

SOUTHERN ARCHIPELAGO LTD.
(Company Registration No. 199302554G)
(Incorporated in Singapore)

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN ON THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

INTRODUCTION

Pursuant to Rule 704(5) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the board of directors (the “**Board**”) of Southern Archipelago Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s Independent Auditors, PKF-CAP LLP (the “**Auditors**”) has included a section on “Material Uncertainty Related to Going Concern” in their report (the “**Independent Auditors’ Report**”) on the audited financial statements of the Group and the Company for the financial year ended 31 December 2025 (“**FY2025**”) (“**Audited Financial Statements**”).

The Auditors has indicated that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. The opinion of the Auditors is not modified in respect of this matter.

EXTRACT OF NOTE 2.1 TO THE AUDITED FINANCIAL STATEMENTS

The relevant extract of Note 2.1 to the Audited Financial Statements are replicated below for information purposes. The Independent Auditors’ Report and the Audited Financial Statements will form part of the Company’s Annual Report for FY2025 (the “**FY2025 Annual Report**”) which will be released to the shareholders of the Company (the “**Shareholders**”) via publication on the SGXNet in due course. Shareholders and potential investors are advised to read and consider the Independent Auditors’ Report and the Audited Financial Statements in their entirety, which will be issued as part of the FY2025 Annual Report.

“Material Uncertainty Related to Going Concern

The Group incurred a net loss of S\$934,155 for the financial year ended 31 December 2025 and as at that date, the Group’s and the Company’s net current liabilities are S\$5,227,903 and S\$14,349,526 respectively. The Company is in a net liability position of S\$8,003,023. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s and the Company’s ability to continue as going concerns. Nevertheless, the directors of the Group and the Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial year ended 31 December 2025 remains appropriate after taking into account the following factors:

- The Group expects the sterilisation business segment to continue generating positive operating cash flows in the next 12 months;
- The Board and the management are currently exploring possible fundraising options to secure financing commitments to allow the Company to have access to additional working capital where required, including but not limited to bank loans, additional shareholders’ loan, extension of shareholder’s loan and loan from subsidiaries and fund raising from its shareholders; and
- The Company’s shareholders have provided a written undertaking to continue providing financial support to the Group for at least 12 months from the date of approval of these financial statements.”

BOARD COMMENTS

The Board is of the opinion that it is appropriate for the Audited Financial Statements to be prepared on a going concern basis, for the reasons set out in Note 2.1 of the Audited Financial Statements.

The Board is further of the opinion that sufficient information has been disclosed for the trading of the Company's securities to continue in an orderly manner. As of the date of this announcement, the Board is not aware of any material information that requires disclosure but remains undisclosed as of the date of this announcement.

CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. When in doubt, shareholders and potential investors are advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

**By Order of the Board
Southern Archipelago Ltd.**

Siaw Lu Howe
Independent Director and Non-Executive Chairman
6 April 2026