SANTAK HOLDINGS LIMITED
(Incorporated in Singapore)
(Company Registration No. 200101065H)

THE PROPOSED CHANGE OF AUDITORS

Introduction

The Board of Directors ("**Directors**")("**Board**") of Santak Holdings Limited (the "**Company**", together with all its subsidiaries, collectively the "**Group**") wishes to announce that the Company is proposing to change its independent auditors ("**Auditors**") from Grant Thornton Audit LLP ("**GT**") to Nexia Singapore PAC ("**Nexia**") (the "**Proposed Change of Auditors**") for the current financial year ending 30 June 2025. GT has served as the Auditors of the Group since the financial year ended 30 June 2023 and was re-appointed as the Auditors at the last annual general meeting of the Company ("**AGM**") held on 30 October 2024, to hold office until the conclusion of the next AGM.

As part of good corporate governance initiatives and the Group's ongoing efforts to manage its overall business costs and expenses amidst the challenging business climate, the Board is of the view that it would be an opportune time to review the appointment of the Auditors as the review would provide the Group with an opportunity to benchmark its audit fees and realise cost efficiencies. A change of Auditors would enable the Group to benefit from fresh perspectives and views of another professional audit firm, thus enhancing the value of the audit of the Group.

The Proposed Change of Auditors

Following an evaluation of the available proposals from various audit firms with audit partners who have experience in auditing public listed companies in Singapore, the Board, in consultation with the Audit Committee **("AC")**, and taking into consideration the requirements of Rule 712 and Rule 715 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**")("**Catalist Rules**"), has determined that Nexia is best suited to meet the existing needs and audit requirements of the Group. The AC having considered, amongst others, the Audit Quality Indicators Disclosure Framework issued by the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**"), the adequacy of the resources and experience of Nexia and the audit engagement partner assigned to the audit, other audit engagements of Nexia, the Group's audit requirements, the size and complexity of the Group and the number and experience of supervisory and professional staff of Nexia to be assigned to the audit, the fee structure and audit arrangements proposed by Nexia. The Board, in consultation with the AC, is of the opinion that Nexia will be able to meet the audit requirements of the Group. The Proposed Change of Auditors will allow the Group to save approximately 18.2% in audit fees in comparison to the audit fees proposed by GT for the financial year ending 30 June 2025. There will be no change in the scope of audit services, and the Company does not expect the reduction in cost to affect the standards and effectiveness of the audit to be undertaken.

After evaluation, the AC recommended the appointment of Nexia as Auditors of the Company in place of GT to the Board. The Board has taken into account the AC's recommendation, including the factors considered in their evaluation, and is satisfied that Nexia will be able to meet the audit requirements of the Group.

In view of the above, the Board is of the opinion that the Proposed Change of Auditors is in the best interests of the Company and the Shareholders because the quantum of professional fees for the audit services proposed by Nexia is more competitive in comparison to that charged by GT, given a comparable scope of work and quality of audit provided.

In connection with the above, GT had on 24 April 2025 applied to ACRA to seek its consent to resign as the Auditors pursuant to Section 205AB of the Companies Act. On 29 May 2025, GT received ACRA's

consent to resign as Auditors and GT had subsequently provided the Company with its notice of resignation dated 30 May 2025 ("**Notice of Resignation**").

Nexia has given its consent to act as Auditors by way of a letter dated 27 May 2025, subject to the approval of Shareholders being obtained at the Extraordinary General Meeting ("**EGM**"). Pursuant to Rule 712(3) of the Catalist Rules and Section 205AF of the Companies Act, the appointment of Nexia as Auditors in place of GT must be specifically approved by Shareholders at a general meeting. The appointment of Nexia would therefore take effect upon the approval of the Proposed Change of Auditors by Shareholders at the EGM. Upon the appointment, Nexia will hold office until the conclusion of the next AGM of the Company.

Pursuant to Rule 712(3) of the Catalist Rules, the Company would like to highlight that:

(i) in the Professional Clearance Letter dated 26 May 2025, GT has confirmed that they are not aware of any professional reasons why Nexia should not accept appointment as the Company's Auditors;

(ii) the Company confirms that there were no disagreements with GT on accounting treatments within the last twelve (12) months up to the date of this announcement;

(iii) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in this announcement;

(iv) the Company confirms that the specific reasons for the Proposed Change of Auditors are disclosed in this announcement. The Proposed Change of Auditors is neither due to the dismissal of GT nor GT declining to stand for election. In addition, GT were neither dismissed nor directed by the SGX-ST to be replaced under Rule 305(1)(eb) of the Catalist Rules; and

(v) the Company confirms that it is or will be in compliance with Rules 712 and 715 of the Catalist Rules in relation to the proposed appointment of Nexia as the Company's Auditors.

The Board wishes to express their appreciation for the past services rendered by GT.

Extraordinary General Meeting

The Company will make the necessary arrangements to convene the EGM to seek Shareholders' approval for the Proposed Change of Auditors. A circular to Shareholders containing, among others, further details on the Proposed Change of Auditors, together with the notice of EGM, will be issued to Shareholders in due course.

By Order of the Board

Chen Yeow Sin
Chairman
30 May 2025

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*This announcement 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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