

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 financial year ended 30 June 2021 (“FY2021”).

Following a preliminary assessment of the financial results for FY2021, the Group is expected to report a lower revenue and a higher loss before tax for FY2021 compared to the revenue and loss before tax in the previous corresponding financial year (“FY2020”). The decrease in revenue was due to lower contributions from both the Group’s precision engineering and trading and distribution divisions. The Group’s gross profit was also lower mainly arising from lower economies of scale recorded as a result of decrease in turnover which was impacted by the Covid-19 pandemic and relocation of all of the Group’s main machines and equipment from Singapore to the Johor factory as well as increase in depreciation charge in FY2021. In addition, other operating income also decreased in FY2021 compared to FY2020 mainly due to lower government grants in Singapore and Malaysia as well as a foreign exchange loss registered in FY2021 versus foreign exchange gain during FY2020. Further details of the Group’s results will be made available when the Company announces its unaudited consolidated financial results for FY2021, which is expected to be on or before 29 August 2021.

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
23 August 2021

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.

The contact person for the Sponsor is Ms Foo Quee Yin, at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271