APPENDIX A

SANTAK HOLDINGS LIMITED
(Registration No. 200101065H)
(Incorporated in the Republic of Singapore)
("the **Company**")

QUESTIONS FROM SHAREHOLDER AT THE ANNUAL GENERAL MEETING HELD ON 26 OCTOBER 2022

Questions related to resolution number 1	
Question 1 Shareholder, Mr Chua Ghim Hock ("Mr Chua") would like to know the rationale on the decrease in turnover. Was it due to the disruption in the shifting of machineries or the intense competition in the industry?	Company's Response Mr Tan Chee Hawai responded to this query. The Group's restructuring of business started from the disposal of its subsidiary company in Wuxi, China to the relocation of machineries and raw materials from the Singapore factory to the Johor factory. Following the completion of the relocation of all of the Group's main machines and equipment from Singapore to the Johor factory in December 2020, the Group's business was constrained mainly by manpower shortages and delays in some machineries set up due to COVID 19 pandemic restrictions in FY2021. The business continues to face challenges mainly on manpower shortages during FY2022. In addition, lower sales were also primarily due to weaker demands mainly from its customers in data storage, oil & gas, and medical equipment sectors in the midst of the uncertain and challenging economic environment. The ordering of raw materials were also delayed due to the challenges face in the supply chain during FY2022. The Group will continue its cost optimization effort and streamlining of the Group's operations.
Question 2 Mr Chua requested to know on the high amount of cash kept with the Company shown in the company's balance sheet.	Company's Response Mr Ng Weng Wei replied that the Group regularly reviews its capital structure and its cash needs which takes into consideration the cashflow requirement, working capital and investment requirements, if any. It is noted that the Group declared a special dividend in year 2021. The market in which the Group operates remains competitive and demanding going forward. No final dividend was declared for FY2022 and this is to conserve cash for working capital and capital expenditure purposes.

	The cash on hand is currently placed in fixed deposits and money market fund. The money market fund is a short-term investment and managed by a local bank. Currently, it is earning a positive return which can be liquidated anytime.
Question 3 The third question from Mr Chua relates to trading segment which is profitable. Does the company intend to expand its trading segment business?	Company's Response The Group's trading segment exists for many years and has turned around from a loss position. The Group would continue this segment as long as there is demand. However, one of the challenge is clients could also source for their own suppliers online nowadays unless the particular/unique product is traded by the Group exclusively. The Company would continue to stay focus on retaining the existing long-relationship customers while sourcing for new clientele. Cross selling of products is not common to customers of both trading and precision engineering segments as the products are generally different.
Questions related to resolution number 4	
Question 4 Is there any board renewal planning on long-tenure Independent Directorships?	Company's Response The Board recognised Board diversity is important. The continued appointment of independent directors (IDs) was approved by the two-tier voting at the annual general meeting ("AGM") held last year. IDs are not involved in any executive functions and the day-to-day operations of the Company. Notwithstanding the nine-year time frame, they continue to be and are deemed independent and have the requisite qualifications, experience and integrity as independent directors. With respect of the Company's plans for the progressive refreshing of the Board, the Board considers continuity and stability of the Board important and that it is not in the interest of the Company to require directors who have served more than nine years or longer to be ineligible for re-election (as independent directors). The Board nevertheless will on a continual basis, review the need for progressive refreshing of its Board.

Questions related to resolution number 6	
Question 5 As the Company has proposed a share issue mandate under Resolution 6 for voting. Will the Company exercise any share allotment during the financial year?	Company's Response There is no immediate plan to issue additional shares at this juncture. However, the Company would put through this resolution for shareholders' approval at the AGM. Upon passing of this Resolution, the directors of the Company are authorised and empowered to issue new shares in the event if any corporate actions were to take place during the financial year.