

RESPONSE TO SGX'S QUERIES

SGX RegCo has issued the following queries to POWERMATIC DATA SYSTEMS LIMITED through RegCo Submissions:

Question:

- 1) We refer to the Company's FY2026 Annual Report. Listing Rule 1207(10C) requires the ARMC's comment on whether the internal audit function is independent, effective and adequately resourced.

While it is mentioned in the Annual Report that the internal audit function is outsourced to CLA Global TS, it does not contain an explicit comment or conclusion from the ARMC on whether the internal audit function is independent, effective, and adequately resourced. Please provide the ARMC's explicit comment addressing these three criteria as required by the Listing Rules.

Response:

The ARMC confirms that it is satisfied that the internal audit function meets the requirements of Listing Rule 1207(10C). This is based on the following:

- the ARMC is satisfied that the internal audit function is carried out independently, effectively and is staffed by suitably qualified and experienced professionals with the relevant experience to perform its internal audit function effectively;
- the internal auditor reports directly and primarily to the Chairman of the ARMC with administrative reporting to the Executive Directors; and
- the internal audit function is effective and has provided audit coverage that is aligned with the Company's risk profile and key business processes.

CLA Global TS, our outsourced internal auditor, is part of a Singapore accounting and advisory firm, providing various professional services. It is a corporate member of the Institute of Internal Auditors. The internal audit team is guided by the International Standards for the Professional Practice of Internal Auditors set by the Institute of Internal Auditors in carrying out its functions.

Question:

- 2) Listing Rule 710A requires an issuer to describe in its Annual Report its board diversity policy, including:
- (a) the issuer's targets to achieve diversity on its board;
 - (b) the issuer's accompanying plans and timelines for achieving the targets;
 - (c) the issuer's progress towards achieving the targets within the timelines; and
 - (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

We note that the Company has disclosed four Board Diversity Targets.

For Target 1 ('The majority of the Board members are to be independent'), the Company's progress indicates that only 3 out of 6 directors (50%) are independent, meaning the target has not been met.

The Company has not disclosed any accompanying plans or timelines for achieving this target. Please do so accordingly.

For Target 3 ('Maintain age diversity with Directors' age ranging from below 70s with majority of the Directors in the 70 to 80 range'), the Company's progress states that 67% of the Board is aged below 70s, which contradicts the target of having the majority of directors in the 70 to 80 range. Despite this contradiction, the Company states that it has 'continued to maintain this Target.' Please clarify accordingly.

Response:

Board Independence:

Currently, the Board comprises six members, of which two are Executive Directors, three are Non-Executive Independent Directors and one is Non-executive Non-independent Director. The Non-Executive Directors make up a majority of the Board, and this in line with Provision 2.3 of the 2018 Code.

Rule 210(5)(c) of the SGX-ST Listing Manual also specifies that one-third (or 33%) of the Board must comprise independent directors. The Company has satisfied this requirement as 50% or half of the Board comprises Non-Executive Directors, including independence from substantial shareholders (5% or more shareholders) of the Company. This is also in line with definition of "independent director" as specified under Provision 2.1 of the 2018 Code and Rule 210(5) (d) of the SGX-ST Listing Manual.

While Target 1 has not been met, the Company has explained on page 13 of the Company's FY2026 Annual Report, in relation to provisions 2.2 and 2.3 of the Code, that there is an appropriate level of independence on the Board. The Board remains cognisant of this target and will appoint an additional independent director when it is able to identify a suitable candidate.

Board Diversity:

The Board was reconstituted with the departure of Professor Cham Tao Soon and appointment of Teo Thiam Chye Eric, announcement dated 11 November 2025. Based on the disclosure on page 19 of the annual report, the current Board comprises two directors aged 70 years old and above, three directors are between 60 years old and 69 years old and one director below 60 years old, two-third of Board members are below age 70 years old.

We apologize for the oversight.

Question:

- 3) Listing Rule 1207(10D) requires the disclosure of the names, amounts, and breakdown of remuneration paid to each individual director and the chief executive officer by the issuer and its subsidiaries.

In the Annual Report, the Company has disclosed the remuneration of its individual directors and CEO in bands rather than exact dollar amounts. Please disclose the exact remuneration paid to each individual director and the CEO in accordance with the requirements of Rule 1207(10D).

Response:

A breakdown showing the level and mix of each Individual Director and key executive's remuneration in percentage terms is set out below and relates to actual payments made during the year and accordingly includes bonus paid during the year in respect of previous year's performance.

Remuneration band and name of Director	Directors' fee (%)	Salary, CPF and allowance (%)	Variable or performance related bonus (%)	Total S\$ (%)
S\$250,000 to S\$500,000				
Chen Mun	–	92.67	7.33	276,265 (100%)
Ang Bee Yan, Katherine	–	79.23	20.77	327,526 (100%)
Below S\$250,000				
Tan Chao Hsiung, David	100	–	–	28,000 (100%)
Cham Tao Soon [#]	100	–	–	24,750 (100%)
Tang Wai Loong Kenneth	100	–	–	25,750 (100%)
Teo Eng Hock	100	–	–	25,000 (100%)
Teo Thiam Chye Eric [*]	100	–	–	10,417 (100%)

[#] Retired as Director on 1 December 2025

^{*} Appointed as Director on 11 November 2025

By Order of the Board

Dr Chen Mun
Chairman and Chief Executive Officer

13 July 2026