Update on Use of Proceeds from the IPO

SGX Announcement

1. Introduction

The Board of Directors (the "**Board**") of Toku Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's offer document dated 14 January 2026 (the "**Offer Document**") in relation to the Company's initial public offering (the "**IPO**") on the Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The Board wishes to provide an update on the use of the gross proceeds (the "**Gross Proceeds**") raised by the Company from the IPO.

This announcement is made pursuant to Rule 704(30) of the Catalist Rules.

2. Updated Disbursement Status (as at 31 May 2026)

The updated disbursement status for the Gross Proceeds, is set out below:

Use of Proceeds	**Allocated (S$'000)**	**Amount Disbursed (as at 31 May 2026) (S$'000)**	**Balance (S$'000)**
Expansion of AI-powered 360° CX Platform	3,863	1,031[1]	2,832
Cash reserve	1,996	1,996[2]	0
Strategic acquisitions, partnerships and general corporate purposes	4,551	974[3]	3,577
Repayment of shareholders' loans	3,324	2,955[4]	369
Estimated listing expenses payable in cash	2,515	2,212[5]	303
Total	**16,249**[6]	**9,168**[6]	**7,081**[6]

The repayment of shareholders' loans and the settlement of the listing expenses, has now been completed in accordance with the Offer Document.

The residual surplus of SGD 369,000 of the Gross Proceeds which was originally allocated for the repayment of shareholders' loans and the residual surplus of SGD 303,000 of the Gross Proceeds which was originally allocated for settlement of the listing expenses, have been reallocated to the Company's general working capital.

Notes:

(1) This disbursement comprises expenditure aligned with the description of the Platform Expansion and Technology category set out in the section entitled "Use of Proceeds and

Listing Expenses" of the Offer Document, namely investments in proprietary technology development, research and development initiatives, talent acquisition, and channel partner ecosystem development.

(2) This disbursement comprises an expenditure of the cash reserve allocation, for the early repayment of the IRIS Facility. Please see Section 4 below for a detailed explanation of this use of Gross Proceeds.

(3) This disbursement comprises expenditure aligned with the description of the Strategic Acquisitions, Partnerships and General Corporate Purposes category set out in the section entitled "Use of Proceeds and Listing Expenses" of the Offer Document, namely potential strategic acquisitions, partnerships and general corporate purposes.

(4) The repayment of shareholders' loans has been completed in accordance with the Offer Document. The lower actual utilisation reflects the final settlement amount.

(5) The listing expenses have now been fully paid. The lower actual utilisation reflects the final settlement amount.

(6) Any discrepancies in this table between the listed amounts and the totals thereof are due to rounding.

3. Reallocation of IPO Proceeds

Following the re-allocation of the residual surplus of the Gross Proceeds from the repayment of shareholders' loans and the settlement of listing expenses into general working capital, the allocation and disbursement table for the Gross Proceeds is as follows:

Use of Proceeds	**Allocated (S$'000)**	**Amount Disbursed (as at 31 May 2026) (S$'000)**	**Balance (S$'000)**
Expansion of AI-powered 360° CX Platform	3,863	1,031	2,832
Cash reserve	1,996	1,996	0
Strategic acquisitions, partnerships and general corporate purposes	4,551	974	3,577
Repayment of shareholders' loans	2955	2,955	0
Estimated listing expenses payable in cash	2,212	2,212	0
General working capital	672	0	672
Total	**16,249**	**9,168**	**7,081**

4. Use of Proceeds – Early Repayment of IRIS Facility

As disclosed in the Offer Document, at the time of the IPO, the Company maintained a venture debt facility with IRIS Fund LP (the "**IRIS Facility**"), which was entered into pursuant to a facility agreement dated 30 April 2025, as amended and supplemented by a supplemental agreement dated 9 July 2025, for a principal amount of USD 2,000,000.

The IRIS Facility was secured against substantially all of the Company's assets and contained covenants restricting the Company's ability to, among other things, make acquisitions and investments, incur additional debt, and grant liens.

The Offer Document further disclosed, in the section entitled "Risk Factors", that the collateral and covenants under the IRIS Facility may prevent the Company from being able to timely secure additional debt or equity financing on favourable terms, or to pursue business opportunities, including potential acquisitions. The Offer Document also noted, in the section entitled "Use of Proceeds and Listing Expenses", that the repayment of shareholders' loans was prioritised over the IRIS Facility, which carries a higher interest rate than the shareholders' loans, and that the IRIS Facility would continue post-listing.

After the shareholders' loans were fully repaid in accordance with the Offer Document, the Audit Committee reviewed the proposed early repayment of the IRIS Facility at its meeting on 16 February 2026, including the financial rationale, the estimated cost savings and the implications for the Company's M&A strategy. Following its review, the Audit Committee provided its input and recommendation in support of the early repayment of the IRIS Facility to the Board.

The Board, having carefully considered the Audit Committee's recommendation, was also satisfied that the early repayment of the IRIS Facility was in the best interests of the Company and its shareholders and approved the same.

The early repayment of the IRIS Facility was disclosed as a post-balance sheet event in the Company's Annual Report for FY2025.

The details of the disbursement are as follows:

Item	**Detail**
Source of funds	Gross Proceeds allocated to Cash Reserve
Amount deployed	USD 1,566,858 (equivalent to approximately SGD 1,995,612 at the prevailing exchange rate of approximately SGD 1.2735 per USD as at 9 April 2026) being the outstanding principal balance of the IRIS Facility immediately prior to repayment on 9 April 2026. The prepayment penalty of 2% of the outstanding principal (approximately USD 31,337) was funded from the Company's operating cash resources and does not form part of the Gross Proceeds deployment. The SGD equivalent has been determined using the prevailing exchange rate on 9 April 2026 (being the date of the repayment).

Following the execution of the early repayment of the IRIS Facility on 9 April 2026, the Audit Committee, at its meeting on 17 April 2026, and the Board, at its meeting on 28 April 2026, reviewed the early repayment of the IRIS Facility and determined that it fell within the existing Cash Reserve allocation disclosed in the Offer Document.

Although the early repayment of the IRIS Facility was not specifically contemplated in the Offer Document, the Board and the Audit Committee have determined that the utilisation of Gross Proceeds to repay the IRIS Facility falls within the scope of the allocation for cash reserves (the "**Cash Reserve**" allocation) that was disclosed in the Offer Document, including general corporate purposes and capital management, and does not constitute a change in the intended use categories or strategic direction of the Cash Reserve.

It is the assessment of the Board and the Audit Committee, that this use of Gross Proceeds is fully aligned with the intended purpose of the Cash Reserve allocation, including the reduction of financing costs and strengthening of the Group's balance sheet, which are consistent with maintaining prudent liquidity and financial flexibility. A detailed explanation of this rationale follows below.

5. Rationale

The Board and the Audit Committee consider this utilisation of Gross Proceeds to be aligned with the Cash Reserve allocation as disclosed in the Offer Document. The Offer Document itself identified the IRIS Facility as a risk factor and contemplated the refinancing of this debt. The early repayment of the IRIS Facility directly addresses the risks disclosed to investors and accelerates the Company's path towards improved financing arrangements.

The detailed rationale for this use of Gross Proceeds, is as follows:

(a) Significant cost savings. The IRIS Facility carried interest charges of approximately USD 830 per day. The early repayment, inclusive of the 2% prepayment penalty, has generated estimated net savings in the order of USD 0.36 million, based on the remaining term of the facility and excluding any potential refinancing costs. It should be noted that this savings estimate is based on the scheduled maturity date of the IRIS Facility and does not account for the time value of money or any refinancing costs. The Board considers these savings to be meaningful in the context of the Company's objective of demonstrating a clear path to sustained profitability.

(b) Removal of restrictive covenants. The IRIS Facility was secured against substantially all of the Company's assets and contained covenants that restricted the Company's ability to pursue acquisitions, incur additional debt, and grant liens. The repayment of the facility has removed these restrictions imposed under the IRIS Facility, which represented a practical constraint on the execution of the Company's stated M&A strategy.

(c) Consistency with the Offer Document. The Offer Document identified the IRIS Facility as a risk factor, disclosed the restrictive impact of the associated covenants, and noted the Company's intention to refinance this debt. The early repayment is a logical step in the execution of that stated intention and is consistent with the Company's overall capital management strategy.

6. Timing of Announcement

While the execution of the early repayment of the IRIS Facility was completed on 9 April 2026, this use of Gross Proceeds is only being announced now, as the Board and Audit Committee reached a determination that the early repayment of the IRIS Facility qualified as a use of Gross Proceeds from the Cash Reserve allocation only after the early repayment had taken place. The Company acknowledges that the Board's determination of such use, and consequently this announcement has been delayed. The Company will continue to endeavour to ensure that future updates are provided in a timely manner.

7. Confirmation

Save as disclosed in this announcement, the Gross Proceeds from the IPO have been applied in accordance with the intended use disclosed in the Offer Document.

8. Directors' Responsibility Statement

The Board collectively and individually accepts full responsibility for the accuracy of the information contained in this announcement. The Board confirms, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this announcement are fair and accurate, and there are no material facts the omission of which would render any statement in this announcement misleading.

By Order of the Board

Thomas Patrick M. Laboulle Executive Director and Chief Executive Officer

22 June 2026

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*Toku Ltd. (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**Exchange**") on 22 January 2026. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").*

This announcement has been reviewed by the Sponsor. It has not been examined or approved by 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.

The contact person for the Sponsor is Ms. Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.