

SANTAK HOLDINGS LIMITED
(Company Registration Number: 200101065H)

PROFIT WARNING

The Board of Directors of Santak Holdings Limited (the “**Company**”) considers it appropriate to issue a profit warning, ahead of the announcement of the financial results of the Company and its subsidiaries (the “**Group**”) for the six months period ended 31 December 2022 (“**HY2023**”).

Following a preliminary assessment of the financial results for HY2023, the Group is expected to report a substantially lower revenue and a significantly higher loss before tax for HY2023 compared to the revenue and loss before tax in the previous corresponding period (“**HY2022**”). The decrease in revenue was due to substantially lower contributions from the Group’s precision engineering division arising mainly from significantly weaker demand from the data storage sector. However, the sales of the trading and distribution division was slightly higher compared to HY2022. The Group’s gross profit was also substantially lower mainly arising from lower economies of scale recorded as a result of the decrease in turnover. In addition, other operating expense also increased in HY2023 compared to previous corresponding period mainly due to a foreign exchange loss registered in HY2023 versus foreign exchange gain during HY2022.

Further details of the Group’s results will be made available when the Company announces its unaudited consolidated financial results for HY2023, which is expected to be before or around mid-February 2023. In the meantime, shareholders and investors 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 professional advisors before trading or making any investment decision on the Company’s securities.

By Order of the Board
Lai Foon Kuen
Company Secretary
3 February 2023

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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