value in use will likely not be higher than the fair value less costs of disposal of its freehold land and building as well as its plant and machinery. Therefore, the recoverable amounts have been estimated based on the fair values less costs of disposal of the freehold land and building as well as the plant and machinery.

The fair value less costs of disposal of the freehold land and building was determined with reference to the consideration stipulated in the Sale and Purchase Agreement entered into with an independent third-party purchaser subsequent to the financial year end, after taking into consideration the estimated costs of disposal.

The fair value less costs of disposal of the plant and machinery have been valued using a combination of cost approach and market approach by an independent external valuer. The significant inputs are aggregated amounts of gross replacement costs of the plant and machinery for cost approach; and established market comparable for market approach, from which appropriate deductions may then be made for the age, condition, economic or functional obsolescence and environmental factors.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

9. Property, plant and equipment (cont'd)

Impairment assessment (cont'd)

The impairment exercise and the estimation of the recoverable amounts involves judgment and is subject to significant estimation uncertainties.

No impairment charge was recognised for the financial years ended 30 June 2026 and 30 June 2025.

10. Investments in subsidiary companies

	Company	
	2026	2025
	$	$
Unquoted equity shares, at cost	8,356,335	8,356,335
Less: Allowance for impairment losses	(1,987,231)	-
	6,369,104	8,356,335

The Group has the following significant investments in subsidiary companies.

Name of company	Principal place of business / Country of incorporation	Principal activities	Effective interest in equity		Cost of investment	
			2026	2025	2026	2025
			%	%	$	$
Held by the Company						
Santak Metal Manufacturing Pte Ltd [1]	Singapore	Manufacturing and trading of precision machined components	100	100	8,113,173	8,113,173
Santak Industrial Pte Ltd [1]	Singapore	Trading and distribution of electronic, electrical and mechanical components/Products	100	100	243,162	243,162
					8,356,335	8,356,335

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

10. Investments in subsidiary companies (cont'd)

Name of company	Principal place of business / Country of incorporation	Principal activities	Effective interest in equity	
			2026	2025
			%	%
Held by Santak Metal Manufacturing Pte Ltd				
Santak Precision Metal Parts Sdn Bhd [2]	Malaysia	Manufacturing of precision machines components	100	100

[1] Audited by Nexia Singapore PAC

[2] Audited by Nexia SSY PLT, a member firm of Nexia International Limited

Impairment assessment

The subsidiary, Santak Metal Manufacturing Pte Ltd, continues to incur operating losses showing that indicator of impairment exists. Accordingly, the Company performed an assessment of the recoverable amount of its investment in Santak Metal Manufacturing Pte Ltd (which includes its investment in the Malaysian subsidiary, Santak Precision Metal Parts Sdn Bhd). The cashflows of the entities are interdependent and therefore management assessed these entities as a single CGU. Management determined the recoverable amount of the investment in Santak Metal Manufacturing Pte Ltd based on the fair value less costs of disposal method described in Note 9.

The impairment charge was $1,987,231 for the financial year ended 30 June 2026 (2025: $Nil).

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

11. Intangible assets

Group	Club membership	Computer software licenses	Total
	$	$	$
Cost			
At 1 July 2024	152,160	351,472	503,632
Additions	-	287	287
Exchange differences	-	1,251	1,251
At 30 June 2025 and 1 July 2025	152,160	353,010	505,170
Additions	-	159	159
Disposal	(152,160)	-	(152,160)
Exchange differences	-	1,347	1,347
At 30 June 2026	-	354,516	354,516
Accumulated amortisation			
At 1 July 2024	143,212	349,706	492,918
Amortisation	1,376	1,796	3,172
Exchange differences	-	1,173	1,173
At 30 June 2025 and 1 July 2025	144,588	352,675	497,263
Amortisation	919	245	1,164
Disposal	(145,507)	-	(145,507)
Exchange differences	-	1,329	1,329
At 30 June 2026	-	354,249	354,249
Carrying amounts			
At 30 June 2025	7,572	335	7,907
At 30 June 2026	-	267	267

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

11. Intangible assets (cont'd)

Company	Computer software licenses
	$
Cost	
At 1 July 2024, 30 June 2025 and 30 June 2026	215,236
Accumulated amortisation	
At 1 July 2024	215,138
Amortisation	98
At 30 June 2025 and 1 July 2025	215,236
Amortisation	-
At 30 June 2026	215,236
Carrying amounts	
At 30 June 2025	-
At 30 June 2026	-

The amortisation expense is included in the "Cost of sales", "Administrative expenses" and "Distribution and selling expenses" line items in profit or loss.

12. Inventories

	Group	
	2026	2025
	$	$
Raw materials	132,183	95,067
Work-in-progress	325,135	40,122
Finished goods	165,637	161,083
Total inventories at lower of cost and net realisable value	622,955	296,272

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

12. Inventories (cont'd)

The allowance for obsolete inventories as at 30 June 2026 amounted to $209,000 (2025: $213,000).

	Group	
	2026	**2025**
	$	$
Income statement:		
Inventories recognised as an expense in cost of sales	6,011,153	6,349,019
Inclusive of the following charge/(credit):		
- inventories written off	541	1,703
- inventories write-back, net	(5,263)	(9,638)

Allowance for obsolete inventories

The Group periodically reviews for any stock obsolescence and decline in net realisable value below cost. An allowance is recorded against the inventories balance for such declines. These reviews require the Group to consider the future saleability of these inventories.

In determining the amount of allowance or write-down, the Group considers factors including the ageing analysis and the consumption patterns. Such an evaluation requires judgement and affects the carrying amount of inventories at the reporting date. Possible changes in these estimates could result in revisions to the carrying values of the inventories.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

13. Trade and other receivables

	Note	Group		Company	
		2026	2025	2026	2025
		$	$	$	$
Non-current assets					
Deposits		95,777	95,444	-	-
Current assets					
Trade receivables		1,503,945	1,261,431	-	-
Amounts due from a subsidiary company (non-trade)		-	-	2,099,888	2,073,720
Other receivables		-	11	-	11
Deposits		115,726	108,982	-	-
Goods and Services Tax ("GST") receivables		115,293	45,315	-	-
		1,734,964	1,415,739	2,099,888	2,073,731
Total trade and other receivables		1,830,741	1,511,183	2,099,888	2,073,731
Add: Loan to a subsidiary company	14	-	-	-	-
Add: Cash and cash equivalents	15	1,486,552	3,620,646	27,961	23,312
Less: GST receivables		(115,293)	(45,315)	-	-
Total financial assets carried at amortised cost		3,202,000	5,086,514	2,127,849	2,097,043

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

13. Trade and other receivables (cont'd)

Trade receivables

Trade receivables are interest-free and are generally on 30 to 90 days' terms (2025: 30 to 90 days). They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Trade and other receivables denominated in foreign currencies at 30 June are as follows:

	Group		Company	
	2026	2025	2026	2025
	$	$	$	$
United States Dollars	1,444,755	1,219,544	-	-
Malaysia Ringgit	134,778	134,417	-	-

Amounts due from a subsidiary company

Amounts due from a subsidiary company is non-trade related, unsecured, interest-free, repayable upon demand and is to be settled in cash.

Expected credit losses

There are no allowance for expected credit losses of trade receivables for the financial years ended 30 June 2026 and 30 June 2025.

Credit risk exposure on trade receivables using a provision matrix

		Days past due		
	Current	<90 days	> 90 days	Total
Group	$	$	$	$
30 June 2026				
Carrying amount of trade receivables	1,184,818	319,127	-	1,503,945
Expected credit losses	-	-	-	-
30 June 2025				
Carrying amount of trade receivables	520,425	352,456	388,550	1,261,431
Expected credit losses	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

14. Loan to a subsidiary company

	Company	
	2026	2025
	$	$
Loan to a subsidiary company	4,030,000	4,030,000
Less: Allowance for impairment	(4,030,000)	(4,030,000)
	-	-

The loan to a subsidiary company is unsecured, interest-free, repayable on demand and to be settled in cash. No impairment charge was recognised for the financial years ended 30 June 2026 and 30 June 2025.

15. Cash and cash equivalents

	Group		Company	
	2026	2025	2026	2025
	$	$	$	$
Short-term deposits	676,112	2,885,297	-	-
Cash at bank and on hand	810,440	735,349	27,961	23,312
Total cash and cash equivalents	1,486,552	3,620,646	27,961	23,312

Short-term deposits held with banks in Singapore for 1 month term (2025: 1 month) to earn interest at the banks' prevailing short-term deposits rates. Cash at banks earns interest at floating rates based on daily bank deposit rates.

Cash and cash equivalents denominated in foreign currencies at 30 June are as follows:

	Group	
	2026	2025
	$	$
United States Dollars	564,136	530,240
Malaysia Ringgit	45,130	19,845
Euro	6,494	6,573

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

16. Trade and other payables

	Group		Company	
	2026	2025	2026	2025
	$	$	$	$
Trade and other payables				
Trade payables	1,490,518	812,751	-	-
Other payables	125,544	66,274	79,488	34,585
Accrued operating expenses	698,618	590,500	299,902	303,271
Total trade and other payables	2,314,680	1,469,525	379,390	337,856
Less: GST payables	(20,017)	(19,708)	(20,017)	(19,708)
Total financial liabilities carried at amortised cost	2,294,663	1,449,817	359,373	318,148

Trade and other payables

Trade payables are interest-free and are normally settled on 30 to 90 days' terms (2025: 30 to 90 days). Other payables are interest-free and are granted average credit terms of three to six months.

Trade and other payables denominated in foreign currencies at 30 June are as follows:

	Group	
	2026	2025
	$	$
United States Dollars	672,381	502,005
Malaysia Ringgit	240,425	113,038

Provisions

A provision has been recognised for reinstatement costs associated with removing leasehold improvements at premises leased by the Group's precision engineering operations.

Movement in provisions for reinstatement are as follows:

	Group
	$
At 1 July 2024, 30 June 2025 and 30 June 2026	35,000

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

17. Leases

Group as a lessee

The Group has lease contracts for leased premises and office equipment used in the business operations, these leases do not contain restrictions concerning dividends, additional debt or further leasing.

The Group also has certain leases of properties with lease terms of 12 months or less. The Group applies the short-term recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets

	Group		
	Leased premises	Leased office equipment	Total
	$	$	$
At 1 July 2024	349,873	2,370	352,243
Additions during the financial year	429,282	-	429,282
Depreciation	(174,383)	(302)	(174,685)
As 30 June 2025 and 1 July 2025	604,772	2,068	606,840
Depreciation	(237,727)	(303)	(238,030)
At 30 June 2026	367,045	1,765	368,810

The depreciation expense is included in the "Cost of sales", "Administrative expenses" and "Distribution and selling expenses" line items in profit or loss.

Set out below are the carrying amounts of lease liabilities and the movements during the year.

(b) Lease liabilities

	Group
	$
At 1 July 2024	376,659
Accretion of interest	429,282
Repayments of principal and interest	21,811
	(146,314)
At 30 June 2025 and 1 July 2025	681,438
Accretion of interest	26,534
Repayments of principal and interest	(262,467)
At 30 June 2026	445,505

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

17. Leases (cont'd)

Group as a lessee (cont'd)

(b) Lease liabilities (cont'd)

	Group	
	2026	2025
	$	$
Current	259,334	235,933
Non-current	186,171	445,505

There are no right-of-use assets and lease liabilities in the Company.

(c) Amounts recognised in consolidated income statement

	Group	
	2026	2025
	$	$
Depreciation charge for right-of-use assets	238,030	174,685
Interest expense on lease liabilities	26,534	21,811
Expense relating to short-term leases	16,890	15,334

(d) Changes in liabilities arising from financing activities

A reconciliation of movements of liabilities to cashflows arising from financing activities is as follows:

		Non-cash changes		Cash flows		
	1 July 2025	Accretion of interest	Additions of new lease	Principal payment	Interest payment	30 June 2026
	$	$	$	$	$	$
Lease liabilities	681,438	26,534	-	(235,933)	(26,534)	445,505

		Non-cash changes		Cash flows		
	1 July 2024	Accretion of interest	Additions of new lease	Principal payment	Interest payment	30 June 2025
	$	$	$	$	$	$
Lease liabilities	376,659	21,811	429,282	(124,503)	(21,811)	681,438

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

17. Leases (cont'd)

Group as a lessee (cont'd)

(e) Extension options

The Group has lease contract that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

For leases of leased premises, the following factors are normally the most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the group is typically, reasonably certain to extend.
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

18. Deferred taxation

Deferred assets as at 30 June relates to the following:

	Group			
	Statement of financial position		Consolidated income statement	
	2026	2025	2026	2025
	$	$	$	$
Deferred tax assets				
Provisions	8,468	8,235	233	660

	Company	
	Statement of financial position	
	2026	2025
	$	$
Deferred tax assets		
Provisions	8,468	8,235

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

18. Deferred taxation (cont'd)

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefit therefrom.

	Group	
	2026	**2025**
	$	$
Unutilised tax losses	10,390,909	8,050,273
Unabsorbed capital allowances	1,168,594	928,958
Deductible temporary differences	1,717,988	3,702,434
	13,277,491	12,681,665

The Group's unutilised tax losses comprise amounts arising from subsidiaries in Singapore and Malaysia. The unutilised tax losses arising from the Group's Malaysian subsidiary is available for carry-forward for a period of 10 consecutive years, after which any unutilised tax losses will be disregarded. The unutilised tax losses arising from the Group's Singapore subsidiaries are available for carry-forward indefinitely, subject to the applicable tax regulations.

The unutilised tax losses arising from the Group's Malaysian subsidiary and its respective expiry dates is as follows:

	2026	**2025**	**Carried forward up to YA**	**Unabsorbed amount will be disregarded in YA**
	$	$		
Business losses incurred in Year of Assessment ("YA")				
YA 2019	78,108	74,970	2029	2030
YA 2020	137,391	131,871	2030	2031
YA 2021	176,904	169,797	2031	2032
YA 2023	446,641	428,697	2033	2034
YA 2024	974,696	935,536	2034	2035
YA 2025	606,476	655,939	2035	2036
YA 2026	248,203	-	2036	2037
	2,668,419	2,396,810		

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

19. Share capital

	Group and Company			
	2026		2025	
	No. of shares	$	No. of shares	$
Issued and fully paid ordinary shares				
At 1 July and 30 June	107,580,980	12,852,187	107,580,980	12,852,187

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

20. Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements whose functional currencies are different from that of the Group's presentation currency.

	Group	
	2026	2025
	$	$
At beginning of the year	(62,193)	(186,983)
Net effect of exchange differences arising from translation of financial statements	191,097	124,790
At end of the year	128,904	(62,193)

21. Commitments and contingent liabilities

(a) Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements as follows:

	Group	
	2026	2025
	$	$
Capital commitments in respect to property, plant and equipment	7,000	6,000

At the end of the financial years ended 30 June 2026 and 30 June 2025, these commitments mainly relate to the renovation and electrical installation of the factory building of the Group's manufacturing operation in Malaysia.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

22. Related party transactions

(a) Sale and purchase of services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Company	
	2026	2025
	$	$
Income		
Management fee income from subsidiary companies	1,068,000	1,068,000

(b) Compensation of key management personnel

	Group	
	2026	2025
	$	$
Salaries and other short-term employee benefits	1,145,139	1,047,815
Contributions to defined contribution plans	70,827	64,348
	1,215,966	1,112,163
Comprise amounts paid/payable to:		
- Directors of the Company	728,312	724,286
- Other key management personnel	487,654	387,877
	1,215,966	1,112,163

The remuneration of key management personnel is determined by the Remuneration Committee having regard to the performance of the individuals and the Group.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company and the Group, directly or indirectly. This comprises the directors of the Company and other members of senior management of the Group.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

23. Fair value of assets and liabilities

Fair value of financial instruments classified and measured at amortised cost whose carrying amounts are reasonable approximation of fair value are as follows:

Trade and other receivables (Note 13), loan to a subsidiary company (Note 14), cash and cash equivalents (Note 15), trade and other payables (Note 16) are carried at amortised cost.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-period to maturity.

24. Financial risk management objectives and policies

It is, and has been throughout the current and previous financial years, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The main risks arising from the Group's and the Company's financial instruments are liquidity risk, credit risk and foreign currency risk. The Group's overall approach to risk management is to minimise potential adverse effects on the financial performance of the Group.

There has been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short-term deposits.

To manage liquidity risk, the Group and the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effect of fluctuations in cash flows.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

24. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at reporting date based on the contractual undiscounted payments.

2026 Group	Note	Within 1 year $	1 to 5 Years $	Total $
Financial assets:				
Trade and other receivables (excluding GST receivables)	13	1,619,671	95,777	1,715,448
Cash and cash equivalents	15	1,486,552	-	1,486,552
Total undiscounted financial assets		3,106,223	95,777	3,202,000
Financial liabilities and lease liabilities:				
Trade and other payables (excluding GST payables)	16	(2,294,663)	-	(2,294,663)
Lease liabilities		(274,521)	(189,404)	(463,925)
Total undiscounted financial liabilities		(2,569,184)	(189,404)	(2,758,588)
Total net undiscounted financial assets/(liabilities)		537,039	(93,627)	443,412

2025 Group	Note	Within 1 year $	1 to 5 Years $	Total $
Financial assets:				
Trade and other receivables (excluding GST receivables)	13	1,370,424	95,444	1,465,868
Cash and cash equivalents	15	3,620,646	-	3,620,646
Total undiscounted financial assets		4,991,070	95,444	5,086,514
Financial liabilities and lease liabilities:				
Trade and other payables (excluding GST payables and contract liabilities)	16	(1,449,817)	-	(1,449,817)
Lease liabilities		(262,470)	(463,925)	(726,395)
Total undiscounted financial liabilities		(1,712,287)	(463,925)	(2,176,212)
Total net undiscounted financial assets/(liabilities)		3,278,783	(368,481)	2,910,302

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

24. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

2026 Company	Note	Within 1 year $	1 to 5 Years $	Total $
Financial assets:				
Due from a subsidiary company (non-trade)	13	2,099,888	-	2,099,888
Cash and cash equivalents	15	27,961	-	27,961
Total undiscounted financial assets		2,127,849	-	2,127,849
Financial liabilities:				
Other payables (excluding GST payables)	16	(359,373)	-	(359,373)
Total undiscounted financial liabilities		(359,373)	-	(359,373)
Total net undiscounted financial assets		1,768,476	-	1,768,476

2025 Company	Note	Within 1 year $	1 to 5 Years $	Total $
Financial assets:				
Due from a subsidiary company (non-trade)	13	2,073,731	-	2,073,731
Cash and cash equivalents	15	23,312	-	23,312
Total undiscounted financial assets		2,097,043	-	2,097,043
Financial liabilities:				
Other payables (excluding GST payables)	16	(318,148)	-	(318,148)
Total undiscounted financial liabilities		(318,148)	-	(318,148)
Total net undiscounted financial assets		1,778,895	-	1,778,895

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

24. Financial risk management objectives and policies (cont'd)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to credit risk exposure. The Group trades only with recognised and creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

At reporting date, the Group has 73% (2025: 77%) of its trade receivables relating to two (2025: two) customers. The carrying amounts of trade and other receivables, and cash and cash equivalents represent the Group's maximum exposure to credit risk. Cash and cash equivalents are placed with banks of good standing. The Group performs ongoing credit evaluation of its customers' financial conditions and maintains allowance for ECL based upon expected collectability of all trade receivables.

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region, and analysed for forward-looking information which incorporated forecasted macro-economic factors, such as contraction of gross domestic product and the probability of default from customers. The provision matrix is disclosed in Note 13.

At the end of the financial year, the Group's maximum exposure to credit risk is represented by information regarding trade and other receivables is disclosed in Note 13.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

24. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country/region and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables at the reporting date is as follows:

	Group			
	2026		2025	
	$	% of total	$	% of total
By country/region:				
Singapore	59,190	4	34,508	3
Asean excluding Singapore	879,261	58	132,393	10
America and Europe	565,581	38	1,094,530	87
India	(87)	0	-	-
	1,503,945	100	1,261,431	100
By operating segments:				
Precision engineering	977,142	65	287,310	23
Trading and distribution	526,803	35	974,121	77
	1,503,945	100	1,261,431	100

Loan to a subsidiary company and amounts due from subsidiary companies (non-trade) are provided under the overall group cash management strategy. The Company has assessed the latest performance and financial position of the counterparty and concluded that there has been significant increase in the credit risk since initial recognition of the financial assets. Accordingly, the Company has an allowance balance for impairment of $4,030,000 as at 30 June 2026 (2025: $4,030,000).

Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities. The foreign currencies in which these transactions are denominated are mainly in United States Dollars ("USD"). The Group manages its transactional currency exposures by matching as far as possible, its receipt and payment in each individual currency.

The Group also held cash and cash equivalents denominated in foreign currencies for working capital purposes, mainly in USD. At the end of the reporting period, such foreign currency balances are disclosed in Notes 13, 15 and 16.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

24. Financial risk management objectives and policies (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in the USD exchange rates against SGD, with all other variables held constant.

	Group	
	Loss before tax	
	2026	2025
	$'000	$'000
USD/SGD - strengthened 2% (2025: 5%)	20	25
- weakened 2% (2025: 5%)	(20)	(25)

25. Segment information

For management purposes, the Group is organised into three main operating segments, namely Precision engineering, Trading and distribution and Investment and management services:

Precision engineering:	Manufacturing and trading of precision machined components.
Trading and distribution:	Trading and distribution of electronic, electrical and mechanical components/products.
Investment and management services:	Investments holding, provision of management, administrative, supervisory and consultancy services to Group entities.

No operating segments have been aggregated to form the above reportable operating segments. Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Transfer prices between operating segments took place at terms agreed between the parties during the financial year.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

25. Segment information (cont'd)

(a) Operating segments

The following table presents revenue and results information, assets and liabilities information regarding the Group's operating segments for the years ended 30 June 2026 and 2025.

Group 2026	Precision engineering	Trading and distribution	Investment and management services	Adjustments and eliminations	Note	Total
	$	$	$	$		$
Revenue						
Sales to external customers	3,480,800	3,474,060	-	-	A	6,954,860
Inter-segment sales	-	-	1,068,000	(1,068,000)		-
Total revenue	3,480,800	3,474,060	1,068,000	(1,068,000)		6,954,860
Results						
Interest income	20,832	-	-	-		20,832
Interest expense - lease liabilities	(26,534)	-	-	-		(26,534)
Depreciation of plant and equipment	(143,057)	(255)	(9,159)	-		(152,471)
Depreciation of right-of-use assets	(238,030)	-	-	-		(238,030)
Amortisation of intangible assets	(1,164)	-	-	-		(1,164)
Impairment loss on loan to a subsidiary company	-	-	-	-	B	-
Other non-cash movements	14,695	-	-	-	C	14,695
Taxation	-	-	233	-		233
Segment (loss)/profit	(2,499,517)	2,185	(2,001,752)	1,995,876		(2,503,208)
Group						
Assets						
Additions to non-current assets	6,391	-	1,230	-	D	7,621
Segment assets	6,960,967	1,697,475	8,572,083	(9,300,897)	E	7,929,628
Liabilities						
Segment liabilities	8,751,493	626,094	379,390	(6,961,792)	F	2,795,185

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

25. Segment information (cont'd)

(a) Operating segments (cont'd)

Group 2025	Precision engineering $	Trading and distribution $	Investment and management services $	Adjustments and eliminations $	Note	Total $
Revenue						
Sales to external customers	3,379,232	3,985,875	-	-		7,365,107
Inter-segment sales	-	-	1,068,000	(1,068,000)	A	-
Total revenue	3,379,232	3,985,875	1,068,000	(1,068,000)		7,365,107
Results						
Interest income	103,362	-	-	-		103,362
Interest expense - lease liabilities	(21,811)	-	-	-		(21,811)
Depreciation of plant and equipment	(163,311)	(410)	(9,150)	-		(172,871)
Depreciation of right-of-use assets	(174,685)	-	-	-		(174,685)
Amortisation of intangible assets	(3,074)	-	(98)	-		(3,172)
Impairment loss on loan to a subsidiary company	-	-	-	-	B	-
Other non-cash movements	10,348	-	-	-	C	10,348
Taxation	-	-	660	-		660
Segment (loss)/profit	(2,416,857)	53,976	(14,039)	(13,657)		(2,390,577)
Group						
Assets						
Additions to non-current assets	14,585	615	1,479	-	D	16,679
Segment assets	8,388,048	1,516,921	10,524,066	(10,804,753)	E	9,624,282
Liabilities						
Segment liabilities	7,862,258	464,265	337,856	(6,478,416)	F	2,185,963

Notes: *Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements*

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

25. Segment information (cont'd)

(a) Operating segments (cont'd)

A *Inter-segment revenues are eliminated on consolidation.*

B *Allowance for impairment loss for loan to a subsidiary, Santak Metal Manufacturing Pte. Ltd.*

C *Other non-cash movements consist of net write-back of inventories amounting to $5,263 (2025: $9,638), write-off of inventories amounting to $541 (2025: $1,703), gain on sale of intangible assets amounting to $8,347 (2025: $Nil), gain on sale of property, plant and equipment amounting to $1,845 (2025: $2,413) and write-off of property, plant and equipment amounting to $219 (2025: $Nil) as presented in the respective notes to the financial statements.*

D *Additions to non-current assets mainly comprises additions to property, plant and equipment.*

E *The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:*

	2026	2025
	$	$
Investments in subsidiary companies	(6,369,104)	(8,356,335)
Inter-segment assets	(2,931,793)	(2,448,418)
	(9,300,897)	(10,804,753)

F *The following item is deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:*

	2026	2025
	$	$
Inter-segment liabilities	(6,961,792)	(6,478,416)

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

25. Segment information (cont'd)

(b) Geographical segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue	Non-current assets
	$	$
2026		
Singapore	165,070	563,056
United States of America	3,387,096	-
Malaysia	2,835,448	3,441,992
Ireland	400,014	-
Thailand	134,969	-
Others	32,263	-
Total	6,954,860	4,005,048
2025		
Singapore	144,518	847,927
United States of America	3,881,642	-
Thailand	2,227,265	-
Ireland	938,275	-
Malaysia	150,170	3,374,561
Others	23,237	-
Total	7,365,107	4,222,488

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, intangible assets, deferred tax assets and other receivables as presented in the consolidated statement of financial position.

Information about major customers

The Group derives revenue from five (2025: five) major customers from precision engineering segment and trading and distribution segment respectively are as follows:

	2026	2025
	$	$
Customer A	2,724,439	12,424
Customer B	2,102,664	2,465,860
Customer C	1,279,119	1,332,055
Customer D	400,014	938,275
Customer E	97,337	2,206,685
	6,603,573	6,955,299

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

26. Capital management

The primary objective of the Group's capital management is to maintain a strong capital base in order to maintain investors, creditors and market confidence and to sustain future development of the business. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. No changes were made in the Group's approach to capital management.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade payables, other payables and lease liabilities, less cash and cash equivalents as well as fixed deposits. Capital means all equities attributable to the owners of the Company. The Group will continue to be guided by prudent financial policies of which gearing is an important aspect.

		Group	
	Note	2026	2025
		$	$
Trade and other payables	16	2,314,680	1,469,525
Lease liabilities	17	445,505	681,438
Less: Cash and cash equivalents	15	(1,486,552)	(3,620,646)
Net debt/(assets)		1,273,633	(1,469,683)
Equity attributable to the owners of the Company		5,134,443	7,446,554
Capital and net debt		6,408,076	5,976,871
Gearing ratio		19.9%	N/M*

* N/M - Not meaningful

The Group is in a net cash position as at 30 June 2025, with cash and cash equivalents exceeding total borrowings. Accordingly, the gearing ratio is not presented as it would not be meaningful.

27. Authorisation of financial statements

The financial statements of Santak Holdings Limited for the financial year ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on 28 September 2026.

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

28. Subsequent events

On 9 July 2026, the Group's wholly-owned subsidiary in Malaysia entered into a sale and purchase agreement ("SPA") with a third-party purchaser (the "Purchaser") for the disposal of its property located at 8 Jalan Teknologi Perintis 1/3, Taman Teknologi Nusajaya, 79200 Iskandar Puteri, Johor, Malaysia (the "Property") for a consideration of approximately SGD4.07 million, ie RM12.80 million (the "Disposal").

The Disposal was conditional upon obtaining the requisite corporate approvals, including the approval of the shareholders of the Company. The shareholders of the Company approved the Disposal at the Extraordinary General Meeting held on 19 August 2026 and, following the satisfaction of the relevant corporate approval condition and its delivery to the Purchaser's solicitors, the SPA became unconditional on 20 August 2026. Under the terms of the SPA, completion is required within four months from the date on which the SPA became unconditional, with provision for an extension of a further two months subject to interest at 8% per annum to be paid by the Purchaser, if exercised.

In connection with the Disposal, the Group has also entered into a tenancy agreement with the Purchaser for the leaseback of the Property for a period of three years (with a renewal option of another three years at market rates), thereby enabling the Group to continue its operations at the Property following completion of the Disposal.

Upon completion of the Disposal, the Group expects to receive net cash proceeds of approximately S$3.91 million (approximately RM12.32 million), inclusive of the deposit of approximately S$0.41 million (RM1.28 million) (the "Deposit") paid by the Purchaser and after deducting the estimated transaction expenses. The Disposal is expected to be completed before or on 19 December 2026, subject to the completion provisions of the SPA.

There are no known subsequent events which have led to adjustments to this set of financial statements.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

REPORT ON CORPORATE GOVERNANCE

This report is prepared in accordance with the requirements of Section B of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"): Rules of Catalist (the "Rules of Catalist") to describe our corporate governance practices with reference to the Code of Corporate Governance 2018 ("2018 Code"). The Board of Directors (the "Board") is pleased to report the Company's compliance with the Code except where otherwise explained. In areas where we have not complied with the Code, the Group will continue to assess its needs and implement appropriate measures accordingly.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company and Group.

Provision 1.1 – Principal functions of the Board

Directors are fiduciaries who act objectively in the best interests of the Company and hold management accountable for performance.

The Board is collectively responsible for the long-term success of the Group and objectively takes decisions in the interests of the Company. Apart from its statutory duties and responsibilities, the Board undertakes the following:-

(i) supervises the management of the business and affairs of the Group;
(ii) approves the Group's strategic directions, major capital investments and divestments and major funding decisions including the acceptance of major banking facilities;
(iii) provides entrepreneurial leadership and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
(iv) reviews the financial performance of the Group;
(v) reviews and monitors the performance and constructively challenge management;
(vi) approves nominations and re-appointments of Directors and appointments to Board committees;
(vii) appoint the key management personnel, including the review of their performance and remuneration packages and succession planning as an on-going process;
(viii) sets the Group's value and assumes responsibility for corporate governance;
(ix) instills an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture;
(x) establishes a framework of prudent and effective controls which enables risk to be assessed and managed, including safeguarding of Shareholders' interest and Group's assets;
(xi) identifies the key stakeholder groups and recognise that their perceptions affect the Group's reputation and ensure transparency and accountability to key stakeholder groups; and
(xii) considers sustainability issues, e.g. environment and social factors, as part of its strategic formulation.

These functions are carried out either directly by the Board or through Board committees or through a system of delegation to management staff. Such delegation improves operational efficiency and encourages management decision making while maintaining control over major Group's policies and decisions.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Each director is required to promptly disclose any conflicts or potential conflicts of interest, whether direct or indirect, in relation to a transaction contemplated by the Group. Where a potential conflict of interest arises, the Director concerned does not participate in discussion and refrains from exercising any influence over other members of the Board.

Provision 1.2 – Directors' orientation and training

Upon appointment as a Director, a letter is provided setting out the Director's duties and obligations. Newly appointed Directors will be given an orientation on the Group's business operations and training is provided in areas such as accounting, legal and industry-specific knowledge. Directors are encouraged to keep abreast of developments in regulatory, legal and accounting frameworks and regulations that are of relevance to the Group through participation in seminars and workshops. For the financial year ended 30 June 2026 ("**FY2026**"), Directors were briefed in areas such as updates on Rules of Catalist of the SGX-ST, Code of Corporate Governance, risk management, changes to financial reporting standards and regulatory developments. Relevant news releases issued by SGX-ST and Accounting and Corporate Regulatory Authority of Singapore were also circulated to the Board. In addition, the Company works closely with professionals to provide the Board with updates on changes to relevant laws, regulations and accounting standards. The external auditors would update the Audit Committee ("**AC**") and the Board on new and revised financial reporting standards that are applicable to the Company and/or the Group.

Going forward, the Nominating Committee ("**NC**") will, in accordance with Rule 406(3)(a) of the Rules of Catalist, ensure that any new director appointed by the Board, who has no prior experience as a director of an issuer listed on the SGX-ST, must undergo mandatory training in his roles and responsibilities as prescribed by the SGX-ST at the Company's expense.

Mr Chua Siong Kiat was appointed as the Independent Non-Executive Director on 17 July 2026. He has prior experience as a director of other companies listed on SGX-ST.

Provision 1.3 - Matters for Board Approval

The Company has adopted internal guidelines setting forth matters that require Board approval. These matters which are specifically reserved for the Board's decision include:

(a) matters involving a conflict of interest with a substantial shareholder or Director;
(b) reviewing and approving the audited financial statements for the Group and the Directors' statement thereto;
(c) reviewing and approving interim and annual results announcements, as well as other SGXNET announcements including matters required to be announced on SGXNET in accordance with the Rules of Catalist of the SGX-ST;
(d) matters which require Board approval as specified under SGX-ST's interested person transaction policy;
(e) dividend payments or other returns to shareholders;
(f) convening of shareholders' meetings;
(g) reviewing and approving Sustainability Report of the Group;
(h) corporate restructuring and share issuance; and
(i) significant acquisitions and disposals.

Non-Executive Directors are encouraged to constructively challenge and help develop proposals on strategy.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Provision 1.4 – Delegation by the Board

All of the Company's Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Group. To facilitate effective management, the Board delegates such functions and authority to the Board Committees without abdicating its responsibility. These committees include the **AC**, the **NC**, Remuneration Committee ("**RC**") and Sustainability Committee (each a "**Board Committee**"), operates within clearly defined terms of reference and functional procedures. Each of these committees reports its activities regularly to the Board.

Below are the composition of the Board and the Board Committee members:-

Director	Board	Audit Committee	Nominating Committee	Remuneration Committee	Sustainability Committee
Chen Yeow Sin[(1)]	Non-Executive Chairman and Independent Non-Executive Director	Chairman	Member	Member	Chairman
Tan Chee Hawai	Group Managing Director and Executive Director	-	Member	-	Member
Ng Weng Wei	Executive Director	-	-	Member	Member
Cheam Heng Haw	Independent Non-Executive Director	Member	Member	Chairman	-
Chua Siong Kiat[(2)]	Independent Non-Executive Director	Member	Chairman	-	-

Notes:

(1) Mr Chen Yeow Sin ("Mr Chen") has relinquished as NC Chairman and remains as a NC member on 17 July 2026. Mr Chen will not be seeking re-election and will retire as a director at the forthcoming Annual General Meeting.

(2) Mr Chua Siong Kiat was appointed as Independent Non-Executive Director, Chairman of NC and member of Audit Committee on 17 July 2026.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Provision 1.5 – Board meetings, attendance and multiple commitments

The Board meets at least twice a year and additional meetings are held whenever necessary. The Board is free to request further clarification and information from management on all matters within their purview. In addition, informal discussions among Non-Executive Directors to exchange views on any aspect of the Group's operations or business are held as and when the need arises. The Company's Constitution provides for meetings of the Board to be conducted by way of telephone conference or similar means of communication. The number of meetings held during FY2026 and the attendance of the Directors are as follows:

Name of Director	Board Appointment	Date of Appointment and Date of Last Re-election	Board		Audit Committee		Remuneration Committee		Nominating Committee	
			No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Chen Yeow Sin	Non-Executive Chairman/ Independent Non-Executive Director	1 January 2025/ 25 January 2024 (30 October 2024)	2	2	2	2	1	1	1	1
Tan Chee Hawai	Group Managing Director and Executive Director	11 June 2012 (28 October 2025)	2	2	2	2#	1	1#	1	1
Ng Weng Wei	Executive Director	12 March 2001 (26 October 2023)	2	2	2	2#	1	1	1	1#
Cheam Heng Haw	Independent Non-Executive Director	1 January 2025 (28 October 2025)	2	1	2	2	1	-	1	-
Chua Siong Kiat(1)	Independent Non-Executive Director	17 July 2026 (Not applicable)	1	1	1	1	1#	1#	1	1
Tan Sin Hock(2)	Non-Independent Non-Executive Director	12 March 2001 (28 October 2025)	1	1	1	1#	1	1#	1	1#
Heng Kheng Hwai(2)	Non-Independent Non-Executive Director	12 March 2001 (30 October 2024)	1	1	1	1	1	1#	1	1#

Notes:

#: Attendance by invitation

(1) Mr Chua Siong Kiat has been appointed as Independent Non-Executive Director on 17 July 2026 and will stand for re-election at the forthcoming annual general meeting.

(2) Mr Tan Sin Hock and Mdm Heng Kheng Hwai retired as directors on 17 July 2026.

All Directors are required to declare their board appointments. When a director has multiple board representation, the NC will consider whether the director is able to adequately carry out his/her duties as a director of the Company, taking into consideration the director's number of listed company board representations and other principal commitments. The NC has reviewed and is satisfied that notwithstanding their multiple board appointments, Mr Chen Yeow Sin, Mr Cheam Heng Haw and Mr Chua Siong Kiat, who sit on multiple boards, have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Directors of the Company.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Provision 1.6 – Access to information

Management provides the Board with reports of the Company's performance, financial statements and prospects including sales forecasts as well as papers containing relevant background or explanatory information on a half yearly basis which is deemed sufficient in view of the current size and state of the Company. Directors are also informed of any significant developments or events relating to the Group. In addition, the directors are entitled to request from the management such additional information as needed to make informed decisions. The management ensures that any additional information requested is provided to the directors in a timely manner.

Provision 1.7 – Access to Management and Company Secretary

The Board has separate and independent access to senior management and the Company Secretary who will assist them in discharging their duties and responsibilities. Should Directors, whether as a group or individually, need independent professional advice in the furtherance of their duties, the cost of such professional advice will be borne by the Company.

The Company Secretary's responsibilities also include ensuring good information flows within the Board and its Board committees and between management and Non-Executive Directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development as required. The role of the Company Secretary is clearly defined and includes the responsibility of ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary and/or her representative attend all Board and Board committees' meetings. The appointment and the removal of the Company Secretary is a matter for the Board as a whole. The Directors have separate and independent access to the Company Secretary.

The appointment and the removal of the company secretaries are subject to the approval of the Board.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 – Board Independence

As set out under the 2018 Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. The NC assesses and reviews annually the independence of a director bearing in mind the salient factors as set out under the 2018 Code as well as all other relevant circumstances and facts.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Each Independent Director is required to complete a Confirmation of Independence Form annually to confirm his independence based on the 2018 Code. The form, which was drawn up based on the definitions and guidelines set forth in the Provision 2.1 of the 2018 Code, the NC Guide issued by the Singapore Institute of Directors requires each director to assess whether he considers himself independent despite not having any of the relationships defined in the 2018 Code. Based on the confirmation of independence submitted by the Independent Directors, the NC was of the view that each Independent Director is independent on the following basis:

(a) The Independent Directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past three (3) financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three (3) financial years, and whose remuneration is determined by the RC.

(b) None of the Independent Directors and their immediate family member had in the current or immediate past financial year (i) provided or received payments from the Group aggregated over any financial year in excess of S$50,000/- for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a director of any organisation which provided or received payments from the Group aggregated over any financial year in excess of S$200,000/- for services rendered.

(c) None of the Independent Directors are directly associated with a substantial shareholder of the Company in the current or immediate past financial year.

As of the date of this Report, none of the Independent Directors has served on the Board for an aggregate period of more than nine years since the date of their first appointment.

Each independent director is required to complete a "Confirmation of Independence" form to confirm his independence. The NC has conducted a rigorous review of the independence of the Independent Directors, Mr Chen Yeow Sin, Mr Cheam Heng Haw and Mr Chua Siong Kiat have determined that they have maintained their independence after considering the recommendations set out in the 2018 Code. The Board, with the recommendation and concurrence of the NC, has reviewed and determined that the Independent Directors are independent. No NC member was involved in the deliberation in respect of his own independence.

Provisions 2.2, 2.3 and 2.4 – Board composition and diversity

The Board comprises five directors, which consist of three Independent Directors and two Executive Directors. The Chairman is an Independent and Non-Executive director. As the Independent Directors make up at least one third of the Board, the Company has complied with Rule 406(3)(c) of the Rules of Catalist.

The Company has complied with Provision 2.3 of the 2018 Code, with three (3) non-executive directors and two (2) Executive Directors of a total of five (5) Directors. The Board believes that the three Independent Directors, all of whom have many years of business, financial and legal experience, are able to serve the present needs of the Group. The Board has taken into account the scope and nature of the operations of the Company and considers its current size to be adequate and has mix of expertise, experience and possesses the necessary competencies for effective decision making. The composition of the Board will be reviewed regularly and changes will be made as and when appropriate. Key information regarding the Directors is set out on pages 110 to 111 of the Annual Report.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Mr Chen Yeow Sin has informed the NC and the Board that he will retire as a Director at the forthcoming Annual General Meeting ("AGM") and the Board has commenced its search for a new independent director and would take into account of the Group and Board's requirements and Board diversity.

Upon Mr Chen Yeow Sin's retirement at the forthcoming AGM, the Company will not be in compliance with Rules 704(7) of the Catalist Rules whereby the Audit Committee of the Company must have a minimum of 3 members. In addition, the Company does not comply with provisions 2.2, 2.3, 6.2 and 10.2 of the 2018 Code with regards to the compositions of the Board, Audit Committee and Remuneration Committee of the Company respectively. The Company shall endeavour to fill the vacancy with regards to the Board, the Audit Committee and Remuneration Committee within 2 months, and in any case not later than 3 months from the effective date of Mr Chen Yeow Sin's retirement.

The Company recognises and embraces the benefits of diversity of experience, skill sets, gender, age and ethnics on the Board ("**Board Diversity**") and had adopted a written Board Diversity Policy to comply with Rule 710A of the Rules of Catalist.

The Company views Board Diversity as an essential element to attain its strategic objectives and sustainable development.

Although the Company does not set any specific target for the boardroom age and gender diversity, the NC ensures that the Board comprises Directors from age groups ranging from 50s to 70s and targets to maintain so for the financial year ended 30 June 2027 ("FY2027"). The Company believes that age diversity results in a broad spectrum of thoughts and views in Board and Board Committees deliberations. The Board achieved its goal of having board representation from 3 age groups, as it comprises 2 Directors in 50s, 3 Directors in 60s and 1 Director in 70s as well as gender diversity as the Board has one female Director during FY2026. As and when the need for a new Director arises, the Board will use reasonable endeavors to source for suitable candidates with relevant knowledge while also being mindful of age and gender diversity.

Besides achieving the age and gender diversity for FY2026, the Board also comprises Directors who, as a group, possess a majority of the identified core skills and experience in areas such as accounting and finance, legal and corporate governance, business management experience, industry knowledge and, strategic planning.

During Board meetings, the Non-Executive Directors participated actively in discussions on key matters pertaining to the Group. They give constructive comments and suggestions to help develop the Group's strategic and business plans. They review the performance of management in meeting goals and objectives and evaluate their performance. The NC will continue to assess on an annual basis the diversity of the Board and ensure that the diversity will be relevant to the business of the Group. The Board believes that the practices adopted above are consistent with the intent of Provision 2.4 of the 2018 Code.

Provision 2.5 – Non-executive directors and/or independent directors meet without presence of management

The Non-Executive Directors review the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They are also encouraged to meet regularly without management's presence.

The Non-Executive Independent Directors met in the absence of key management personnel in FY2026. The Chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

To ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making, the Company has a clear division of responsibilities at the top of the Company.

Provision 3.1 – Separation of the role of the Chairman and the CEO

Mr Chen Yeow Sin, the Chairman of the Company (the "**Chairman**") who is an Independent Non-Executive Director, is not part of the Management team. The role of Chief Executive Officer ("**CEO**") is assumed by Mr Tan Chee Hawai, the Group Managing Director and Executive Director of the Company. The Chairman and the Group Managing Director have separate roles in the Company and the Chairman and Managing Director are not related to each other.

Provision 3.2 – Role of the Chairman and the CEO

The Chairman is a Non-Executive Chairman who is independent from the daily operations of the Group's business. The Chairman's responsibilities include, *inter-alia*, the following:

a) scheduling and chairing of Board meetings;
b) lead the Board to ensure its effectiveness in all aspects of its role and set its agenda and ensure adequate time available for discussion of agenda items;
c) controlling of the quality, quantity and timeliness of information supplied to the Board;
d) ensuring compliance with the Company's guidelines on corporate governance;
e) encourages constructive relations between the Board and management as well as Executive Directors and Non-Executive Directors;
f) facilitates the effective contribution of all directors including Non-Executive Directors;
g) ensures effective communication with shareholders; and
h) promote a culture of openness and debate at the Board.

The CEO leads the management team and directs the business of the Group in line with the Group's strategic directions and policies. The CEO keeps in regular communication with the Chairman and the Board to update them on corporate issues and developments.

The roles of the Chairman and CEO are separate to ensure a clear distinction of responsibilities, increased accountability and greater capacity of the Board for independent decision-making. Through a consensus of the Board, a division of responsibilities and functions between the two roles has been established.

There will be no Chairman upon Mr Chen Yeow Sin's retirement at the forthcoming AGM and the Board will be reconstituted following the appointment of a new independent director and the appointment of a new Chairman within two months and in any case not later than three months after the retirement of Mr Chen Yeow Sin becomes effective.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

BOARD MATTERS (CONT'D)

Provision 3.3 - Lead Independent Director

Provision 3.3 provides that the Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent.

For FY2026, as our Chairman was an independent director, the Board has determined that the appointment of a Lead Independent Director was not required.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 and 4.2 – Composition of the Nominating Committee

NOMINATING COMMITTEE

As of the date of this report, the NC, which is chaired by Mr Chua Siong Kiat , comprises three Independent Non-Executive Directors and one Executive Director. The other members are Mr Chen Yeow Sin, Mr Tan Chee Hawai and Mr Cheam Heng Haw.

Mr Chen Yeow Sin will not stand for re-election and will retire in the upcoming AGM. The composition of NC will not be in compliance with provision 4.2 of the 2018 Code once the retirement of Mr Chen Yeow Sin becomes effective. The Company has commenced a search to appoint a replacement independent director, and will make the appropriate announcements and reconstitute the Board and its committees within two months, but in any case not later than three months after the retirement of Mr Chen Yeow Sin becomes effective. The Company will revisit the composition of the Board and its committees to ensure compliance with the relevant rules of the Catalist Rules and the 2018 Code.

The NC had adopted a written terms of reference, which sets out its functions and responsibilities. The duties of the NC shall include, *inter-alia*, the following:

1) to make recommendations to the Board on the appointment and re-appointment of Directors (as well as alternate Directors where applicable) and the suitability of such Directors, including making recommendations on the composition of the Board generally and the balance between Executive and Non-Executive Directors appointed to the Board. As part of the selection, appointment and re-appointment of Directors, the NC shall consider issues including composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance including, if applicable, as an Independent Director;

2) to regularly review the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary;

3) to assess nominees or candidates for appointment or re-appointment to the Board, determining whether or not such nominee has the requisite qualification and whether he/she is independent;

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

4) to review and make recommendations to the Board on matter relating to plans for succession, in particular for the Chairman, the CEO;

5) to make recommendations to the Board on matter relating to the development of a process for evaluation of the performance of the Board, its Board committees and Directors;

6) to make recommendations to the Board on matter relating to review of training and professional development programs for the Board;

7) to determine and review rigorously (where applicable), on an annual basis and as and when circumstances require, whether a Director is independent, bearing in mind the circumstances set forth in the 2018 Code as may be applicable;

8) to recommend Directors who are retiring by rotation to be put forward for re-election and all Directors should be required to submit themselves for re-nomination and re-election at regular intervals and at least once every three years;

9) to decide whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when he has multiple board representations and other principal commitments;

10) to recommend to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards; and

11) to assess the effectiveness of the Board as a whole and the contribution of each individual Director to the effectiveness of the Board, and to disclose the assessment process annually.

Provision 4.3: Process for selection, appointment and re-appointment of directors

The Board has delegated to the NC the functions of developing and maintaining a transparent and formal process for the appointment and re-appointment of directors, making recommendations for directors who are due for retirement by rotation and seeking re-election at a general meeting and determining the independent status of each director. Each member of the NC shall abstain from voting on any resolutions and making recommendations and/or participating in any deliberations of the NC in respect of his/her re-nomination as a director.

Pursuant to Regulation 91 of the Company's Constitution, one third of the Directors (apart from managing director) is required to retire by rotation at every AGM. A newly appointed Director is also required to submit himself for retirement and re-election at the AGM immediately following his appointment in line with Regulation 97 of the Constitution. In addition, Rule 720(4) of the Rules of Catalist provides that a listed issuer must have all directors submit themselves for re-nomination and re- appointment at least once every three years. Accordingly, Mr Ng Weng Wei and Mr Chen Yeow Sin are required to retire by rotation under Regulation 91 while Mr Chua Siong Kiat is required to retire pursuant to Regulation 97 at the forthcoming AGM. The NC has recommended Mr Ng Weng Wei and Mr Chua Siong Kiat to be nominated for re-election as Directors at the forthcoming AGM. In considering the nominations, the NC took into account the contribution of the Directors with reference to their attendance and participation at Board and Board committees' meetings, as well as the proficiency with which they have discharged their responsibilities. The retiring Directors, Mr Ng Weng Wei , and Mr Chua Siong Kiat being eligible, had consented to continue in office and would seek re-election/re-appointment at the forthcoming AGM.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

The other retiring Director, Mr Chen Yeow Sin will not be seeking re-election and will retire as a Director at the forthcoming AGM. The Board has commenced its search for a new independent director and shall endeavour to fill the vacancy with regards to the Board, the Audit Committee, Remuneration Committee and Sustainability Committee within 2 months, and in any case not later than 3 months from the effective date of Mr Chen Yeow Sin's retirement. The Board would also take into account of the Group and Board requirements and Board diversity.

The Company has adopted a formal search and nomination process for new board directors. Where a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director with particular skills set, the NC, in consultation with the Management and the Board as appropriate, determines the selection criteria such as qualification, skill set, competence and expertise required or expected of a new Board member taking into account the size, structure, composition and progressive renewal of the Board.

The NC will assess the suitability of the potential candidate before he or she is appointed to the Board. NC could tap on the directors' recommendations of potential candidates or external resources. The potential candidates will go through a shortlisting process and thereafter, interviews are set up with the shortlisted candidates for the NC to assess them before a decision is made. Recommendations of the NC are then put to the Board for its consideration. The Board will review the recommendation and approve the appointment as appropriate.

Provision 4.4 – Independent review of Directors

As mentioned under Principle 2 above, the NC also reviews the independence of the Directors annually based on the 2018 Code and the Rules of Catalist and have affirmed that Mr Chen Yeow Sin, Mr Cheam Heng Haw and Mr Chua Siong Kiat are independent. Following the review mentioned in Principle 2, the NC is satisfied that at least one-third of the Board comprises Independent Directors.

Currently, the Board does not have any alternate Directors.

Provision 4.5 - Commitments of Directors

The Board is of the view that the effectiveness of each Director is best assessed by a qualitative assessment of the Director's contribution and his ability to devote sufficient time and attention to the Company's affairs. The Company has varied from Practice Guideline 4.4 in not setting the maximum number of listed company board representations which a Director may hold as it does not wish to omit from consideration, outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as new members of the Board. The Company is of the view that the Directors can and have been adequately carrying out their duties by contributing sufficient time and attention to the Group's affairs.

The NC has reviewed the directorships of the Directors and is satisfied that these Directors are able to, and have adequately carried out their duties as Directors of the Company for FY2026 after taking into consideration the number of listed company board representations and other principal commitments of these Directors.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

Details of the Directors seeking re-election pursuant to Rule 720(4) of the Rules of Catalist are provided in the table below in accordance with the requirements under Rule 720(5) of the Rules of Catalist:-

Key Information	Name of Director	
	Ng Weng Wei	**Chua Siong Kiat**
Date of appointment	12 March 2001	17 July 2026
Date of last re-appointment	26 October 2023	N/A
Age	56	55
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process).	Mr Ng Weng Wei ("Mr Ng") worked as a Senior Accountant at a big four international accounting firm in Sydney from 1994 to 1996 and was a Manager in a big four international accounting firm in Singapore prior to joining the Group in March 2000. Mr Ng holds a Bachelor of Accountancy (Honours) Degree from Nanyang Technological University and is a Chartered Accountant of both the Chartered Accountants Australia and New Zealand and the Institute of Singapore Chartered Accountants respectively. He also holds the Senior Accredited Board Director designation conferred by the Singapore Institute of Directors. The Board of Directors ("Board"), after considering the recommendation of the Nominating Committee and is satisfied that Mr Ng possesses the relevant experience, expertise, knowledge and skills to contribute to the core competencies of the Board.	The appointment of Mr Chua Siong Kiat ("Mr Chua") as an Independent Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board. The Board is satisfied that Mr Chua's qualifications and work experience will enhance the composition of the Board and will be beneficial to the Company. Mr Chua is considered independent for the purpose of Rule 704(7) of the Listing Manual Section B : Rules of Catalist of Singapore Exchange Securities Trading Limited.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

Key Information	Name of Director	
	Ng Weng Wei	**Chua Siong Kiat**
Whether the appointment is executive and if so, please state the area of responsibility	Executive. Oversees the accounting, human resources and administrative functions as well as information systems in the Group. In addition, also handle the Group's corporate finance and treasury activities, and being involved in the development of the business policies	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC member, etc)	• Executive Director • Member of the Remuneration and Sustainability Committees	• Independent Non-Executive Director • Chairman of Nominating Committee • Member of Audit Committee
Professional memberships/ qualifications	Mr Ng is a Chartered Accountant of both the Chartered Accountants Australia and New Zealand and the Institute of Singapore Chartered Accountants respectively. He also holds the Senior Accredited Board Director designation awarded by the Singapore Institute of Directors.	- Master of Business Administration and Diploma of the Imperial College in Management (MBA, DIC) from Imperial College London Business School, University of London - Fellow Chartered Certified Accountants (FCCA) - Certified Internal Auditor (CIA), Institute of Internal Auditors - Fellow Chartered Accountant of Singapore (FCA Singapore) - Chartered Valuer and Appraiser (CVA) - Senior Accredited Director by Singapore Institute of Directors (MSID-SRAD)

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

Key Information	Name of Director	
	Ng Weng Wei	**Chua Siong Kiat**
Working experience and occupation(s) during the past 10 years	Director of Santak Metal Manufacturing Pte. Ltd., Santak Industrial Pte. Ltd., Santak Precision Metal Parts Sdn. Bhd., T.N.K. Precision Engineering Work Pte. Ltd.,Santak Electronics Pte Ltd, Santak Electronics Sdn. Bhd., Santak Metal Manufacturing (Wuxi) Co. Ltd., and Wuxi Tech Precision Engineering Co. Ltd.	June 2026 to present Corporate Strategy and Development Director of Heatec Jietong Pte. Ltd. April 2025 to March 2026: Executive Director of VCI Global Limited; CEO and Director of VCI Global (Singapore) Pte Ltd April 2023 to April 2025: Chief Financial Officer, Memiontec Holdings Limited ("Memiontec") November 2015 to April 2025: Director of Lighthouse Business Consulting Pte Ltd October 2021 to January 2023: Group Chief Financial Officer, TEE International Limited August 2020 to September 2021: Chief Financial Officer, Wai Fong Construction Pte Ltd July 2017 to January 2018: Appointed Chief Financial Officer (Global Hospitality Trust Project), Amare Investment Management Group Pte Ltd March 2016 to July 2017: Executive Director and Head of Non-Property Business (February 2017 to July 2017), Alternate Director (March 2016 to February 2017) and Interim Group Chief Operating Officer (July 2016 to February 2017), Pacific Star Development Limited (formerly known as LH Group Limited)

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

Key Information	Name of Director	
	Ng Weng Wei	**Chua Siong Kiat**
Shareholding interest in the Company and its subsidiaries	Please refer to Directors' Statement on the Director's interests in shares and debentures on page 10.	Please refer to Directors' Statement on the Director's interests in shares and debentures on page 10.
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/ or substantial shareholder of the Company or any of its principal subsidiaries	Nil	Nil
Conflict of Interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes	Yes
Other principal commitments including directorships		
Current directorships		
Public listed companies	Nil	- Memiontec Holdings Ltd - UMS Integration Limited - Ever Glory United Holdings Limited - Evologic International Limited (f.k.a. Olive Tree Estates Limited)
Private companies	- Santak Metal Manufacturing Pte. Ltd. - Santak Industrial Pte. Ltd. - Santak Precision Metal Parts Sdn Bhd	- Lighthouse Business Consulting Pte Ltd - Starwork Vision Pte. Ltd (Inactive) - Robotic Vision Inc. Pte. Ltd (Inactive) - OmniBnk Pte Ltd - Ding Le Ventures Pte. Ltd. (Dormant) - Pruf Data Pte. Ltd.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

Key Information	Name of Director	
	Ng Weng Wei	**Chua Siong Kiat**
Past directorships (in the last 5 years)		
Public listed companies	Nil	- Coolan Group limited - China Yuanbang Property Holdings Limited - Nutryfarm International Limited - JES International Holdings Limited - Heatec Jietong Holdings Limited - VCI Global Limited
Private companies	- T.N.K. Precision Engineering Work Pte. Ltd. (struck off)	- National Arthritis Foundation - TEE Infrastructure Pte Ltd - Trans Equatorial Engineering Pte Ltd - MIT Investment Pte. Ltd. (a wholly owned subsidiary of Memiontec) - Lux Signature Investment Pte. Ltd. - V Gallant (Singapore) Pte. Ltd. - VCI Global (Singapore) Pte. Ltd. - Omni Chaves Pte. Ltd.
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This is a re-election of a director.	Not applicable. This is a re-election of a director.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

The general statutory disclosures of the Directors are as follows:		**Ng Weng Wei**	**Chua Siong Kiat**
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Yes. Mr. Chua Siong Kiat was the group chief financial officer of TEE International Limited ("TEE") from October 2021 to January 2023. In December 2021, TEE announced that it had commenced the winding up process of its wholly-owned subsidiary, Trans Equatorial Engineering Pte Ltd ("Trans Equatorial") by way of CVL. Mr. Chua Siong Kiat was requested by the board of directors of TEE to be appointed as a director of Trans Equatorial just prior to the commencement of the CVL proceedings to facilitate and assist the appointed liquidators with the CVL process. Mr. Chua Siong Kiat was not previously involved in the events which led to the liquidation of Trans Equatorial. Following his resignation as TEE's group chief financial officer, Mr. Chua Siong Kiat also ceased to be a director in Trans Equatorial in January 2023.
(c)	Whether there is any unsatisfied judgment against him?	No	No

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

The general statutory disclosures of the Directors are as follows:		**Ng Weng Wei**	**Chua Siong Kiat**
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of a court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

The general statutory disclosures of the Directors are as follows:		**Ng Weng Wei**	**Chua Siong Kiat**
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct in Singapore or elsewhere,of the affairs of :-	No	No
	(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Yes. Mr. Chua Siong Kiat was an independent non-executive director of Axington Inc. ("Axington") from July 2020 to August 2020. In July 2021, following an internal review conducted by the board of Axington, Axington was required to, among others, investigate the circumstances surrounding a placement exercise completed in August 2020. Axington subsequently released an executive summary ("Executive Summary") of the independent review. Mr. Chua Siong Kiat was not involved in the logistics leading up to the completion of the placement, nor was he involved in the internal review or the independent review. To the best of Mr. Chua Siong Kiat's knowledge, there were no investigations conducted by the SGX-ST or any government authorities in respect of the potential breaches highlighted in the Executive Summary.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

The general statutory disclosures of the Directors are as follows:		**Ng Weng Wei**	**Chua Siong Kiat**
	(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

NOMINATING COMMITTEE (CONT'D)

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC has established a process for assessing the effectiveness of the Board as a whole and individual directors for the long term performance of the Group. Board performance evaluation is carried out on an annual basis to assess and evaluate the Board's structure including size and competency, independence, the Board's access to information as well as Board accountability and processes, corporate strategy and planning, risk management and internal controls, monitoring of management performance, reviewing and compensation of Directors and key executives, financial reporting and communicating with shareholders.

The board evaluation process involves having directors complete the board assessment checklist. The results of the performance evaluation will be compiled by the Company Secretary into a summary report and reported to the NC Chairman before discussing at the NC meeting and reporting to the Board. The individual directors also complete a self individual director checklist annually. The NC assessed the Board's performance as a whole in FY2026 and is of the view that the performance of individual members of the Board and the Board as a whole was satisfactory.

The Board has not engaged any external facilitator in conducting the assessment of Board performance. Where relevant, the NC will consider such engagement.

Principle 6: Procedures for developing remuneration policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 and 6.2 – Composition of the Remuneration Committee

REMUNERATION COMMITTEE ("RC")

The RC comprises three Directors, of whom two are Independent Directors. The RC is chaired by Mr Cheam Heng Haw, the Independent Non-Executive Director of the Board. The other members are Mr Chen Yeow Sin and Mr Ng Weng Wei. Although the Company's composition of RC has varied from Provision 6.2 where all the RC members should be non-executive directors, the Board is of the opinion that the membership of Mr Ng Weng Wei, Executive Director, would not give rise to potential conflict of interest as Mr Ng is not involved in deciding his own remuneration. Mr Ng does not have family relationships with the rest of the directors, and he is a working professional with responsibilities and roles being the Executive Director for Group Finance and Administration. The Board and NC are of the view that for the past years, Mr Ng has been able to perform his role as member of RC independently. Mr Ng contributes to the discussion by providing a perspective from management's point of view. The RC had adopted a set of written terms of reference, which sets out its functions and responsibilities.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

RENUMERATION COMMITTEE (CONT'D)

As set out on pages 78 and 82, Mr Chen Yeow Sin will not stand for re-election and will retire in the upcoming AGM. The composition of RC will not be in compliance with provision 6.2 of the 2018 Code once the retirement of Mr Chen Yeow Sin becomes effective. The Company has commenced a search to appoint a replacement independent director, and will make the appropriate announcements and reconstitute the Board and its committees within two months, but in any case not later than three months after the retirement of Mr Chen Yeow Sin becomes effective. The Company will revisit the composition of the Board and its committees to ensure compliance with the relevant rules of the Catalist Rules and the 2018 Code.

The key terms of reference of the RC includes the following functions:-

(i) make recommendations to the Board a framework of remuneration for the Board and key management personnel of the Group;
(ii) review the specific remuneration packages for each Director (executive, non-executive and independent) as well as for the key management personnel;
(iii) review the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous;
(iv) consider whether Directors, and key management personnel should be eligible for benefits under share schemes and such other long-term incentive schemes as may from time to time be implemented.

Provision 6.3 – Remuneration framework

The RC is responsible for recommending to the Board a framework of remuneration for the Board and key management executives, and to determine specific remuneration packages for each Executive Director. The RC's recommendations will be made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board. The RC covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, and benefits in kind. If necessary, the RC will seek experts' advice on the remuneration of all Directors.

The Company sets remuneration packages which are competitive and sufficient to attract, retain and motivate Directors and key management executives with the required experience and expertise to run the Group successfully. The RC aims to be fair and avoid rewarding poor performance. In setting remuneration packages, the RC may take into consideration the pay and employment conditions within the industry and in comparable companies. The Board also ensures that the remuneration policy supports the Company's objectives and strategies. The framework of remuneration adopted by the Group is one that comprises a fixed component and a variable component. The variable component is linked to the performance of the respective entity of the Group in which an individual staff is employed as well as the performance of the individual. The letters of employment with the Executive Directors are not subject to onerous removal clauses and may be terminated by either the Company or the Executive Directors by giving 3 months' notice to the other party. The remuneration of the Non-Executive Directors is appropriate to their level of contribution taking into account factors such as effort, time spent and responsibilities and not over compensated to the extent that their independence may be compromised.

All Directors, except for Directors who are controlling shareholders with shareholdings of 15% or more and their associates, are eligible for the share options under the Santak Share Option Scheme 2001 (the "Scheme") which was administered by the RC. The Scheme expired on 12 March 2016 and the Company currently does not have any long term incentive scheme. The RC will consider implementation of such long term incentive scheme when deemed necessary.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

RENUMERATION COMMITTEE (CONT'D)

Provision 6.4 – Remuneration consultant

If necessary, the RC can seek appropriate expert advice inside and/or outside the Company on remuneration of all the Directors. No remuneration consultant was engaged by the Company during FY2026.

Principle 7: Level and mix of remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company

Provision 7.1 and 7.3 – Remuneration of Executive Directors and Key Management

The RC conducts annual reviews of the compensation to ensure that the remuneration of the Executive Directors and key Management executives commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group.

There are no termination, retirement and post-employment benefits that are under any contractual provisions that may be granted to Directors, the CEO and the key management executives (who are not Directors or the CEO). The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and key management executives in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

The remuneration packages of the Executive Director and key management personnel comprise a basic salary component and a variable component which is based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

The Santak Share Option Scheme 2001 expired on 12 March 2016 and the Company currently does not have any long- term incentive scheme or share-based compensation scheme. The RC will consider implementation of such long term incentive scheme when deemed necessary.

Provision 7.2 – Remuneration of Non-Executive Directors

The Non-Executive and Independent Directors receive Directors' fees, in accordance with their contribution, considering factors such as effort and time spent and responsibilities of the Directors. The Directors' fees are recommended by the entire Board for shareholders' approval at each annual general meeting. No Director is involved in determining his own remuneration.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

DISCLOSURE ON REMUNERATION

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 – Disclosure of remuneration

Rule 1204(10D) of the Rules of Catalist require the Company to disclose the names, amounts and breakdown of remuneration of each individual director and CEO. The following table shows a breakdown of the remuneration of Directors of the Company for FY2026.

REMUNERATION OF DIRECTORS

Directors	Salary %	Bonus[1] %	Directors' Fee[2] %	Other %	Total (S$'000)
Tan Chee Hawai	88	4	4	4	387
Ng Weng Wei	80	3	7	10	218
Chen Yeow Sin	–	–	100	–	45
Heng Kheng Hwai	–	–	100	–	25
Cheam Heng Haw	–	–	100	–	38
Tan Sin Hock	–	–	100	–	15
Chua Siong Kiat[3]	–	–	100	–	–

Notes:

(1) *Annual Wage Supplement ("AWS")*

(2) *These fees are subject to the approval of the shareholders at the AGM for FY2026. Non-Executive Directors are paid Directors' fees compensated based on time and effort.*

(3) *Mr Chua Siong Kiat was appointed as Independent Non-Executive Director on 17 July 2026, after the close of FY2026.*

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

DISCLOSURE ON REMUNERATION (CONT'D)

The Group has four key management executives who are not Directors or the CEO during FY2026. A breakdown, showing the level of the four key management executive's remuneration (who are not Directors or the CEO) in bands of S$250,000 for FY2026 is set out below:–

REMUNERATION OF MANAGEMENT EXECUTIVES

Remuneration Bands	Salary	Commission	Bonus[1]	Other	Total
Management Executives	**%**	**%**	**%**	**%**	**%**
Below S$250,000					
Loh Lai Soon	69	16	3	12	100
Lim Hwee Teen	71	14	3	12	100
Soh Cheng Lock	86	-	4	10	100
Leong Yoke May	85	-	1	14	100

Note:

(1) *Performance bonus and AWS.*

The aggregate total remuneration paid to top four key management personnel (who are not directors or the CEO) for FY2026 was S$488,000 (FY2025: S$388,000).

Provision 8.2 – Remuneration of employees related to Director, CEO or Substantial Shareholder

The adjustments to the remuneration packages of employees who are related to a Director, the CEO or a substantial shareholder are subject to the annual review of the RC. For FY2026, there are no employees whose remuneration exceeds S$100,000/- who are substantial shareholders of the Company or are immediate family members of a director, the CEO or a substantial shareholder of the Company.

The Board also ensures that the remuneration policy supports the Company's objectives and strategies. The framework of remuneration adopted by the Group is one that comprises a fixed component and a variable component. The variable component is linked to the performance of the respective entity of the Group in which an individual staff is employed as well as the performance of the individual. The company does not have a long incentive scheme. The Scheme expired on 12 March 2016 and the Company currently does not has any long-term incentive scheme. The RC will consider implementation of such long-term incentive scheme when deemed necessary.

The Board is of the opinion that the information disclosed above would be sufficient for shareholders to have an adequate appreciation of the Company's compensation policies and practices and therefore does not intend to issue a separate remuneration report, the contents of which would be largely similar.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

ACCOUNTABILITY AND AUDIT - RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 – Nature and extent of risks

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation.

The Group has in place a system of internal controls that address financial, operational, compliance and information technology risks, and risk management systems, to safeguard Shareholders' investment and the Group's assets. The internal controls maintained by the management, includes inter alia the SAP Enterprise Resources Planning (ERP) system and the ISO 9001:2015 Quality Management System, are in place throughout the financial year to provide reasonable assurance against material financial misstatements or loss, and include the safeguarding of assets, the maintenance of proper accounting records, compliance with appropriate legislation, regulations and best practices, and the identification and containment of operational and business risks.

The Board recognises that the internal controls system provides reasonable but not absolute assurance to the integrity and reliability of the financial information and to safeguard the accountability of the assets of the Group. The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. The internal auditor and the external auditor in the course of their statutory audit, carry out a review of the effectiveness of the Group's material internal controls to the extent of their scope as laid out in their respective audit plans. Material non-compliance and internal control weaknesses noted during their audits, and the internal and external auditors' recommendations, are reported to the AC. In addition, the AC and the Board review the Group's internal controls and risk management practices annually, taking into consideration the risks to which the business is exposed to, the likelihood of the occurrence of such risks and the cost of implementing mitigating controls. The AC and the Board also regularly reviews and improves its business and operational activities to identify areas of significant business risks, including emerging risks arising from cybersecurity threats and the use of artificial intelligence, as well as to determine the Company's levels of risk tolerance and risk policies.

The Group's material risks can be broadly classified as follows:

Operational Risks

The main operational risks faced by the Group include our dependence on the hard disk drive, security/access control systems, oil & gas, fibre optics, telecommunication, consumer electronics and computer industries, loss of any major customers, loss of key personnel and market price erosion of our products. Other risks include monitoring the current uncertain and challenging economic or market downturn, our inability to adapt to technological changes, increased competition, increased costs, failure of our key suppliers to meet demand, adverse changes in political, economic and regulatory environments in those countries that we operate in or trade with.

Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

ACCOUNTABILITY AND AUDIT - RISK MANAGEMENT AND INTERNAL CONTROLS (CONT'D)

Compliance Risks

Compliance with local laws and government policies or regulations in Singapore and Malaysia are monitored by the management. The Board is also responsible for ensuring compliance with legislative and regulatory requirements, including requirements under the Rules of Catalist. In line with the Rules of Catalist, the Board provides a negative assurance statement to the shareholders in its half yearly financial statement announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect. In addition, the Company also completes and submits compliance checklists to the continuing sponsor of the Company (if applicable and when required) to ensure that all announcements, circulars or letters to shareholders comply with the requirements set out in the SGX-ST Listing Manual.

Management regularly (and as and when requested) presents the Board with the Group's half-yearly financial results, prospects and annual financial statements to enable the Board to discharge its duties and responsibilities. When there are major developments in the Group's businesses, Board members may arrange to visit the subsidiaries' offices and plants to obtain updates and also to gain a further understanding of the Group's latest business and operating environments. In this respect, Management provides the Board with a balanced and understandable assessment of the Group's performance, position and prospects on a regular basis.

Financial risks

Some of the financial risks such as liquidity risk, credit risk and foreign currency risk are set out in the notes 2.1 and 24 to the Financial Statements, on pages 26 to 27 and 64 to 69 of this Annual Report.

The Board did not establish a separate board risk committee as the Board is already currently assisted by the AC and management in carrying out its responsibility of overseeing the Company's internal controls and risk management systems framework and policies.

Provision 9.2 – Assurance from the CEO and CFO

The Board has received from the CEO and the Executive Director, Group Finance and Administration assurances that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and that the Group's risk management and internal control systems are adequate and effective to meet the needs of the Group within the current scope of the Group's business operations.

Based on the internal controls established and maintained by the Group, work performed by the internal auditor, the external auditor and ISO 9001 auditor as well as reviews performed by the management, the AC and the Board, the Board with the concurrence of the AC is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, and risk management systems, are adequate and effective to meet the needs of the Group within the current scope of the Group's business operations.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

RISK MANAGEMENT AND INTERNAL CONTROLS (CONT'D)

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1, 10.2 and 10.3 – Composition of the Audit Committee

The Board has established an AC and has approved the written terms of reference which set out its functions and responsibilities. As of the date of this Report, the AC consists of three members, all of whom are Independent Directors . The Chairman of the AC is the Non-Executive Chairman of the Board, Mr Chen Yeow Sin. The other members are Mr Cheam Heng Haw and Mr Chua Siong Kiat. The Board considers Mr Chen Yeow Sin, Mr Cheam Heng Haw and Mr Chua Siong Kiat, as having sufficient financial, business management and accounting knowledge and experience to discharge their responsibilities as members of AC.

As set out on pages 78 and 82, Mr Chen Yeow Sin will not stand for re-election and will retire in the upcoming AGM. The composition of AC will not be in compliance with provision 10.2 of the 2018 Code once the retirement of Mr Chen Yeow Sin becomes effective. The Company has commenced a search to appoint a replacement independent director, and will make the appropriate announcements and reconstitute the Board and its committees within two months, but in any case not later than three months after the retirement of Mr Chen Yeow Sin becomes effective. The Company will revisit the composition of the Board and its committees to ensure compliance with the relevant rules of the Catalist Rules and the 2018 Code.

The AC meets periodically, at least twice a year. The functions of the AC include:

(1) reviewing with the external auditors, prior to the commencement of audit, the audit plan which states the nature and scope of the audit;
(2) reviewing the adequacy and effectiveness of the Company's risk management and internal controls that address financial, operational, compliance and information technology controls annually;
(3) reviewing with external auditors, their understanding of the system of internal financial controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls and management's response thereon;
(4) reviewing the financial statements of the Company and the consolidated financial statements of the Group before submission to the Board and the external auditors' report on these financial statements;
(5) reviewing significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and announcements relating to company's financial performance;
(6) reviewing the assurance from the CEO and the Chief Financial Officer ("CFO") on the financial records and financial statements;
(7) reviewing half-year and full year financial results before submission to the Board for approval;
(8) reviewing the adequacy, independence, effectiveness, objectivity, scope and results of external audit annually and the nomination of the re-appointment of external auditors of the Company;
(9) reviewing all non-audit services provided by the external auditors so as to ensure that any provision of such services would not affect the independence of external auditors;
(10) reviewing the assistance given by the management to the external auditors and internal auditors;
(11) reviewing interested person transactions falling within the scope of the Rules of Catalist;
(12) reviewing the adequacy and effectiveness of the Company's internal audit function; and
(13) reviewing the arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

AUDIT COMMITTEE (CONT'D)

The AC is authorised to investigate any matters within its terms of reference and has been given full access to and is provided with the co-operation of the Company's management. The AC has reasonable resources to enable it to discharge its functions properly. The AC has full discretion to invite any Director or management staff to attend its meetings.

The Company has put in place a whistle-blowing framework, which provides staff with accessible channels within the Group for reporting possible improprieties in matters of financial reporting or other matters in confidence so that appropriate follow-up actions will be taken. The Whistle-blowing policy of the Company has designated an independent function, the AC, to investigate whistleblowing reports made in good faith, ensures that the identity of the whistleblower is kept confidential, discloses its commitment to ensure protection of the whistleblower against detrimental or unfair treatment and the AC is responsible for oversight and monitoring of whistleblowing. Concerns or information should be raised in person by the whistleblower or provided in writing to the AC. The Group assures the whistle-blower that any concern raised, or information provided will be investigated. For the financial year ended 30 June 2026, there were no reported incidents pertaining to whistle blowing.

No former partner or Director of the Company's existing auditing firm or audit corporation is a member of the AC (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Each member of the AC abstains from voting on any resolutions and making any recommendation and/or participating in discussion on matters in which he is interested.

The AC has reviewed the Management's assessment and discussed with the external auditors about the identified key audit matters (refer to pages 13 to 16 of this Annual Report); and how those key audit matters have been addressed by the external auditor. Having considered the Management's assessment; and the approach taken by the external auditor and their findings, the AC is satisfied with the basis and estimates adopted by the Group.

Provision 10.4 – Internal audit function

The Group has outsourced its internal audit function to Audit Alliance LLP, a reputable public accounting firm registered in Singapore on an on-going basis. It is also a member firm of Allinial Global. The engagement team for this engagement comprises a partner, manager and experienced supporting staff. The engagement partner has more than 25 years of relevant experience for both listed and private entities ranging from trading, manufacturing, logistics, technology, etc.

The internal auditors report directly to the Chairman of the AC on internal audit matters. The AC approves the appointment, termination, evaluation and compensation of the internal auditors. The Internal auditors carry out their audit works in accordance with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

AUDIT COMMITTEE (CONT'D)

The internal auditors plan their audit schedules in consultation with but independent of management. The internal audit plan is submitted to the AC for approval prior to implementation. The AC reviews the activities of the internal auditors and meets with the internal auditors at least once a year to approve their plans and to review their report for the prior reporting period. The AC ensures that the internal auditors have the necessary resources to perform their functions adequately.

The AC has reviewed the adequacy, effectiveness and independence of the internal auditor function at least annually and is satisfied that the internal audit function is effective and independent and the internal auditor is adequately resourced, staffed with people with the relevant qualifications and experience as well as having the appropriate standing and independence within the Group to fulfil their mandate. The AC is also of the view that the internal auditor has unfettered access to all the Group's documents, records, properties and personnel including access to the AC.

Provision 10.5 – AC activities during the year

The accounts of the Company and its significant subsidiary companies are audited by Nexia Singapore PAC, an auditing firm registered with the Accounting and Corporate Regulatory Authority (ACRA).

The AC meets with the external and internal auditors without the presence of the Company's management at least once a year. This is to review the co-operation rendered by management to the external and internal auditors, the adequacy of audit arrangements, with particular emphasis on the scope and quality of their audit, the independence and objectivity of the external auditors.

In relation to the re-appointment of the external auditors, the AC has conducted an annual review of the performance of the external auditors taking into consideration the Audit Quality Indicators Disclosure Framework recommended by ACRA as reference. The AC, having reviewed the volume of non-audit services to the Company by the external auditors during the year, and being satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors, is pleased to recommend their re-appointment. The breakdown of their fees for audit and non-audit services is found on note 6 to the financial statements on page 43. The AC is satisfied that the Group has complied with Rules 712 and 715 of the Rules of Catalist, in relation to the appointment of auditing firms. In this regard, the AC recommends to the Board the nomination of Messrs Nexia Singapore PAC for re-appointment as the external auditor at the forthcoming AGM.

The AC keeps abreast of changes to accounting standards and issues which have a direct impact on financial statements through the report presented by the external auditors on the scope and results of the external audit and changes to accounting standards as well as through their discussions with the external auditors.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1, 11.2, 11.3 and 11.4 – Conduct of general meetings

The annual reports and/or circulars and notice of general meetings are made available on SGXNET. At AGMs, the Company encourages Shareholders' participation and all Shareholders are given the opportunity to voice their views and to direct queries regarding the Group to Directors, including the chairpersons of each Board committee. The external auditors are also present to assist the Directors in addressing any relevant queries from the Shareholders. The Chairman of the meeting facilitates constructive dialogue between Shareholders and the Board, Management, external auditors and other relevant professionals. The Chairman allows specific Directors, such as Board committee chairs to answer queries on matters related to their roles.

The Company ensures that there are separate resolutions at general meetings on each distinct issue. Detailed information on each resolution in the AGM agenda is in the explanatory notes to the Notice of AGM in the Annual Report.

Pursuant to the Company's Constitution, a poll may be demanded by the Chairman of the general meeting or by any member representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting. The Company will be conducting poll voting for all the resolutions proposed at the forthcoming AGM for greater transparency in the voting process in accordance with the Rules of Catalist. Electronic polling is currently not used after cost-benefit analysis.

The Company's Constitution allows a member of the Company to appoint not more than two proxies to attend and vote at general meetings. In line with the amendments to the Companies Act 1967, relevant intermediaries such as banks, capital market services license holders who provide nominee or custodial services for securities are allowed to appoint more than two proxies to attend, speak and vote at general meetings. The Company does not provide for absentia voting methods such as by mail, email, or fax due to concerns as to the integrity of such information and authentication of the identity of Shareholders voting by such means.

An independent professional firm was appointed as the scrutineer to conduct the polling process at the general meeting. At general meetings of the Company, shareholders were informed of the rules, including voting procedures before all resolutions are put to vote by poll. The results of the poll voting on each resolution tabled at the general meeting, including the total number of votes cast for or against each resolution, were also announced after the respective meetings via SGXNET.

At the Company's last AGM held on 28 October 2025 and Extraordinary General Meeting ("EGM") held on 19 August 2026, all the Directors and external auditors had attended the AGM and majority of the directors (except for Mr Cheam Heng Haw who was unwell) attended the EGM with physical attendance. The Company will organize the forthcoming AGM with physical attendance and there is no option for members to participate via electronic means.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

SHAREHOLDER RIGHTS AND ENGAGEMENT (CONT'D)

Provision 11.5 – Minutes of general meetings

Minutes are taken for all general meetings, and where appropriate, include all substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting and the responses from the Board and management. The Company Secretary will prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management. The Company publishes minutes of the general meetings of shareholders within one month after the general meetings on SGXNET.

Provision 11.6 – Dividend policy

The Company does not have a formal policy on the payment of dividends. However, the Board is mindful of the need to reward shareholders as and when the performance of the Company, its projected capital requirements, cash-flow and operating requirements, allow for the payment of dividends.

For FY2026, no dividend has been proposed by the Board as the Group intends to conserve cash for working capital and capital expenditure purposes (FY2025: Nil).

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1, 12.2 and 12.3 – Stakeholder engagement

The Company does not practise selective disclosure and ensures timely and adequate disclosure of price sensitive and material information to Shareholders of the Company via SGXNET in accordance with Rules of Catalist.

The Group believes in regular, effective and fair communication with its Shareholders and is committed to hearing Shareholders' views and addressing their concerns where possible. The Group's officers promptly communicate with its Shareholders and analysts through analysts briefings whenever appropriate and attend to their queries or concerns. The Group's officers also manage the dissemination of corporate information to the media, public, institutional investors and public shareholders, and act as a liaison point for such entities and parties. All shareholders of the Company will receive the Annual Report with the Notice of AGM. The Company also attaches a copy of the proxy form to shareholders in order that shareholders can appoint proxy(ies) to cast votes on their behalf by completing the proxy form attached to the Notice of AGM. The Company solicits feedback from and addresses the concerns of shareholders through the general meetings.

The Company announces the unaudited financial statements of the Company and of the Group on a half-yearly basis as required under the Rules of Catalist.

The Company does not have formalized investor relations policy at present as the Board and management is of the view the Group is able to communicate effectively with its shareholders as material information (financial or otherwise) is disclosed and communicated in a comprehensive, accurate and timely manner. However, the Company will consider appointing professional investor relations officer to manage the function should the need arise.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

ENGAGEMENT WITH SHAREHOLDERS (CONT'D)

Principle 13: Managing stakeholder relationships

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1, 13.2 and 13.3 – Stakeholder engagement

The Group places great importance on having open and transparent engagement with our key stakeholders. Stakeholders play an important role in ensuring the sustainability of our business and products.

Information is disseminated via SGXNET and the Company website (https://www.santak.com.sg), serves as an important resource for investors and stakeholders.

The Company has set up a Sustainability Committee ("**SC**") comprising three Directors. The SC is chaired by Mr Chen Yeow Sin, the Non-Executive Chairman of the Board. The other members are Mr Tan Chee Hawai and Mr Ng Weng Wei. The SC, reporting to the Board, was set up to provide greater focus in overseeing sustainability issues.

Upon Mr Chen's retirement at the conclusion of the forthcoming AGM, the Board will consider the appointment of a new director and review the composition of the SC as appropriate.

The SC roles include the oversight of the Group's economic, environmental, social and governance ("ESG") strategy and issues, to review and make recommendations to the Board to ensure that material ESG factors and related risks and opportunities are identified, evaluated and managed, ensure proper governance is in place for sustainability matters, monitor the implementation and progress towards sustainability strategy, ensure compliance with ESG related laws, rules and regulations, and review the sustainability report and recommend it to the Board for approval, amongst other. All Directors have undergone training on sustainability matters.

The sustainability report published provides more details about the strategy and key areas of focus in relation to the management of stakeholder relationships which include:

- Established policies to uphold the highest standards of ethical business practices with a strong stance against corruption
- Adoption of environmental friendly practices such as managing or reducing industrial waste and oil emission level
- Noise monitoring are conducted on a periodic basis under the relevant regulations
- Providing training and education opportunities for our employees to abide by the relevant health and safety measures and undertake reasonably practicable steps to ensure workplace safety for a healthy and safe working environment
- The Company will publish its Sustainability Report for FY2026 by 31 October 2026. To minimize the impact on the environment, the report will be published online via SGXNet at https://www.sgx.com/securities/company-announcements and the Company's website at https://www.santak.com.sg.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

DEALINGS IN SECURITIES

The Company has adopted an internal code on dealings in securities to govern dealings in its shares by its officers within the Group. This internal code has been disseminated to officers of the Group. The Directors and officers are prohibited from dealing in the securities of the Company while they are in possession of unpublished material price-sensitive information and during the period commencing one month before the announcement of the Company's half year and full year results and ending on the date of the announcement. Also, they are discouraged from dealing in the Company's securities on short term considerations. The Company has confirmed that it has complied with Rule 1204 (19) of the Rules of Catalist.

MATERIAL CONTRACTS

There are no material contracts to which the Company or any subsidiary is a party and which involve Directors' and controlling shareholders' interests subsisting at the end of the financial year or have been entered into during the financial year.

SPONSORSHIP

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is Asian Corporate Advisors Pte. Ltd. There was no non-sponsor fee paid to the Sponsor or any of its affiliates for FY2026.

INTERESTED PERSON TRANSACTIONS

The Company has established procedures whereby the AC will review all transactions with interested persons to ensure that the transactions are carried out at arm's length on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The AC would ensure that the provisions of Chapter 9 of the Rules of Catalist and the internal procedures have been complied with.

There are no IPT for the financial year ended 30 June 2026.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

DIRECTORS AND MANAGEMENT EXECUTIVES PROFILE

Directors

Mr Chen Yeow Sin is the Non-Executive Chairman/ Independent Director of the Group. He is also the Chairman of Audit Committee and Sustainability Committee and a member of the Nominating and Remuneration Committees. Mr Chen is the Managing Director of a public accounting corporation that provides audit, tax and business advisory services, where he oversees the firm's operation, risk management and growth strategy. In addition to that, he also heads its Risk Advisory division, providing internal audit and enterprise risk management services to listed companies with operations in both Singapore and the Asian region. He started his accountancy and audit training with a firm of chartered accountants in London and upon his qualification, he worked in the Big Four accounting firms in Singapore for several years before joining a US Fortune 500 energy and resource company as its South East Asia regional internal audit manager. Mr Chen was previously the Lead Independent Director of another listed company. He holds a Bachelor of Science (Honours) degree from University of London and a Fellow of the Singapore Chartered Accountants and a Fellow of the Institute of Chartered Accountants in England and Wales.

Mr Tan Chee Hawai was appointed as the Group Managing Director with effect from 11 June 2012. He is also a member of the Nominating and Sustainability Committees. He oversees the planning and review of corporate strategies and policies of the Group, as well as to coordinate the overall management functions. Mr Tan has more than 40 years experience in the Precision-Machined Components industry. With his vast experience in this business, Mr Tan has built up good relationship with many industry players. He is very much in touch with the changes in the market in terms of shifts in the market requirements, as well as changes in key market players. He will, with this, also seek out new business opportunities and expansion possibilities for our Group. He is one of the co-founders of our Group when Santak Metal started as a partnership in 1978. He continued with our Group when Santak Metal was incorporated as a private limited company in October 1983. Mr Tan has actively directed the growth of our Group's business since its inception. Mr Tan was the Group Chairman and Managing Director until 20 August 2004 and he was subsequently appointed as business advisor to the Group since 1 January 2005 until 10 June 2012. His role as business advisor includes advising senior management in the running of the business and its operations.

Mr Ng Weng Wei is the Executive Director for Group Finance and Administration of our Group and a member of the Remuneration and Sustainability Committees. He oversees the accounting, human resources and administrative functions as well as information systems in the Group. In addition, he handles our Group's corporate finance and treasury activities. Mr Ng is also involved in the development of the business policies of our Group. Mr Ng joined our Group in March 2000 and before that, he was a Manager in a Big Four accounting firm in Singapore. Prior to that, he worked as a Senior Accountant at a Big Four accounting firm in Sydney from 1994 to 1996. Mr Ng holds a Bachelor of Accountancy (Honours) Degree from Nanyang Technological University and is a Chartered Accountant of both the Chartered Accountants Australia and New Zealand and the Institute of Singapore Chartered Accountants respectively. He also holds the Senior Accredited Board Director designation conferred by the Singapore Institute of Directors.

ADDITIONAL INFORMATION

SGX-ST Listing Manual Requirements

DIRECTORS AND MANAGEMENT EXECUTIVES PROFILE (CONT'D)

Directors (Cont'd)

Mr Cheam Heng Haw was appointed as Non-Executive Independent Director of the Group on 1 January 2025. He is also Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. Mr Cheam is an equity partner at Rajah & Tann Singapore LLP and practices in the specialised field of Capital Markets and Mergers and Acquisitions (M&A). He has extensive background in initial public offerings, reverse takeovers as well as both public and private M&A transactions within and outside of Singapore. His experience includes various fund-raising exercises for listed and unlisted companies such as the issue of bond instruments, convertible instruments and placements. In addition, he also handles general corporate and advisory work, such as joint ventures, trade transactions and investments. Mr Cheam holds a Bachelor of Law from King's College, University of London and is a member of the Law Society of Singapore and the Singapore Academy of Law.

Mr Chua Siong Kiat was appointed as Non-Executive Independent Director of the Group on 17 July 2026. He is also Chairman of the Nominating Committee and a member of the Audit Committee. Mr. Chua is a corporate finance executive and consultant with over 3 decades of international broad-based financial and management experience; and having lived and worked in London, Beijing, Ho Chi Minh City, and now resides in Singapore, traveling regionally. He is currently a corporate strategy and development director at Heatec Jietong Pte Ltd. He also serves as lead non-executive independent director on the boards of Ever Glory United Holdings Limited and Olive Tree Estates Limited, as non-executive independent director on the board of UMS Integration Limited, and as a non-executive non-independent director on the board of Memiontec Holdings Limited. Mr. Chua is a Fellow Chartered Certified Accountant (FCCA), a Fellow Chartered Accountant of Singapore (FCA, Singapore), a Certified Internal Auditor (CIA), a Chartered Valuer and Appraiser (CVA) and a Senior Accredited Director conferred by Singapore Institute of Directors (SID-SRAD). He holds a Master of Business Administration and Diploma of the Imperial College in Management (MBA, DIC) from Imperial College London Business School, University of London. He recently completed his FlexiMasters programme on business AI and technology with Nanyang Technological University.

Management Executives

Mr Loh Lai Soon was appointed as General Manager of our Precision Engineering Division on 20 January 2025. Mr Loh is responsible for leading and managing the business development, sales and marketing as well as operations in the Precision Engineering Division of the Group. He holds a Bachelor of Engineering (Mechanical) and a Diploma in Business Administration from National University of Singapore.

Ms Lim Hwee Teen is the Head of Marketing & Business Development of our Precision Engineering Division. Ms Lim joined the Group prior to year 2000 and is currently responsible for the sales and marketing function of the Division. Ms Lim holds a Bachelor of Science (Economics) in Management Studies from the Singapore Institute of Management.

Mr Soh Cheng Lock is the Engineering Manager of our Precision Engineering Division. Mr Soh joined the Division in February 1986 and is currently responsible for the engineering function. Mr Soh holds a Diploma in Production Technology from the German-Singapore Institute.

Ms Leong Yoke May is the Senior Manager for Sales and Marketing of our Trading and Distribution Division. Ms Leong joined the Division in 1989 and is currently responsible for the sales and marketing function. Ms Leong holds a Diploma in Mechanical Engineering from Ngee Ann Polytechnic and a Diploma in Sales and Marketing Management from the Management Institute of Singapore.

STATISTICS OF SHAREHOLDINGS

As at 22 September 2026

DISTRIBUTION OF SHAREHOLDINGS

Number of Shares	:	107,580,980
Class of Shares	:	Ordinary Shares
Voting Right	:	One Vote Per Ordinary Share
Subsidiary Holdings	:	Nil

There are no treasury shares held in the issued share capital of the Company.

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	3	1.17	11	0.00
100 - 1,000	72	28.02	65,600	0.06
1,001 - 10,000	68	26.46	384,131	0.36
10,001 - 1,000,000	106	41.24	11,963,658	11.12
1,000,001 AND ABOVE	8	3.11	95,167,580	88.46
TOTAL	**257**	**100.00**	**107,580,980**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	TAN CHEE HAWAI	45,518,675	42.31
2	ERIK WANG WAH KHIAM (WANG HEQIAN)	30,487,805	28.34
3	GO MEI LIN	6,201,600	5.76
4	YAP QUAN OR CHRISTINE YAP LYE KUM	5,647,000	5.25
5	LOW BOON YONG	2,124,900	1.98
6	MAYBANK SECURITIES PTE. LTD.	1,792,000	1.67
7	DBS NOMINEES (PRIVATE) LIMITED	1,777,600	1.65
8	NG WENG WEI	1,618,000	1.50
9	IP WAN KEUNG	937,500	0.87
10	LAW KUNG YING	771,000	0.72
11	LOW YEE MIN (LIU YUMING)	755,000	0.70
12	TIGER BROKERS (SINGAPORE) PTE. LTD.	612,000	0.57
13	TAN CHOON KWANG	540,000	0.50
14	CHAN PECK SIM	522,000	0.49
15	SOH CHENG LOCK	510,000	0.47
16	LIM YUEN PANG(LIN RUNBANG)	500,000	0.46
17	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	392,400	0.36
18	LOO HWEE BENG	341,000	0.32
19	LEONG CHUNG MENG	300,000	0.28
20	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	255,000	0.24
	TOTAL	**101,603,480**	**94.44**

STATISTICS OF SHAREHOLDINGS

As at 22 September 2026

Approximately 16.7% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual, Section B: Rules of Catalist of SGX-ST.

SUBSTANTIAL SHAREHOLDERS AS AT 22 SEPTEMBER 2026

Name of Shareholders	Direct Interest	Deemed Interest
1. Tan Chee Hawai	45,518,675	-
2. Erik Wang Wah Khiam (Wang HeQian)	30,487,805	-
3. Go Mei Lin	6,201,600	-
4. Yap Quan or Christine Yap Lye Kum	5,647,000	-
5. Heng Kheng Hwai [(a)]	-	45,518,675

[(a)] Ms Heng Kheng Hwai's deemed interest is derived from 45,518,675 shares held by her spouse, Mr Tan Chee Hawai.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **SANTAK HOLDINGS LIMITED** (the "**Company**") will be held physically at 4 Clementi Loop, #01-01 EAC Building, Singapore 129810 on Wednesday, 28 October 2026 at 2.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2026 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Ng Weng Wei who retires by rotation pursuant to Regulation 91 of the Company's Constitution and who, being eligible, have offered himself for re-election. **(Resolution 2)**

   *Mr Ng Weng Wei, if re-elected as a Director, will remain as Executive Director, a member of the Remuneration Committee and Sustainability Committee and he will be considered non-independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").*

3. To note the retirement of Mr Chen Yeow Sin retiring pursuant to Regulation 91 of the Company's Constitution.

   Mr Chen Yeow Sin will not be seeking re-election and will retire as a Director of the Company on 28 October 2026 at the conclusion of the Annual General Meeting.

4. To re-elect Mr Chua Siong Kiat who retires pursuant to Regulation 97 of the Company's Constitution and who, being eligible, have offered himself for re-election. **(Resolution 3)**

   Mr Chua Siong Kiat, if re-elected as a Director, will remain as Independent Non-Executive Director, Chairman of the Nominating Committee and a member of the Audit Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules of SGX-ST.

5. To approve the payment of Directors' fees of S$153,000/- (2025: S$145,500/-) for the financial year ended 30 June 2026. **(Resolution 4)**
   [See Explanatory Note (i)]

6. To re-appoint Nexia Singapore PAC as the Company's auditors and to authorise the Directors to fix their remuneration. **(Resolution 5)**

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as Ordinary Resolution, with or without any modifications:

8. **AUTHORITY TO ISSUE NEW SHARES**

That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806 of the Catalist Rules of SGX-ST, the Directors of the Company be authorised and empowered to:

(a) (i) issue shares in the Company whether by way of rights or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued (including shares to be issued pursuant to the instruments) other than on a pro-rata basis to existing shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) new shares arising from exercising any share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

NOTICE OF ANNUAL GENERAL MEETING

Adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities. Share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules of SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (ii)] **(Resolution 6)**

By Order of the Board

Lai Foon Kuen
Adelynne Chin Ai Lyn
Company Secretaries
Singapore, 13 October 2026

Explanatory Notes:

(i) Ordinary Resolution 4, if passed, the approved directors' fees will be paid to all Directors appointed for the financial year ended 30 June 2026 including fees to Mr Tan Sin Hock and Mdm Heng Kheng Hwai who retired on 17 July 2026. Directors' fees paid for the previous financial year ended 30 June 2025 included a half-year pro-rated fee to Mr Cheam Heng Haw who was appointed as a director on 1 January 2025 (ie from 1 January 2025 to 30 June 2025).

(ii) Ordinary Resolution 6, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to existing shareholders.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The members of the Company are invited to attend physically at the AGM. **There will be no option for shareholders to participate virtually.** Printed copies of this Notice, Proxy Form and Annual Report will be sent by post to members. These Notice, Proxy Form and Annual Report are also available at the SGX's website at https://www.sgx.com/securities/company-announcements and the Company's website at http://www.santak.com.sg. A member will need an internet browser and PDF reader to view these documents.

2. Members attending the AGM in person will need to register at the registration counter outside the AGM venue on the day of the event. Please bring along your NRIC/passport to enable the Company to verify your identity. Members and other attendees who are feeling unwell on the date of AGM are strongly encouraged not to attend the physical AGM.

3. **Arrangements for participation in the AGM physically**

   Members (including CPFIS and SRS investors) may participate in the AGM by:

   (a) attending the AGM in person;
   (b) submitting questions to the Chairman of the AGM in advance of, or at, the AGM; and/or
   (c) voting at the AGM
   (i) themselves personally; or (ii) through their duly appointed proxy(ies).

   CPFIS and SRS investors who wish to appoint the Chairman of the AGM as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see item 7 below for details.

4. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

5. A proxy need not be a member of the Company.

6. A member can appoint the Chairman of the AGM as his/her/its proxy **but** this is **not mandatory**.

   If a member wishes to appoint the Chairman of the AGM as a proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

NOTICE OF ANNUAL GENERAL MEETING

7. CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators:

   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least 7 working days prior to the date of AGM ie **by 5.00 p.m. on 16 October 2026**.

8. Submission of instrument of proxy or proxy ("**Proxy Form**") – **By 2.00 p.m. on 26 October 2026**

   The Proxy Form must be submitted through any one of the following means:

   (a) by depositing a physical copy at the registered office of the Company at 4 Clementi Loop, #01-01 EAC Building, Singapore 129810; or

   (b) by sending a scanned PDF copy by email to <santak.holdings@santak.com.sg>,

   in either case, not less than 48 hours before the time appointed for holding the AGM i.e. by 2.00 p.m. on 26 October 2026, and failing which, the Proxy Form will not be treated as valid.

9. The Company shall be entitled to, and will, treat any valid Proxy Form which was delivered by a member to the Company before 2.00 p.m. on 26 October 2026 as a valid instrument as the member's proxy to attend, speak and vote at the AGM if: (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and (b) the member has not withdrawn the appointment by 2.00 p.m. on 26 October 2026.

10. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

11. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

12. Submission of questions by members in advance of the AGM – **By 2.00 p.m. on 20 October 2026**

   (a) Members may also submit questions related to the resolutions to be tabled for approval at the AGM. All questions, together with the members' full names, identification numbers, contact numbers and email addresses and manner in which they hold shares in the Company ("**Shares**"), must be submitted no later than 2.00 p.m. on 20 October 2026 to email <santak.holdings@santak.com.sg> or by post to the registered office of the Company at 4 Clementi Loop, #01-01 EAC Building, Singapore 129810.

NOTICE OF ANNUAL GENERAL MEETING

(b) Please note that the Company will address substantial and relevant questions relating to the resolutions to be tabled for approval by 23 October 2026. ("**Responses to Q&A**").

(c) The Company endeavours to address (i) subsequent clarifications sought (ii) follow-up questions or (iii) subsequent substantial and relevant questions which are received after its Responses to Q&A at the AGM itself. Where substantially similar questions are received, we will consolidate such questions and consequently not all questions may be individually addressed.

(d) Minutes of AGM - The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET and the Company's website, and the minutes will include the responses to the questions which are addressed during the AGM, if any.

13. Members are reminded to check SGXNet for any latest updates on the status of the AGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

This notice has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms Foo Quee Yin, at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271

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SANTAK HOLDINGS LIMITED

(Incorporated in Singapore)
(Company Registration No. 200101065H)

PROXY FORM

(PLEASE SEE NOTES OVERLEAF BEFORE COMPLETING THIS FORM)

IMPORTANT

1. The AGM is held physically at the registered office of the Company. Members have no option to participate virtually.
2. For investors who have used their CPF monies to buy the Company's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF investors who wish to vote should contact their CPF Approved Nominees.

Personal Data Privacy

4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Company's Notice of Annual General Meeting.

*I/We, _____ (Name)

of _____ (Address)

being a member/members of **SANTAK HOLDINGS LIMITED** (the "**Company**"), hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the Meeting as *my/our *proxy/proxies to attend, speak or vote for *me/us on *my/our behalf at the Annual General Meeting (the "**AGM**" / "**Meeting**") of the Company to be held physically at 4 Clementi Loop, #01-01 EAC Building, Singapore 129810 on Wednesday, **28 October 2026 at 2.00 p.m.** and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for, against or abstain the Resolutions proposed at the Meeting as indicated hereunder.

If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the *proxy/proxies/Chairman of the Meeting will vote or abstain from voting at *his/her/their discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(If you wish to exercise all your votes "For", "Against" or "Abstain", please tick [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.)

		Number of Votes		
No	**Resolutions relating to:**	**For**	**Against**	**Abstain**
1	Directors' Statement and audited financial statements for the financial year ended 30 June 2026			
2	Re-election of Mr Ng Weng Wei as a Director			
3	Re-election of Mr Chua Siong Kiat as a Director			
4	Approval of Directors' fees for the financial year ended 30 June 2026			
5	Re-appointment of Nexia Singapore PAC as auditors			
6	Authority to issue new shares			

** Delete where inapplicable*

Dated this _____ day of _____ 2026

Total number of Shares in:	**No. of Shares**
(a) CDP Register	
(b) Register of Members	

_____

Signature of Shareholder(s)/
or, Common Seal of Corporate Shareholder

*Delete where inapplicable

Notes:

1. Each of the resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of a poll.

2. Please insert the total number of shares of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

3. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.

4. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy pursuant to Regulation 71(C) of the Company's Constitution. The proxy form may be accessed on the SGX website at https://www.sgx.com/securities/company-announcements and the Company's website at http://www.santak.com.sg. A member will need an internet browser and PDF reader to view these documents.

5. A member who is a relevant intermediary entitled to attend the Meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

   A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

6. The instrument appointing a proxy(ies) ("**Proxy Form**") must be submitted to the Company in the following manner:-

   a. if submitted by post, be lodged at the registered office of the Company at 4 Clementi Loop, #01-01 EAC Building, Singapore 129810; or

   b. if submitted electronically, be submitted via email to santak.holdings@santak.com.sg

   in either case, **by not later than 26 October 2026, 2.00 p.m., being at least forty-eight hours before the time appointed for holding the AGM**, failing which the instrument of proxy shall not be treated as valid.

7. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

8. The Proxy Form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 October 2026.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Designed
& Produced by
+65 6880 2828
Xpress

SANTAK HOLDINGS LIMITED
co. reg. no. 200101065H

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