TOKU LTD. | Registration Number: 201734881W | Incorporated in the Republic of Singapore

ANNUAL REPORT 2025

For the Financial Year Ended 31 December 2025

Toku

This annual report has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance 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 annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. 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.

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CORPORATE INFORMATION

COMPANY OVERVIEW	
Company Name	Toku Ltd.
Company Registration No.	201734881W
Date of Incorporation	4 December 2017, Singapore
Date of Listing	22 January 2026 (SGX Catalist)
Registered Office	61 Robinson Road, #08-02, Singapore 068893
Principal Place of Business	61 Robinson Road, #08-02, Singapore 068893
Telephone	+65 3138 3138
Website	https://toku.co
BOARD OF DIRECTORS	
Chair	Mrs Tan Hwee Hua @ Lim Hwee Hua *Non-Independent and Non-Executive Chairperson*
Executive Director and CEO	Mr Thomas Patrick M. Laboulle
Lead Independent Director	Ms Pebble Sia Huei-Chieh
Independent Director	Mr Doshi Bhavik Umesh
Independent Director	Mr Vincent Francois Stevens
AUDIT COMMITTEE	
Chair	Mr Doshi Bhavik Umesh
Members	Ms Pebble Sia Huei-Chieh, Mr Vincent Francois Stevens
NOMINATING COMMITTEE	
Chair	Ms Pebble Sia Huei-Chieh
Members	Mr Doshi Bhavik Umesh, Mr Thomas Patrick M. Laboulle
REMUNERATION COMMITTEE	
Chair	Mr Vincent Francois Stevens
Members	Ms Pebble Sia Huei-Chieh, Mr Doshi Bhavik Umesh
KEY MANAGEMENT	
Chief Financial Officer	Mr Christian Kenfor Wong
Chief Legal Officer	Mr Ethan Storm Ruff
Chief Technology Officer	Mr Girish Dharmaraj
COMPANY SECRETARY	
Company Secretary	Lee Bee Fong *Practising Chartered Secretary, Chartered Secretaries Institute of Singapore*
Corporate Secretary	Boardroom Corporate & Advisory Services Pte. Ltd. *1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632*

INDEPENDENT AUDITORS	
External Auditors	Forvis Mazars LLP *135 Cecil Street, #10-01, Singapore 069536*
Partner-in-charge	Ooi Chee Keong (appointment date: 9 February 2026) *Member of the Institute of Singapore Chartered Accountants*
Internal Auditors	Baker Tilly Consultancy (Singapore) Pte. Ltd.
SHARE REGISTRAR AND SHARE TRANSFER OFFICE	
Share Registrar	Boardroom Corporate & Advisory Services Pte. Ltd. *1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632*
PRINCIPAL BANKER	
Principal Banker	DBS Bank Ltd. *12 Marina Boulevard, DBS Asia Central, Marina Bay Financial Centre Tower 3, Singapore 018982*
CONTINUING SPONSOR	
Sponsor	PrimePartners Corporate Finance Pte. Ltd. *16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318*

STATEMENT BY THE CHAIR OF THE BOARD

Dear Shareholders,

It is my privilege to present to you the inaugural Annual Report of Toku Ltd. as a listed company. On 22 January 2026, the Company was admitted to the Official List of the Catalist Board of the Singapore Exchange, marking a defining moment in the Group's journey from a Singapore-founded enterprise into a publicly accountable, institutionally governed platform company. This milestone represented more than a financial transaction; it marked the Group's commitment to the transparency, discipline and long-term stewardship that our shareholders, customers and team members deserve.

FY2025 was a year of dual execution. The management team navigated the complexities of the IPO process while simultaneously delivering 9.3% revenue growth, an improved Adjusted EBITDA of negative US$3.3 million (the strongest full-year result since adjusted metrics have been tracked), and a 7.5% reduction in underlying operating expenses. These results reflect an organisation capable of executing a transformational corporate event without losing focus on the core business. The Board recognises the considerable demands this placed on the organisation, and I wish to record our deep appreciation for the dedication and resilience demonstrated by the entire team under the leadership of our Founder and CEO, Mr Thomas Laboulle.

Governance Foundations

A new chapter demands a strong governance foundation. On 8 December 2025, the Board was reconstituted with the appointment of three independent non-executive Directors, bringing deep expertise across corporate governance, legal, investment and international business. The Audit Committee, Nominating Committee and Remuneration Committee were formally constituted on the same date. Prior to its reconstitution, the pre-listing Board met regularly throughout FY2025, ensuring governance continuity during the transition.

The Board is committed to building a culture of rigorous governance that balances oversight with the entrepreneurial agility that has driven the Group's success. We are mindful that, as a newly listed company, our governance practices will continue to mature. Our first priority has been to establish the frameworks, policies and cadences that will support the Group as it scales, while preserving the speed of decision-making that characterises high-growth technology businesses. The Board will hold itself to the highest standards of transparency and accountability, and will report candidly on governance progress in each annual report. As detailed in the Corporate Governance Report, the Board and its committees have already established regular meeting cadences, internal audit arrangements and risk management processes appropriate to the Group's size and complexity.

Strategic Confidence

The Board shares the management's conviction that the Group is well positioned for the period ahead.

The IPO proceeds have materially strengthened the Group's capital structure and financial position. With all pre-IPO convertible instruments settled, shareholder loans repaid and the highest-cost borrowing facility retired ahead of schedule, the capital structure is appropriately positioned to support the Group's growth ambitions. The Board will maintain a disciplined approach to capital allocation, prioritising organic investment, selective acquisitions and prudent cash management. The FY2025 commercial indicators, which the CEO discusses in detail in his letter, provide the Board with confidence in the Group's trajectory.

Looking Ahead

The year ahead will bring its own challenges: absorbing the costs of operating as a listed entity, converting a promising AI pipeline into recurring revenue, and executing the Group's geographic and channel partner expansion. The Board is confident that the management team has the experience, focus and strategic clarity to deliver on these priorities. The Board will continue to evaluate strategic opportunities, including potential targeted acquisitions, with the same discipline that has guided the Company thus far.

On behalf of the Board, I would like to thank our shareholders for their confidence in investing in the Toku story. I also wish to express our gratitude to the Group's customers, partners and employees, whose commitment and trust are the foundation upon which everything is built. We look forward to reporting on the Group's continued progress in the years to come.

Lim Hwee Hua
Non-Independent and Non-Executive Chairperson of the Board

MESSAGE FROM THE FOUNDER AND CEO

Dear Shareholders,

Completing our IPO while operating with a streamlined team and disciplined capital allocation made FY2025 undoubtedly a challenging year. I am incredibly proud that we still delivered 9.3% revenue growth, an improved Adjusted EBITDA, new market expansion, and the early monetisation of our Core AI Suite. These results reflect the resilient growth engine we have built over eight consecutive years of revenue growth.

What the Year Represented

FY2025 was a year of transformation in every dimension. We reshaped the team around the capabilities required for the next phase of growth: AI, platform development and channel enablement. We expanded our geographic presence to 34 countries across three continents. We began monetising our AI-powered capabilities, closing our first AI contracts with both enterprise and public sector customers. And we completed the most significant corporate milestone in the Company's history: our listing on the SGX Catalist.

As described in the Year in Review and detailed in the Financial Highlights and Management Discussion & Analysis, the reported results include significant non-cash and non-recurring charges from the IPO process. Excluding these one-time costs, the underlying business is clearly moving in the right direction. Our Adjusted EBITDA improved, underlying operating expenses declined despite revenue growth, and our commercial indicators across deal value, win rates and customer quality all point to an accelerating trajectory. Revenue growth accelerated meaningfully through the year, with the second half outpacing the first as enterprise deployments matured and new contracts commenced.

What Changed Operationally

The restructuring we completed in the second half of FY2024 was not easy, and the near-term cost to delivery capacity was real. We believe it was the right decision; the early efficiency gains support that view. We emerged as a leaner, AI-enabled organisation that can grow revenue without growing costs at the same pace. The headcount cost-to-revenue ratio improved materially, and the shift towards a channel partner-led distribution model will extend our reach into markets and customer segments that would otherwise require significant direct investment.

Our commercial engine is delivering results that the financial statements cannot yet fully capture. New business deal value grew, average deal sizes increased significantly, and our tender win rate nearly tripled. These are encouraging signals, and if they convert at the pace our pipeline data suggests, they point to a genuine shift in how we compete. When we secure an enterprise contract today, it can take several quarters before it starts contributing meaningfully to revenue. The work our sales team completed in FY2025 is still converting into deployments and revenue recognition. What we see in the FY2025 financial results largely reflects commercial activity from the prior year; the pipeline we built during FY2025 gives us confidence in the trajectory ahead.

During the year we also deepened our engagement with major enterprise accounts. A multi-market European agreement with a leading on-demand delivery actor, announced in February 2026, demonstrated that the Group's operational playbook, honed across APAC and LATAM, transfers credibly into new geographies. Notably, the customer selected Toku to support its customer-facing sales operations, extending the platform's application beyond traditional service and support into revenue-generating functions. These landmark deployments validate our ability to serve global enterprises with complex, multi-jurisdictional requirements.

What We Need to Improve

I also want to be direct about where FY2025 fell short of our own expectations. Gross margins compressed by over three percentage points, driven by a revenue mix that tilted further toward Usage than we had anticipated. Professional Services revenue declined 26% as the restructuring we completed in late FY2024 reduced delivery capacity more sharply than planned in the near term. Subscriptions and Licensing, the stream we have identified as the catalyst for broader platform value creation, grew by less than 1%. And while our commercial win rates improved significantly, converting pipeline into recognised revenue remains slower than we would like, a structural reality of enterprise sales cycles that we must manage expectations around rather than explain away. These are areas of active focus for FY2026.

What Remains Constant

Our strategy has not changed. We are building the definitive enterprise CX platform for complex markets. We compete where regulatory fragmentation, linguistic diversity and infrastructure variability create challenges that global generalists struggle to address. The problems we solved in Singapore and across APAC are the same problems enterprises face in Latin America, the Middle East, and now Europe. That repeatability, that transferable playbook, is what gives us confidence that the growth engine we have built can scale significantly from here.

AI is central to our future. It is not a technology purchase; it is an operating model decision, and we are building our business accordingly. AI is an important lever for margin improvement, a growing source of revenue from a nascent base, and an increasingly meaningful competitive differentiator. The Core AI Suite and our emerging Agentic AI programme are moving from early deployments into broader production use. Customers are increasingly expecting AI capabilities as part of the solution, and the requests are becoming more sophisticated. We closed our first AI contracts with both enterprise and public sector customers, and those deployments are now progressing into production. The early adoption trajectory is consistent with the thesis behind our decision to invest in proprietary AI capabilities rather than relying solely on third-party models.

Equally important is the foundation on which our AI capabilities sit. Our end-to-end ownership of the technology stack, from the network layer connectivity to the application layer, gives us the integration depth and deployment breadth that pure software providers cannot easily replicate. Every new deployment across a different language, market, or industry vertical strengthens our model architecture and training methodologies. Anonymised interaction data, processed in accordance with customer agreements and data protection requirements, continuously improves the accuracy of our transcription, summarisation and sentiment analysis across the languages and contexts our enterprise customers operate in. This advantage deepens with every deployment and is not something competitors can acquire through licensing alone.

The Year Ahead

Looking ahead, our priorities are clear: AI monetisation at scale, channel partner development, continued geographic expansion, and the execution of our next acquisition. The IPO has given us the capital structure and financial position to pursue each of these with conviction, and we enter FY2026 with a materially stronger balance sheet and clearer strategic priorities than at any prior point.

Our ambition is to continue growing the Company while progressively improving operational efficiency and moving towards Adjusted EBITDA profitability over the next two to three years. We anticipate a step-up in compliance and professional costs as a newly listed entity, but the longer-term operating leverage from our channel partner model and platform scalability should more than offset these. The revenue mix is also expected to shift gradually towards higher-margin software and AI-enhanced services, supporting blended margin recovery over the coming periods. That balance between growth and discipline is what we are constantly calibrating as a management team. So far, we have been able to achieve it, and we see FY2026 and beyond as an opportunity to unlock a further acceleration.

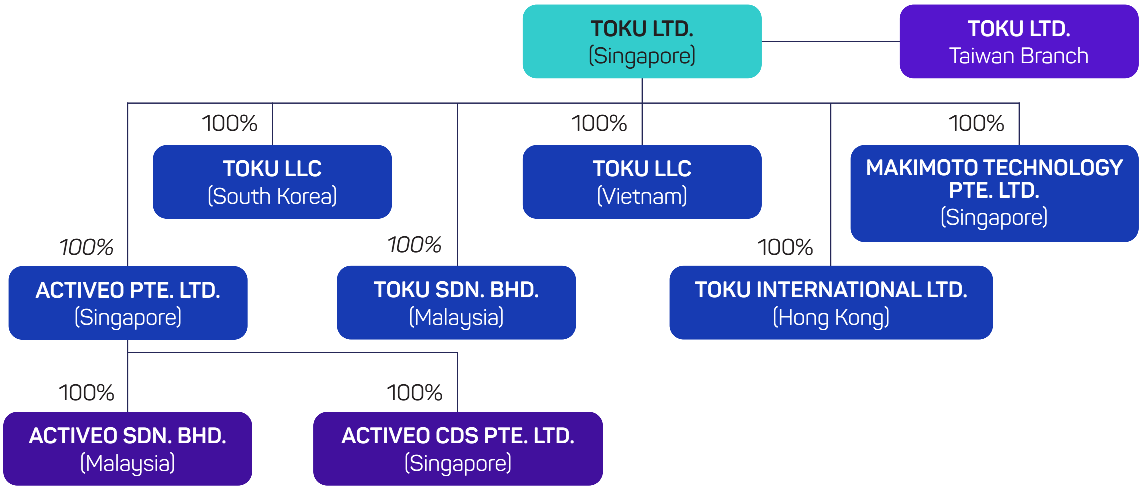
I want to thank every member of the Toku team for their commitment during what was a defining year. I also want to thank our customers for their trust, our partners for their collaboration, and our shareholders for believing in the vision.

We are pragmatic dreamers building the future of enterprise CX, and we are only getting started.

Thomas Patrick M. Laboulle
Founder, Executive Director and Chief Executive Officer

GROUP STRUCTURE

The Group structure as at the date of this Annual Report is set out below. All subsidiaries are 100% owned by the Group and have a 31 December financial year end, consistent with the Company. None of the Group's subsidiaries are listed on any stock exchange.



Subsidiaries

ENTITY	PRINCIPAL ACTIVITIES	COUNTRY	HELD BY	AUDITORS
Toku Sdn. Bhd.	Telecommunications voice and message services	Malaysia	Toku Ltd. (Direct)	Aeron Lee & Co.
Toku LLC[1]	Telecommunications voice and message services	South Korea	Toku Ltd. (Direct)	Exempt
Toku LLC	Telecommunications voice and message services	Vietnam	Toku Ltd. (Direct)	TLC Auditing Co. Ltd.
Toku International Ltd.	Telecommunications voice and message services	Hong Kong	Toku Ltd. (Direct)	Sam Cheng CPA Ltd.
Makimoto Technology Pte. Ltd.[2]	Development of software and applications	Singapore	Toku Ltd. (Direct)	Forvis Mazars LLP
Activeo Pte. Ltd.	Consulting, software and system integration services	Singapore	Toku Ltd. (Direct)	Forvis Mazars LLP
Activeo CDS Pte. Ltd.	Consulting, software and system integration services	Singapore	Activeo Pte. Ltd.	Forvis Mazars LLP
Activeo Sdn. Bhd	Consulting, software and system integration services	Malaysia	Activeo Pte. Ltd.	Aeron Lee & Co.

[1] Toku LLC (South Korea) has been a dormant entity since its incorporation and auditors have not been appointed.
[2] Makimoto Technology Pte. Ltd. was newly incorporated on 18 July 2025 during the financial year.

Save as disclosed above, there are no other subsidiaries, subsidiary entities, or companies or entities deemed as associated entities of the Group.

Branch Office

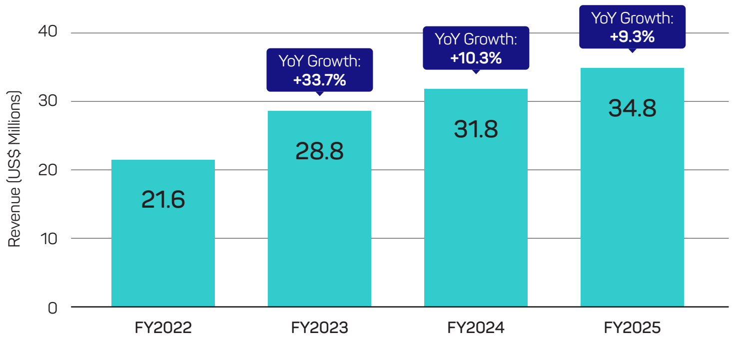
The Company established a branch in Taiwan on 5 September 2025. The Taiwan Branch operates as an agent reseller of VoIP services from Taiwan-licensed operators and provides customers with a local presence for conducting business.

FINANCIAL HIGHLIGHTS

The following summary presents selected financial data for the Group over the four financial years from FY2022 to FY2025. FY2022 to FY2024 figures are drawn from the audited consolidated financial statements included in the Company's Offer Document dated 14 January 2026. FY2025 figures are drawn from the audited consolidated financial statements for the financial year ended 31 December 2025 (Forvis Mazars LLP). This summary should be read in conjunction with the full financial statements and the Management Discussion & Analysis section in this Annual Report.

All figures are denominated in United States dollars (US$) unless otherwise stated.

Revenue by Year



Multi-Year Financial Summary

US$	FY2022	FY2023	FY2024	FY2025
Revenue	21,566,167	28,829,395	31,788,258	34,755,416
Revenue growth (%)	n/a[1]	33.7%	10.3%	9.3%
Cost of sales	(17,097,444)	(20,962,516)	(23,087,037)	(26,323,954)
Gross profit	4,468,723	7,866,879	8,701,221	8,431,462
Gross profit margin (%)	20.7%	27.3%	27.4%	24.3%
Total operating expenses	(8,553,413)	(12,227,239)	(13,281,278)	(17,615,179)
Operating loss	(4,084,690)	(4,360,360)	(4,580,057)	(9,183,717)
Other income	116,965	56,257	47,339	70,411
Finance costs, net	–	(211,263)	(741,650)	(766,748)
Loss before income tax	(3,967,725)	(4,515,366)	(5,274,368)	(9,880,054)
Income tax credit/(expense)	(6)	5,213	17,861	800,000
Net loss for the year	(3,967,731)	(4,510,153)	(5,256,507)	(9,080,054)

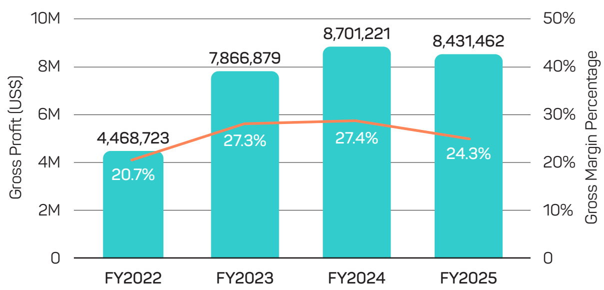
Adjusted EBITDA[2]	n/a	n/a	(3,994,248)	(3,281,879)
Adjusted EBITDA margin	n/a	n/a	(12.6%)	(9.4%)
Adjusted net loss[2]	n/a	n/a	(4,593,458)	(4,215,328)
Total assets	5,597,004	12,387,206	15,090,281	16,139,028
Total equity/(capital deficiency)	4,359,496	1,404,577	663,248	(4,931,852)
Cash and bank balances	3,025,230	1,154,010	1,234,168	1,952,464
Basic and diluted LPS (USD cents)[3]				
- Pre-subdivision	(0.81)	(0.89)	(1.05)	(1.69)
- Post-subdivision	(0.02)	(0.02)	(0.02)	(0.03)
Basic and diluted LPS (SGD cents)[3]				
- Pre-subdivision	(1.09)	(1.18)	(1.41)	(2.18)
- Post-subdivision	(0.02)	(0.02)	(0.03)	(0.04)
Weighted average shares[3]				
- Pre-subdivision	4,890,995	5,039,288	5,062,553	5,337,888
- Post-subdivision	244,549,750	251,964,400	253,127,650	266,894,400

[1] FY2022 is the earliest year presented; year-on-year growth is not shown. Revenue CAGR from FY2022 to FY2025 is approximately 17.2%.

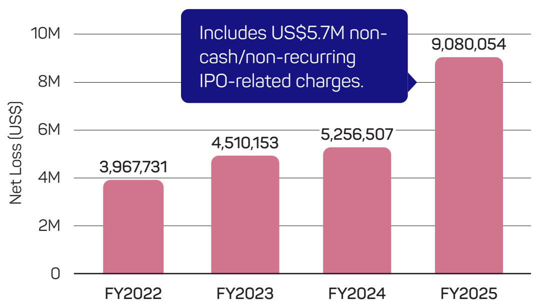
[2] Adjusted EBITDA and Adjusted Net Loss exclude non-cash and non-recurring charges: share-based payment expenses of US$2,962,479, listing costs of US$2,292,860 and fair-value adjustments on pre-IPO convertible instruments of US$409,387 in FY2025; share-based payment expenses of US$366,568 and fair-value adjustments on Activeo SEA M&A vendor loan of US$314,342 in FY2024. Adjusted metrics for FY2022 and FY2023 are not presented as the adjustment methodology was established in connection with the Company's listing. Refer to the Management Discussion & Analysis section for the full reconciliation.

[3] Basic and diluted loss per share for FY2022 to FY2024 are presented on a pre-subdivision and an assumed post-subdivision basis of 50-for-1 share division for comparison purposes. The 50-for-1 share subdivision was effected on 8 December 2025 as part of the Capital Restructuring Exercise. FY2025 loss per share is also presented on a pre-subdivision and post-subdivision basis for comparative purposes with the period from FY2022 to FY2024.

Gross Profit



Net Loss for the year

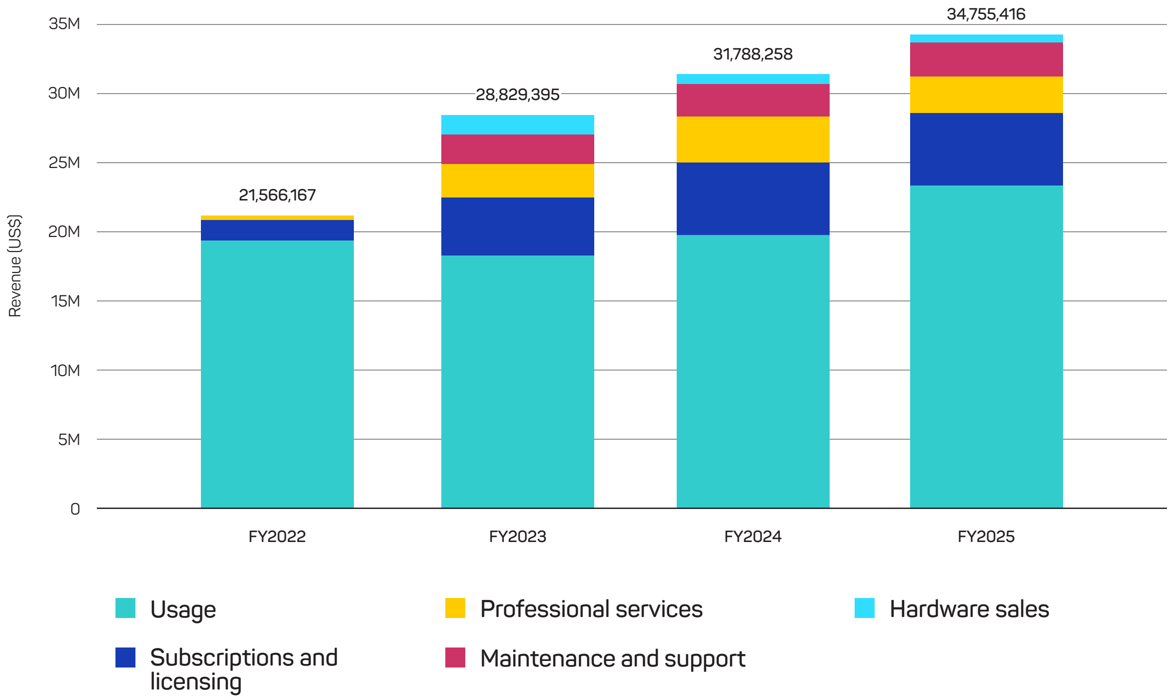


Revenue by Stream

Revenue by stream (US$)	FY2022	FY2023	FY2024	FY2025
Usage	19,264,260	18,084,723	19,770,964	23,914,733
Subscriptions and licensing	2,138,596	4,593,988	5,590,494	5,623,770
Professional services	163,311	3,130,503	3,292,487	2,448,060
Maintenance and support	–	2,342,653	2,913,443	2,559,357
Hardware sales	–	677,528	220,870	209,496
Total revenue	**21,566,167**	**28,829,395**	**31,788,258**	**34,755,416**

Usage revenue, the Group's largest stream, grew 21.0% in FY2025 to US$23.9 million, driven by the maturing contribution from Latin American operations (which reached normalised run-rate during the year), expanded traffic volumes across APAC, and early-stage contributions from new customer deployments and initial AI-powered service adoption. Subscriptions and licensing revenue remained broadly stable at US$5.6 million, providing a contracted recurring base. Professional services and maintenance revenue declined as the Group shifted toward higher-margin, platform-led delivery.

Revenue by Stream

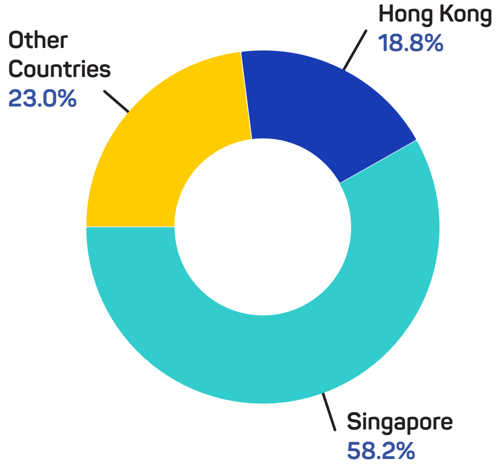


Revenue by Geography

Revenue by geography (US$)	FY2022	FY2023	FY2024	FY2025
Singapore	5,410,762	14,947,294	21,176,853	20,222,399
Hong Kong	10,112,944	8,158,491	1,993,035	6,531,868
Other countries	6,042,461	5,723,610	8,618,370	8,001,149
Total revenue	**21,566,167**	**28,829,395**	**31,788,258**	**34,755,416**

Singapore remains the Group's largest market at 58.2% of FY2025 revenue, reflecting the depth of the enterprise customer base. Hong Kong contributed US$6.5 million, representing 18.8% of total revenue. Other countries (comprising LATAM, MENA, and remaining APAC markets) contributed US$8.0 million, demonstrating the Group's expanding geographic footprint across 34 countries.

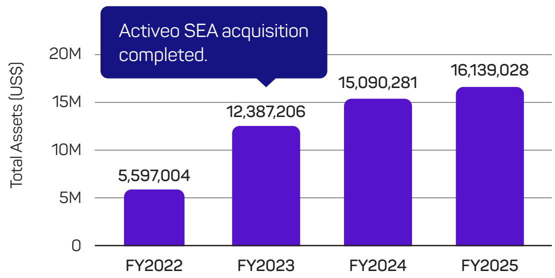
Revenue Mix by Geography (2025)



Total Assets

Total assets grew 7.0% to US$16.1 million at 31 December 2025, primarily driven by increased intangible assets (reflecting continued investment in the Toku platform) and a stronger cash position. The Group's total equity position at 31 December 2025 was a capital deficiency of US$4.9 million, substantially attributable to the classification of US$7.1 million of pre-IPO redeemable convertible loans as current liabilities (FVPL). These instruments were fully converted into equity on 13 January 2026, materially transforming the capital structure. Refer to Note 31 (Subsequent events) for further detail.

Total Assets



YEAR IN REVIEW:
FY2025 HIGHLIGHTS

FY2025 was a year of transformation and operational discipline for the Group. While the reported financial results include approximately US$5.7 million of non-cash and non-recurring charges attributable to the IPO preparation process, the underlying business delivered meaningful progress across every strategic dimension: sustained revenue growth, improving unit economics, commercial traction at enterprise scale, the production deployment of proprietary AI capabilities, and a geographic footprint that now spans three continents.

These results reflect execution across the six strategic pillars outlined in the Company's Offer Document: Enterprise AI, margin enhancement, channel partner scaling, product innovation, geographic expansion, and strategic corporate development. The Group's platform, purpose-built for the regulatory, linguistic, and infrastructure complexity that characterises fragmented markets, continued to demonstrate its competitive relevance as customer deployments expanded across increasingly diverse operating environments.

The following highlights capture the most significant achievements and milestones of the financial year.

US$34.8M
TOTAL REVENUE

+17.8%
ADJUSTED EBITDA

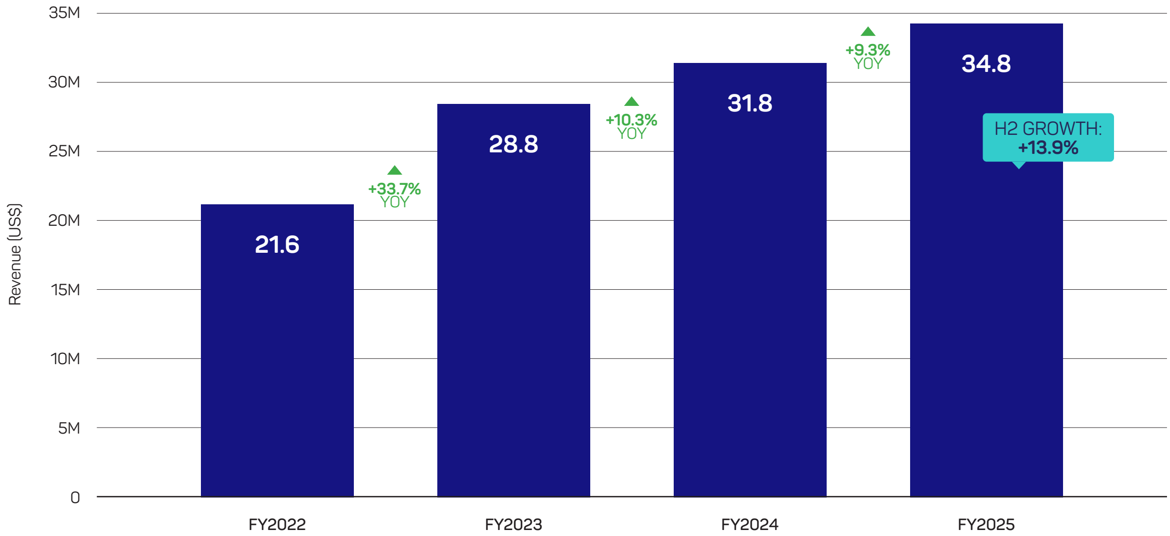
34
COUNTRIES

4
AI SERVICES IN PRODUCTION

FINANCIAL PERFORMANCE

US$34.8M Eighth Consecutive Year of Revenue Growth

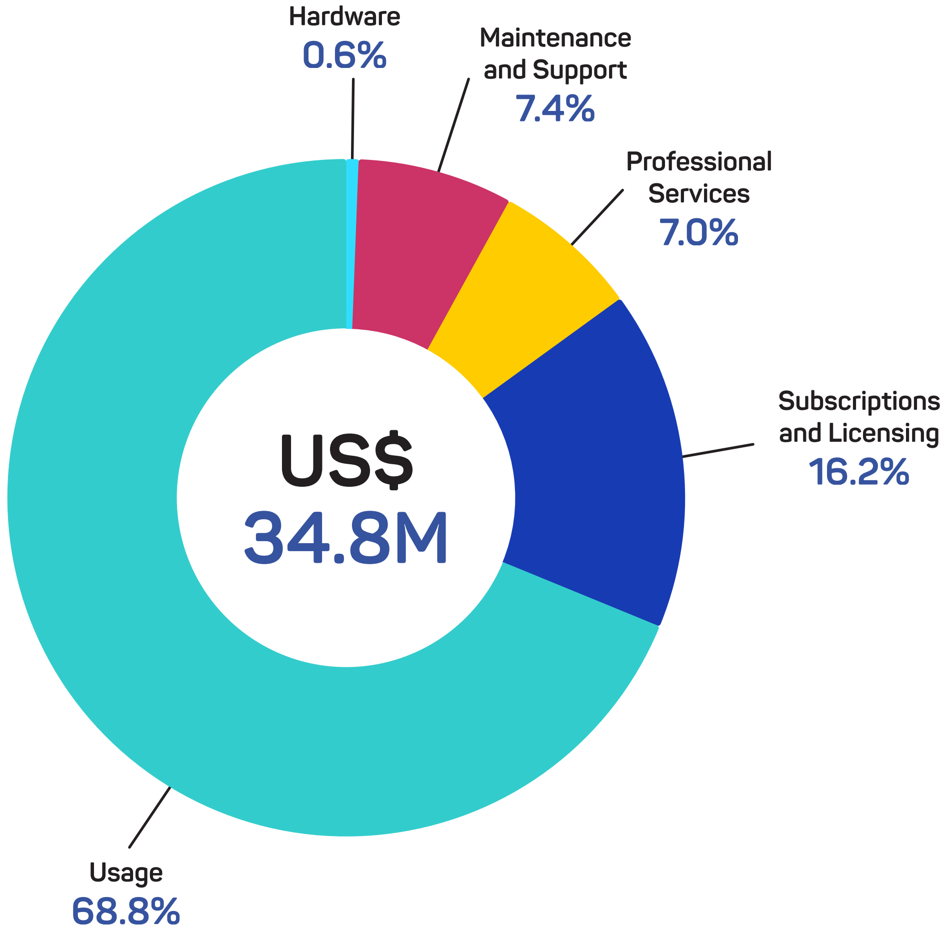
The Group delivered 9.3% revenue growth in FY2025, extending its unbroken record of year-on-year expansion since inception. Over the last four financial years presented in the Offer Document and this Annual Report, revenue grew from US$21.6 million in FY2022 to US$34.8 million in FY2025, representing a compound annual growth rate of approximately 17.2% over FY2022 to FY2025. Momentum strengthened as the year progressed: second-half revenue grew 13.9% compared to 4.7% in the first half, reflecting the maturation of enterprise deployments and the commencement of new contracts secured earlier in the year. Revenue growth was broad-based, with contributions from expanded APAC traffic volumes, full-year LATAM operations and new customer wins across multiple geographies.



+21.0% Usage Revenue Surges to US$23.9 Million

Usage revenue, the Group's largest and most scalable stream representing 68.8% of the total revenue, grew 21.0% to US$23.9 million in FY2025 as compared to US$19.7 million in FY2024. The acceleration was driven by three factors: the contribution from Latin American operations following the deployment and go-live during the first half of the year, expanded traffic volumes from existing APAC enterprise customers, and early-stage contributions from new deployments and initial AI-powered service adoption. Subscriptions and licensing revenue remained stable at US$5.6 million, providing a contracted recurring base that underpins the Group's revenue predictability.

Revenue Mix (2025)

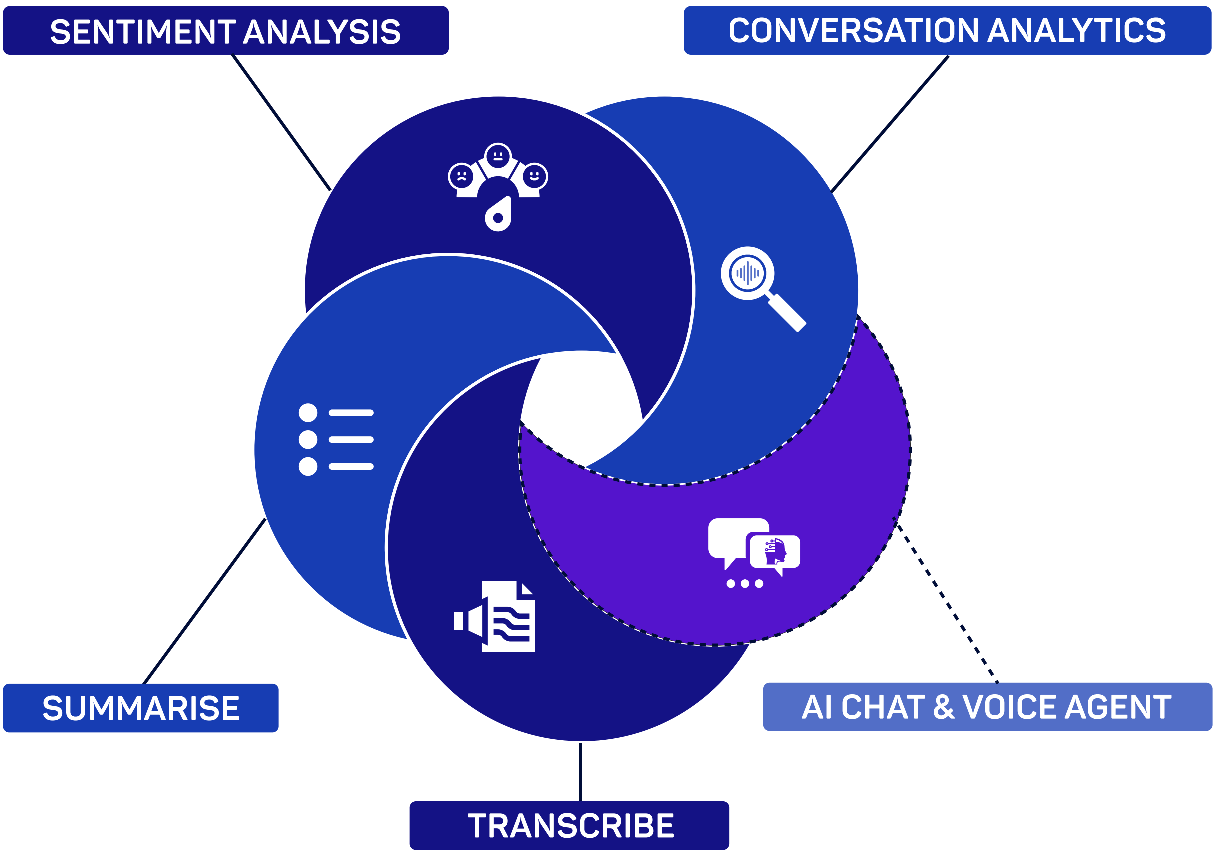


4 AI Services

Core AI Suite Enters Production with Enterprise and Public Sector Customers

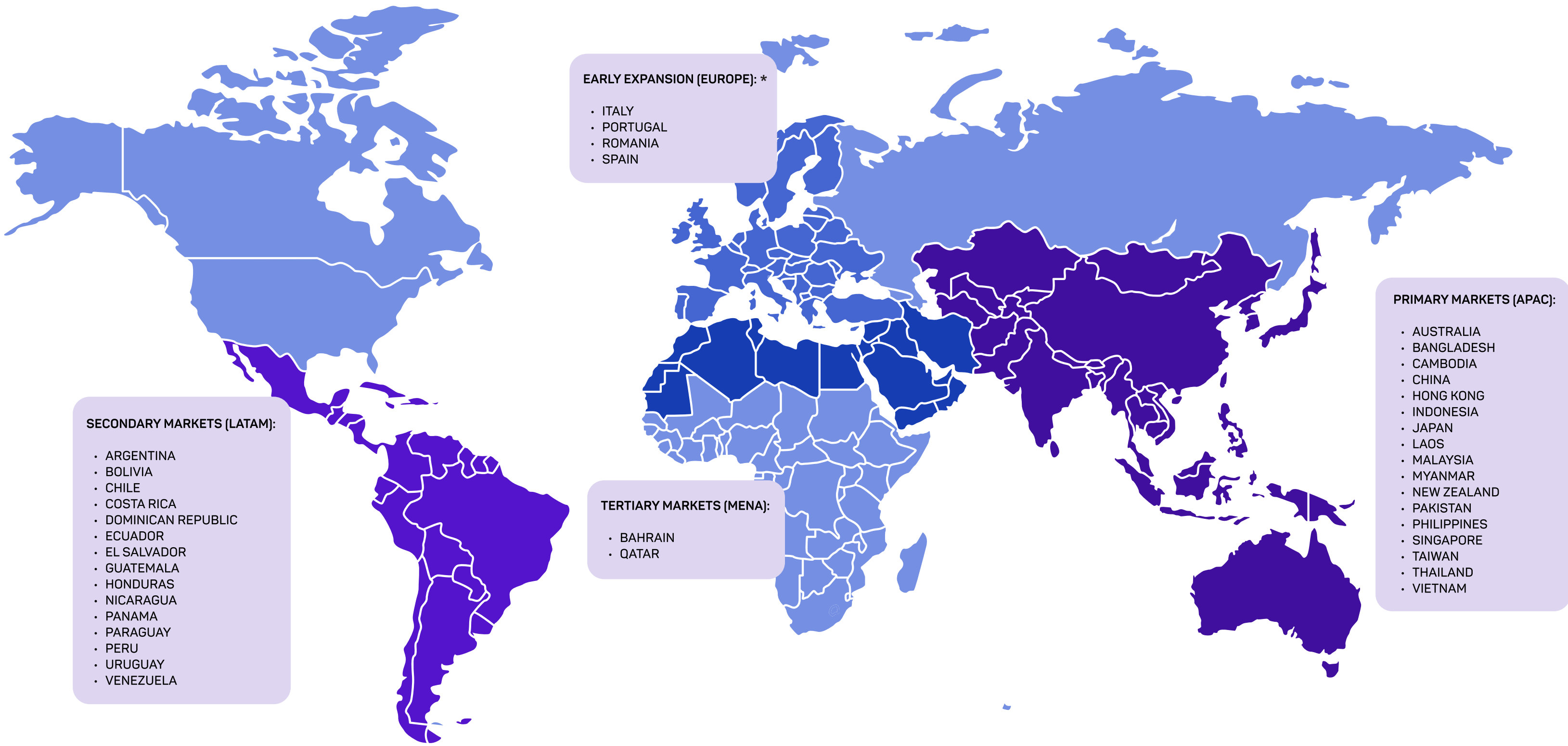
The Group closed its first AI contracts with both enterprise and public sector customers during FY2025, marking the transition of its proprietary Core AI Suite from development into commercial deployment. Toku Transcribe, Toku Summarise, Sentiment Analysis and Conversation Analytics are now operational in production environments, processing multilingual customer interactions at enterprise scale. Among customers that have adopted the Group's AI tools, material productivity improvements have been observed. Management estimates these gains at over 30% in initial deployments, based on a limited sample of early adopters. The improvements were driven by reduced documentation time and improved context retrieval, and further validation across a broader customer base is ongoing. Agentic AI, the next frontier of the Group's AI programme, advanced into active development and customer pilots, with a process-first design philosophy tailored for regulated industries.

Management's approach to enterprise AI is grounded in the principle that the most effective AI operates behind the scenes: invisible to the customer, but measurable in the quality, speed, and consistency of the experience it delivers. This design philosophy is particularly relevant as enterprises across the Group's markets increasingly recognise that their AI ambitions are outpacing the infrastructure beneath them. The opportunity to deploy intelligent automation is, in many cases, accelerating the broader digital transformation that organisations have long deferred, creating demand for integrated platforms capable of supporting both the modernisation journey and the AI capabilities that depend on it.



34 Geographic Footprint Doubled Across Three Continents

The Group approximately doubled its geographic reach over the 18 months to 31 December 2025, growing from approximately 17 countries to 34 across APAC, LATAM and MENA. A multi-market agreement with a leading European on-demand delivery actor, spanning four countries, demonstrated the transferability of the Group's operational playbook beyond its APAC heritage and established Europe as the Group's fourth operating region, extending the footprint to 38 countries in early 2026.



*Early expansion into Europe refers to the contract won for these markets. There are no live deployments in this region yet.

23.9% Step Change in Commercial Performance

The Group's commercial indicators improved meaningfully across the board in FY2025. The tender win rate nearly tripled from 8.8% to 23.9%, reflecting strengthening competitive positioning in enterprise procurement processes. Average deal sizes increased 1.6 times relative to FY2024, as the Group secured larger, more strategic engagements. New business deal value grew 12% year-on-year, the value of ARR won increased 30%, and 16.7% of the top 30 revenue contributors were new logos acquired during the year. These leading indicators, given typical enterprise deployment cycles of several quarters, provide forward visibility into revenue recognition in the periods ahead.

TENDER WIN RATE	DEAL VALUE	AVG. DEAL SIZE
23.9%	+12%	1.6x
UP FROM 8.8%	YEAR-ON-YEAR	VS FY2024

ARR WON	CLOSE WON RATE	NEW LOGOS IN TOP 30
30%	9.4%	16.7%
YEAR-ON-YEAR	UP FROM 6.4%	OF REVENUE LEADERS

OPERATIONAL EFFICIENCY

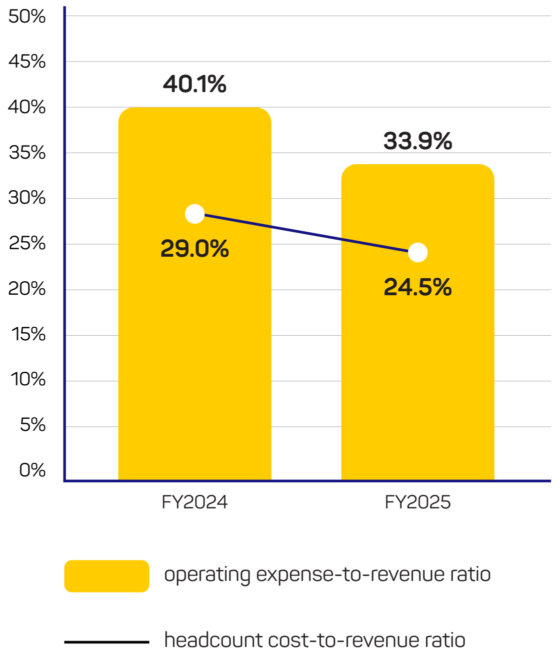
+17.8% Improved EBITDA Performance and Leaner Cost Structure

Adjusted EBITDA narrowed losses to US$3.3 million in FY2025 from US$4.0 million in FY2024, marking a 17.8% gain year on year. The improvement was driven by disciplined cost management across every operating category. Underlying operating expenses declined by 7.5% while the operating expense-to-revenue ratio fell to 33.9%. The reduction is attributed to a leaner organisational structure established through the 2H2024 restructuring, which delivered tangible efficiency gains. The headcount cost-to-revenue ratio improved from 29.0% to 24.5%, demonstrating the Group's ability to grow revenue without proportional cost escalation. The shift towards a channel partner-led distribution model, while still in its early stages, is designed to extend this trajectory further.

ADJUSTED EBITDA

(US$3.3 MILLION)

▲ +17.8% IMPROVEMENT YOY



CAPITAL RESTRUCTURING

8 December 2025

Conversion to Public Company and Board Reconstitution

On 8 December 2025, the Company converted from a private limited company to a public company limited by shares, completing a multi-year preparation process. The Board was reconstituted with the appointment of Mrs Lim Hwee Hua as Non-Independent and Non-Executive Chairperson and three independent non-executive directors: Ms Pebble Sia (Lead Independent Director), Mr Bhavik Doshi and Mr Vincent Stevens. The Audit Committee, Nominating Committee and Remuneration Committee were formally established on the same date. The Toku Employee Share Option Scheme and the Toku Performance Share Plan were approved by shareholders, providing the framework for long-term talent alignment.

22 January 2026

Listing on SGX Catalist: First IPO of 2026

On 22 January 2026, the Company completed its listing on the Catalist of the SGX-ST, raising gross proceeds of S$16.25 million and becoming the first IPO on the SGX in 2026. The listing materially transformed the Group's capital structure: all pre-IPO convertible instruments were converted into equity, shareholder loans were repaid in full, and the Group's highest-cost debt facility was scheduled for early retirement. With a strengthened balance sheet, a simplified capital structure and clear strategic priorities, the Group enters FY2026 better capitalised and better positioned for growth than at any prior point.

BOARD OF DIRECTORS

Director	Designation	Appointed	AC	NC	RC
Mrs Lim Hwee Hua	Non-Independent and Non-Executive Chairperson	8 December 2025	–	–	–
Mr Thomas Laboulle	Executive Director and CEO	31 January 2018*	–	Member**	–
Ms Pebble Sia	Lead Independent Director	8 December 2025	Member	Chair	Member
Mr Bhavik Doshi	Independent Director	8 December 2025	Chair	Member	Member
Mr Vincent Stevens	Independent Director	8 December 2025	Member	–	Chair

** Re-appointed on 8 December 2025 in connection with the Company's conversion to a public company.*
*** Abstains from deliberations relating to his own assessment.*

Tan Hwee Hua @ Lim Hwee Hua

Non-Independent and Non-Executive Chairperson
Appointed: 8 December 2025

Mrs Lim is the Non-Independent and Non-Executive Chairperson of the Board. She was appointed as a Director of the Company on 8 December 2025.

Mrs Lim was first elected to the Singapore Parliament in December 1996 and served until May 2011, last as Minister in the Prime Minister's Office and concurrently as Second Minister for Finance and for Transport. She held the distinction of being the first female full Minister to be appointed in Singapore. Between 2002 and 2004, she served as Deputy Speaker of Parliament and Chair of the Public Accounts Committee.

Prior to joining the Singapore Cabinet, Mrs Lim enjoyed a varied career spanning public policy and financial services. She served as an Administrative Officer in the Ministries of Finance, Education and Law before joining Swiss Bank Corporation as a Research Manager (1989 to 1992), Jardine Fleming as Head of Research (1992 to 2000) and Temasek Holdings as Managing Director (2000 to 2004), where she oversaw divestments, restructured companies and boards, initiated corporate stewardship initiatives and established strategic relations with key foreign counterparts.

Since her retirement from politics, Mrs Lim has continued to be active in finance and governance. She is Co-Chairman of Tembusu Partners Pte. Ltd., a Substantial Shareholder of the Company, and serves on the boards of JERA Co., Inc. and Nippon Paint Holdings Co., Ltd. She has served on the Board of Trustees of the International Valuation Standards Council since 2020 and was appointed as its Chairman in June 2024, the first Asian and female to lead the IVSC Board of Trustees.

Mrs Lim graduated with a Bachelor of Arts (Honours) in Mathematics and Engineering from the University of Cambridge in 1981 and obtained a Master of Business Administration, majoring in Finance, from the Anderson School of Management, University of California, Los Angeles in 1989. She is the author of two publications: "Government in Business: Friend or Foe" (Straits Times Press, 2014) and "Government in Business: Leading or Lagging?" (World Scientific Publishing, 2021).

Thomas Patrick M. Laboulle

Founder, Executive Director and Chief Executive Officer
Appointed: 31 January 2018 (re-appointed 8 December 2025)

Mr Laboulle is the Founder, Executive Director and Chief Executive Officer of the Company. He is responsible for the overall strategic leadership and executive management of the Group, encompassing corporate strategy development, business operations oversight, stakeholder relations management and driving the Group's vision to reimagine customer experiences for enterprises.

Mr Laboulle began his career in 2006 upon graduating from the Royal Military Academy of Belgium as an Infantry Officer. He spent several years in the field and participated in overseas missions for the United Nations and NATO. That experience shaped his decisive leadership style and served him well in his transition to the private sector. In 2011, he joined Ormit Belgium as a management trainee before founding Mundito, a boutique consulting firm, in 2012. By mid-2016, Mr Laboulle was recruited by the Board of Directors of GlobalRoam Group Ltd. to lead and restructure the then 15-year-old Singaporean telecom operator. He went on to found Toku in 2018.

Mr Laboulle received his master's degree in social and military sciences at the Royal Military Academy in 2006, completed postgraduate studies in Business Administration and Corporate Finance at KU Leuven, and later earned an Executive Master in IT Management from the Solvay Brussels School of Economics and Management.

Pebble Sia Huei-Chieh

Lead Independent Director
Appointed: 8 December 2025
Committees: Audit Committee (Member); Nominating Committee (Chair); Remuneration Committee (Member)

Ms Sia is the Lead Independent Director of the Company. She was appointed on 8 December 2025.

Ms Sia was called to the English Bar in 1996 and to the Singapore Bar in 1997, having been awarded the Tan Ah Tah Prize for Professional Responsibility by the Board of Legal Education in Singapore. Since 1998, she has specialised in private equity investments, mergers and acquisitions, group restructurings and general corporate transactions, advising clients at all stages from incorporation to a public offering or trade sale. Ms Sia started her career as a Legal Assistant in 1997 with David Lim & Partners LLP before moving to J Koh & Co, where she made Partner in 2000. She founded Esquire Law Corporation in 2002 and has served as its Managing Director since.

Ms Sia is also an independent director of Singapore Shipping Corporation Ltd and PropNex Limited (both SGX Mainboard) and SMX (Security Matters) PLC (NASDAQ).

Doshi Bhavik Umesh

Independent Director
Appointed: 8 December 2025
Committees: Audit Committee (Chair); Nominating Committee (Member); Remuneration Committee (Member)

Mr Doshi is an Independent Director of the Company. He was appointed on 8 December 2025.

Mr Doshi is an experienced corporate finance and investment professional. He began his investment banking career in New York at Lehman Brothers and later Barclays Capital, advising financial sponsors and corporations on M&A and leveraged finance transactions across various sectors from 2007 to 2011. His investing career began at Ares Management in Los Angeles, where he was an investment analyst focused on high yield and distressed debt in the retail, chemicals and mining sectors from 2011 to 2013. Mr Doshi is currently an investment director at One Hill Capital, a private investment company headquartered in Singapore, where he directs investment strategy and research.

Mr Doshi is also the Chairman and Non-Executive Independent Director of Alpha Integrated REIT (formerly Sabana Industrial REIT), which is listed on the SGX Mainboard.
Mr Doshi graduated from the Stern School of Business, New York University, with a degree in Finance and Actuarial Science with a minor in Mathematics.

Vincent Francois Stevens

Independent Director
Appointed: 8 December 2025
Committees: Audit Committee (Member); Remuneration Committee (Chair)

Mr Stevens is an Independent Director of the Company. He was appointed on 8 December 2025.

Mr Stevens is currently the VP of Premium Entertainment at Telenet, leading a team in developing and enhancing premium entertainment offerings. Prior to this, he was a Senior Managing Director at FTI Consulting, where he co-led regional sales and business development efforts in Asia from 2019 to 2023. He also served as VP (Asia) of Timwe Group from 2017 to 2019 and as Senior Principal at Delta Partners Group from 2008 to 2017, where he advised senior telco management on digital growth strategy, commercial and general strategy. Mr Stevens began his career as an Investment Banking Associate with BNP Paribas Fortis in 2006.

Mr Stevens serves on the board of Streamz, a Belgian video streaming service, and PKS Campus, a real estate company focused on housing high-tech start-ups.

Mr Stevens graduated from Ghent University in 2006 with a Masters in Engineering and obtained a Certified International Investment Analyst certification from the Association of Certified International Investment Analysts in 2008.

KEY MANAGEMENT PERSONNEL

Name	Age	Position
Mr Thomas Patrick M. Laboulle	42	Executive Director and Chief Executive Officer
Mr Christian Kenfor Wong	53	Chief Financial Officer
Mr Ethan Storm Ruff	42	Chief Legal Officer
Mr Girish Dharmaraj	46	Chief Technology Officer

Ages as of 9 April 2026.

Thomas Patrick M. Laboulle

Founder, Executive Director and Chief Executive Officer

Mr Laboulle is the Founder, Executive Director and Chief Executive Officer of the Company. He is responsible for the overall strategic leadership and executive management of the Group. Mr Laboulle's full profile is set out in the Board of Directors section of this Annual Report.

Christian Kenfor Wong

Chief Financial Officer

Mr Wong has been with the Group since its inception as the Chief Financial Officer. In this role, he is in charge of the finance, accounting, human resources and administrative functions of the Group, including financial planning and strategy, implementing internal controls and overseeing the financial reporting and review of financial results.

Prior to his current role, Mr Wong held leadership positions in finance across several companies. He served as Group Finance Director at GlobalRoam Pte. Ltd. from 2017 to 2018, overseeing finance, human resources and facilities. Before that, he was CFO of CtrlShift Group Singapore Pte. Ltd. from 2014 to 2016, and held Regional Business Controller roles at Noble Denton Singapore Pte. Ltd. (part of DNV GL Group). He was also Finance Director and Group Controller at Pacnet Global Corporation Pte. Ltd., Regional Financial Controller at Yahoo! Singapore Pte. Ltd. and Regional Finance Manager at Asia Netcom Corporation Singapore Pte. Ltd. Mr Wong began his career in 1996 as Audit Supervisor at Goh Ngiap Suan & Co.

Mr Wong holds a Master of Business in Professional Accounting from Victoria University of Technology, a Master of Business Administration from the University of Technology, Sydney, and a Bachelor of Mathematics and Finance from the University of Technology, Sydney. He is a Certified Practising Accountant (CPA) Australia.

Ethan Storm Ruff

Chief Legal Officer

Mr Ruff joined the Group as Chief Legal Officer in 2022. In this role, he is responsible for managing the Group's legal, regulatory, privacy and corporate governance matters. He also chairs the Information Security Management System Committee, the Group's primary risk governance body.

Prior to joining the Group, Mr Ruff spent eight years in private practice in Singapore, focusing on cross-border corporate and M&A transactions before expanding his focus to include complex commercial work and advising in-house teams on legal department transformation projects.

Mr Ruff holds a Bachelor of Arts from the University of Wisconsin, Madison and a Juris Doctor from Washington University in St. Louis. He was admitted to the New York State Bar in 2014.

Girish Dharmaraj

Chief Technology Officer

Mr Dharmaraj joined the Group in 2020 as Head of Product and was subsequently re-designated to Chief Technology Officer in 2024. In this role, he heads the Engineering, Infrastructure and Cybersecurity, and Services (Delivery and Support) divisions, setting the vision and strategic direction of the Group's technology platforms and product roadmap. His focus encompasses building high-performing teams, driving operational excellence and delivering secure and scalable solutions that power business growth and customer success.

Prior to joining the Group, Mr Dharmaraj was Global Product Manager at Epsilon Pte. Ltd. from 2017 to 2020. Before that, he was a Technical Manager at Whizcomms Communications Pte. Ltd. from 2011 to 2017.

Mr Dharmaraj graduated from Bharathiar University with a Bachelor of Engineering in Computer Science.

ENGINEERING CUSTOMER EXPERIENCE FOR COMPLEX MARKETS

This section is the first of four that together describe the Group's business in detail. It covers the platform's architecture, market positioning and competitive differentiation. The Technology, AI, and Platform Evolution section describes the Group's AI capabilities and development roadmap. The Customers, Markets and Go-to-Market section covers customer segments, geographic presence and distribution approach. The Revenue Model and Platform Economics section explains the commercial model and expansion dynamics. Each section is designed to be read independently, but together they provide a comprehensive view of the Group's operations and strategy.

A Platform Company Built for Enterprise Reality

Toku is a cloud-native, AI-powered enterprise customer experience platform purpose-built for complex and fragmented markets. Headquartered in Singapore, the Group's 360° CX Platform orchestrates customer interactions across voice, messaging, email and digital channels while addressing the operational realities of environments characterised by regulatory complexity, linguistic diversity, infrastructure variability and operational fragmentation. These conditions are particularly pronounced across the Asia-Pacific region and are increasingly present in other high-growth markets globally.

The Group's mission is to build the definitive enterprise CX platform for the world's fastest-growing and most operationally demanding markets. Combining proprietary AI technology, carrier-grade telecommunications infrastructure and professional services expertise, the platform empowers organisations to deliver seamless, connected customer journeys with enterprise-grade security and reliability, regardless of the industry or geography in which they operate.

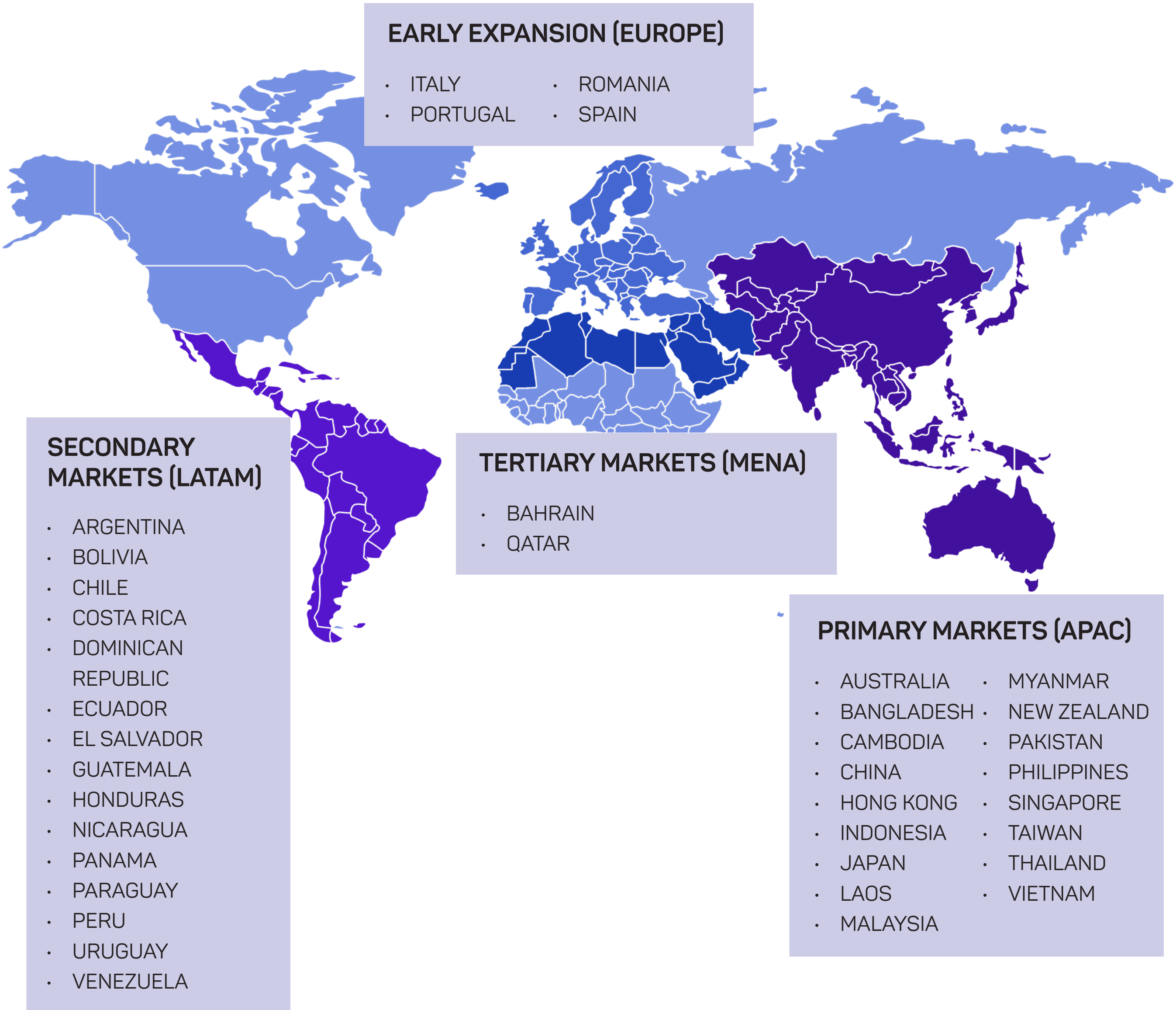
Unlike global vendors that adapt standardised Western solutions, or regional players with limited capabilities, Toku was designed from the ground up to operate within complex market constraints. The platform provides proprietary AI deployed with enterprise customers and optimised for multilingual environments; end-to-end ownership of the entire technology stack from connectivity through to AI applications; flexible deployment supporting cloud, on-premises and hybrid architectures with full data sovereignty compliance; and comprehensive professional services ensuring single-vendor accountability.

Operational Scale and Market Validation

The strength of the Group's approach is reflected in its operational footprint and commercial trajectory. By the end of FY2025, the platform served enterprise customers across 34 countries, a figure that has since expanded to 38 following the Group's entry into four European markets in early 2026. Revenue reached US$34.8 million in FY2025, representing continued year-on-year growth and a compound annual growth rate of approximately 17% over FY2022 to FY2025.

The Net Revenue Retention rate for the Group's Subscriptions and Licensing business exceeded 150% during the period under review, as disclosed in the Company's Offer Document dated 14 January 2026. This metric underscores the embedded nature of the platform within customer operations and the compounding value created through progressive module adoption. It also reflects the trust that enterprises place in the Group's solutions: customers do not simply renew; they expand.

The commercial indicators presented in the Year in Review section further validate this market position. Of particular note, the value of annual recurring revenue won grew 30% year-on-year, and remaining performance obligations reached US$5.5 million, a 32.5% increase. These leading indicators, given typical enterprise deployment cycles of several quarters, provide forward visibility into revenue recognition in the periods ahead.

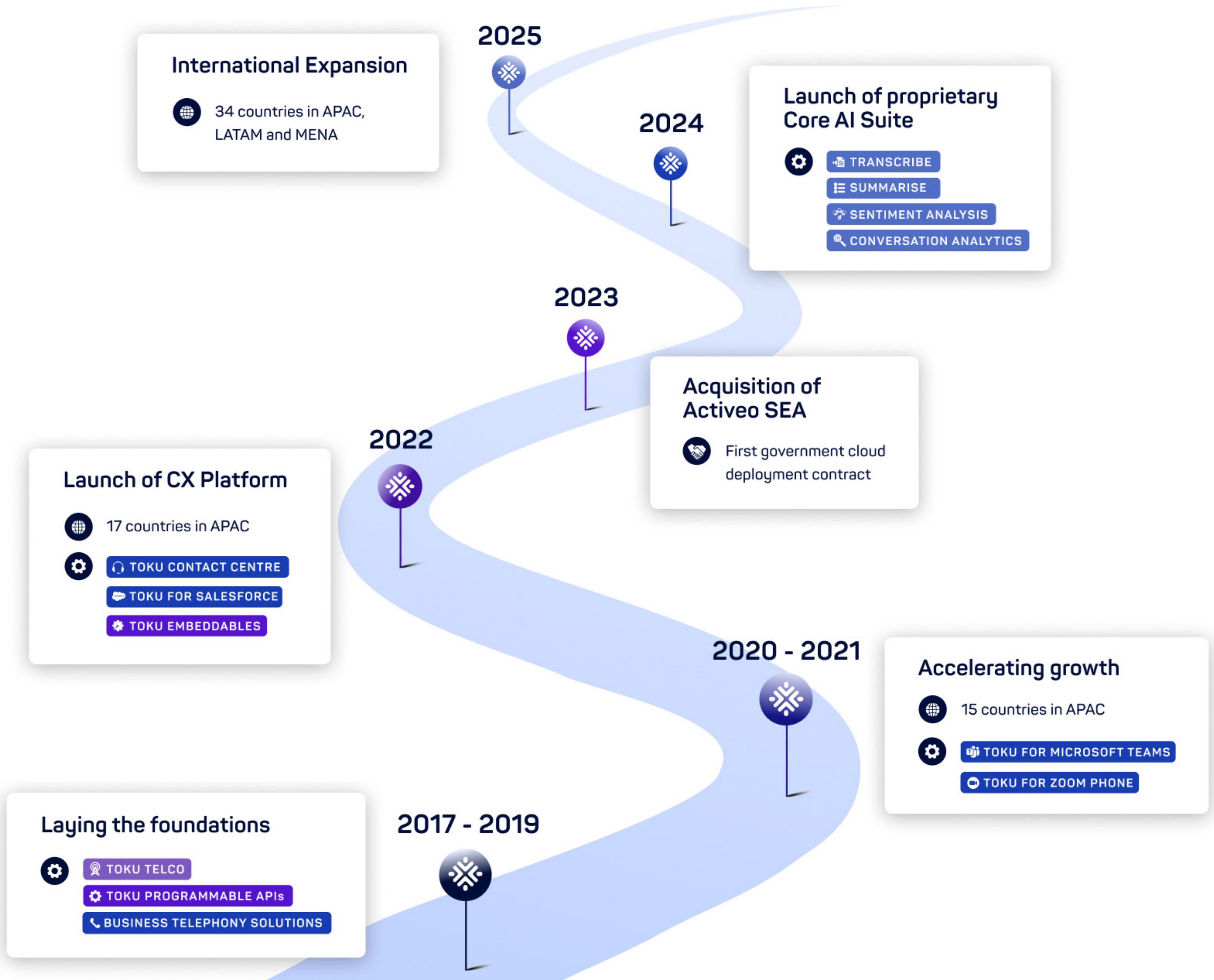


From Connectivity to Platform: The Toku Journey

The Group's evolution from a telecommunications infrastructure provider to a comprehensive AI-powered CX platform has been deliberate and cumulative. Each phase of development has built on the capabilities established in the preceding period, creating a platform that combines the depth of a specialist with the breadth of an integrated solution.

YEAR	MILESTONE
2017–2019	Incorporated in December 2017 and commenced operations in April 2018. Strategically built the Group's foundation on telecommunications infrastructure, establishing the connectivity backbone that now differentiates the platform.
2020–2022	Launched the first version of the platform and secured contracts with marquee enterprise customers, demonstrating enterprise-grade scalability. Series A funding from Delivery Hero Ventures GmbH accelerated expansion across APAC. Established team presence in India, Indonesia, Vietnam and Malaysia.
2023	Acquired Activeo SEA, a boutique system integration firm, strengthening professional services capabilities for complex enterprise implementations. Secured the Group's first government cloud deployment contract, validating the platform's compliance and security credentials.
2024	Launched the proprietary Core AI Suite comprising Toku Transcribe, Toku Summarise, Conversation Analytics and Sentiment Analysis. Expanded into 15 Latin American markets through the deployment of the platform for a leading on-demand delivery actor across Spanish-speaking Latin America.
2025	Entered the MENA region with initial markets in Bahrain and Qatar going live during the year. Grew customer presence to 34 countries by year-end. Achieved the Group's best Adjusted EBITDA result to date (negative US$3.3 million). Revenue reached US$34.8 million, marking the eighth consecutive year of growth.
2026	Listed on the Catalist of the SGX-ST on 22 January 2026, raising S$16.25 million. Won the Group's first European enterprise agreement spanning multiple markets, expanding the country footprint to 38.

This progression reflects a foundational, strategic choice: the Group began by building carrier-grade connectivity infrastructure rather than starting with software and addressing connectivity later. This approach, while more capital-intensive at the outset, established the operational backbone that now differentiates the platform. By owning the connectivity layer, the Group controls the quality, reliability and compliance of the entire customer interaction chain, a capability that competitors relying on third-party infrastructure cannot readily replicate.


2025
International Expansion
34 countries in APAC, LATAM and MENA
2024
Launch of proprietary Core AI Suite
TRANSCRIBE
SUMMARISE
SENTIMENT ANALYSIS
CONVERSATION ANALYTICS
2023
Acquisition of Activeo SEA
First government cloud deployment contract
2022
Launch of CX Platform
17 countries in APAC
TOKU CONTACT CENTRE
TOKU FOR SALESFORCE
TOKU EMBEDDABLES
2020 - 2021
Accelerating growth
15 countries in APAC
TOKU FOR MICROSOFT TEAMS
TOKU FOR ZOOM PHONE
2017 - 2019
Laying the foundations
TOKU TELCO
TOKU PROGRAMMABLE APIs
BUSINESS TELEPHONY SOLUTIONS

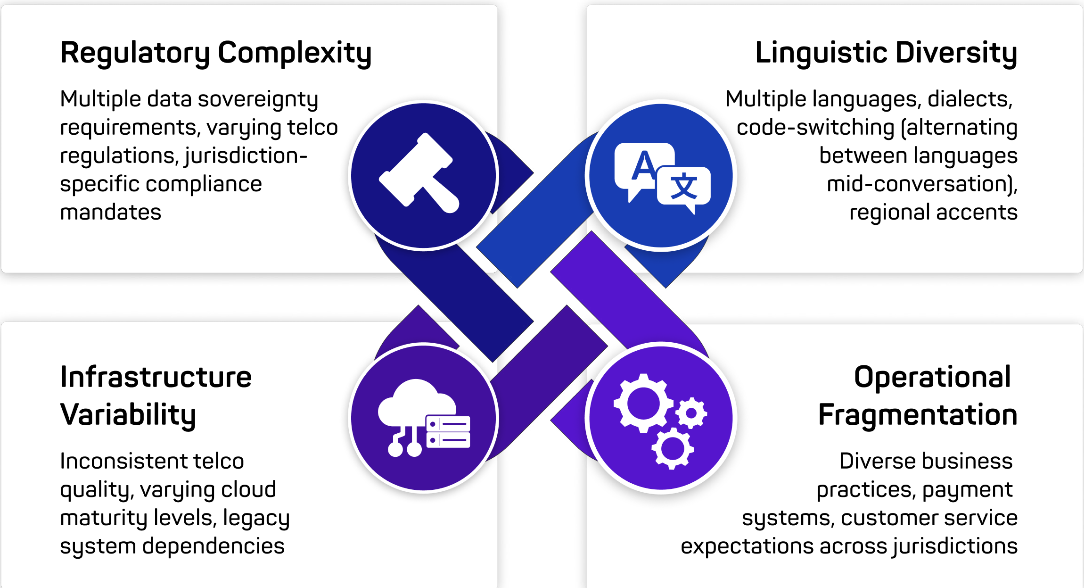
The Operating Conditions That Shape Modern CX

Defining Complex Markets

The Group uses the term "complex markets" to describe regions where four interdependent characteristics converge to create operating conditions that most technology platforms were not designed to address. These characteristics are not incidental challenges; they are structural features of the markets in which the Group's enterprise customers operate, and they define the requirements that any credible CX platform servicing such markets must meet.

DIMENSION	CHARACTERISTICS	ENTERPRISE IMPACT
Regulatory Complexity	Multiple data sovereignty requirements, varying telecommunications regulations, jurisdiction-specific compliance mandates	Enterprises must navigate distinct legal frameworks in each market, increasing deployment cost and risk for platforms lacking in-country infrastructure
Linguistic Diversity	Multiple languages, dialects, code-switching (alternating between languages mid-conversation), regional accents	AI models trained primarily on English and major European languages fail to deliver reliable performance, creating accuracy gaps in transcription, sentiment analysis and automated interactions
Infrastructure Variability	Inconsistent telecommunications quality, varying cloud maturity levels, legacy system dependencies	Platform architectures that assume consistent, high-quality connectivity produce unreliable results in markets with variable network conditions and limited hyperscaler coverage
Operational Fragmentation	Diverse business practices, payment systems, customer service expectations across jurisdictions	Standardised global solutions cannot accommodate the local customisation required for effective enterprise operations across fragmented markets

These four dimensions do not operate in isolation. In practice, they compound: a financial institution expanding into Southeast Asia must simultaneously navigate distinct data sovereignty requirements in each jurisdiction, support customer interactions in multiple languages (often within the same conversation), deliver consistent service quality across networks of varying reliability, and adapt operational processes to local business practices. The platform that serves this institution must address all four dimensions simultaneously, not sequentially.



Why Global Solutions Fall Short

The enterprise CX market has historically been shaped by two categories of provider, each with structural limitations when deployed in complex markets.

Global incumbents typically bring on-premises heritage and Western-centric product strategies. Their platforms were designed for markets characterised by regulatory homogeneity, single-language dominance and consistent infrastructure quality. Adapting these platforms for complex markets requires extensive customisation, partner-dependent implementation and, in many cases, architectural compromises that limit deployment flexibility. These providers tend to offer limited data sovereignty options (often a single point of presence per region) and rely on third-party integrators for local delivery.

Pure SaaS vendors offer standardised, cloud-only solutions optimised for small and mid-market customers. Their centralised data infrastructure and one-size-fits-all product architecture struggle with the hybrid deployment requirements, multi-jurisdictional compliance demands and linguistic complexity that characterise enterprise operations in complex markets.

The gap between these two categories creates an underserved segment: enterprises that require global-grade platform capabilities, deployed with regional depth, regulatory precision and linguistic accuracy. This is the space the Group occupies, and it is the strategic foundation on which the platform was built.

Why APAC Was the Proving Ground

The Asia-Pacific region exemplifies complex market conditions at their most demanding. With more than 20 major languages, distinct regulatory frameworks in each country, and infrastructure ranging from advanced digital economies to emerging markets with inconsistent connectivity, APAC compresses the full spectrum of complexity into a single region.

For a CX platform, this means that AI models must handle code-switching (where speakers alternate between languages mid-conversation), diverse regional accents, and the variable audio quality common to telephony in emerging markets. Deployment architectures must accommodate government cloud mandates alongside commercial cloud environments. Connectivity infrastructure must deliver carrier-grade reliability across markets where telecommunications quality varies significantly.

Building the platform in this environment was a deliberate strategic choice. By solving for APAC's complexity first, the Group established capabilities that translate directly into other complex markets. The operational playbook proven in Singapore, Malaysia, Bangladesh, Cambodia, the Philippines, Vietnam and 11 other APAC countries provided the template for expansion into LATAM (15 countries) and MENA (2 countries). The Group anticipates further market entries across MENA and, as announced in February 2026, is extending its footprint into Europe.

As the Group's Founder and CEO, Thomas Laboulle, observed in a recent interview: "The AI ambitions being set at board level are running ahead of the infrastructure beneath them. You cannot deploy intelligent automation on top of disconnected on-premise systems and expect consistent outcomes. For many organisations, the AI opportunity is actually forcing the digital transformation they needed all along."

Why This Capability Travels Globally

The Group's geographic expansion validates a central thesis: capabilities proven in the world's most complex markets travel effectively into other regions facing similar challenges. The same regulatory fragmentation, linguistic diversity and infrastructure variability that characterise APAC are increasingly present in Latin America, the Middle East and parts of Europe.

In LATAM, the Group extended its platform capabilities to serve a leading on-demand delivery actor across 15 Spanish-speaking markets. The deployment supports more than 1,400 agents and demonstrated the scalability of the Group's operational model in a new region. Delivering the solution required the Group to establish regional connectivity, navigate country-specific telecommunications regulations and maintain consistent service quality across markets with widely varying network conditions.

In MENA, the Group's first markets in Bahrain and Qatar went live during FY2025. These are markets where data sovereignty requirements and regulatory complexity favour providers with flexible deployment architecture and regional processing capabilities. The Group's ability to deploy across public cloud, private cloud and government cloud environments proved decisive in securing these engagements.

In Europe, the Group announced its first enterprise agreement spanning multiple markets in February 2026, establishing a fourth operating region and extending its country footprint to 38. European markets, while mature in infrastructure terms, present their own complexity through stringent data protection regulations, multilingual requirements and the high compliance expectations of regulated industries.

The common thread across these expansions is repeatability. Solutions proven in APAC are being replicated in LATAM, MENA and Europe using the same operational playbook. Infrastructure investments made in new regions during FY2024 and FY2025 are already in place and can accommodate multiple customers before requiring further capital expenditure, supporting improved cost absorption as these markets scale.

For a detailed discussion of the Group's geographic expansion strategy, shareholders are referred to the Strategy and Outlook section of this Annual Report.

How Toku is Engineered to Meet These Conditions

The Group's 360° CX Platform is not a collection of independent products assembled through acquisition or partnership. It is an integrated, purpose-built architecture designed to address the operating conditions described in the preceding section. Every layer of the platform, from the connectivity foundation through to the Conversational AI capabilities, was engineered to function as a unified system in which data flows seamlessly, capabilities compound and the total value exceeds the sum of its components.

The 360° CX Platform: Architecture and Layers

The platform is organised into four interdependent layers, each addressing a distinct set of enterprise requirements while contributing to the integrated capabilities of the whole.

Connectivity. The foundation of the platform is carrier-grade telecommunications infrastructure purpose-built for fragmented regulatory and operational landscapes. Through direct relationships with more than 50 tier-1 and tier-2 carriers, the Group delivers 99.99% uptime and native PSTN-replacement capabilities in the 34 countries where it actively served customers at the end of FY2025, with proven ability to deploy in over 100 countries through existing carrier partnerships. This scalable approach enables rapid market entry through regional and global carrier aggregators, with the flexibility to establish direct local infrastructure as customer demand grows. Usage revenue generated through the Connectivity layer accounted for 68.8% of the Group's total revenue in FY2025.

Embeddables. The Group's communication APIs and developer tools enable enterprises to embed voice, messaging, verification and number masking capabilities directly into their applications and workflows. Programmable Voice APIs transform legacy telephony into scalable digital services; Programmable Messaging APIs unify SMS and OTT channels through a single interface; Verification APIs implement multi-factor authentication; Number Masking APIs enable privacy-protected communications; and In-App Voice SDKs embed high-quality calling within mobile and web applications. These tools are designed for rapid integration, with comprehensive documentation, sandbox environments and consultative implementation support.

Customer Engagement Solutions. The Group's cloud-native Contact Centre delivers comprehensive omnichannel capabilities, unifying voice, SMS, email, chat and messaging within a single operational environment. Advanced routing algorithms ensure each interaction reaches the most qualified agent based on language proficiency, product expertise, customer value and interaction history. The solution includes Campaign Manager for large-scale outbound operations and a visual workflow designer for no-code customer journey orchestration. Integration with enterprise systems is facilitated through RESTful APIs with OAuth 2.0/OIDC security, webhooks and pre-built connectors for corporate platforms including Salesforce, Microsoft Dynamics and ServiceNow.

Conversational AI. One of the highest-value differentiation layers of the platform comprises the Group's Core AI Suite (Toku Transcribe, Toku Summarise, Sentiment Analysis and Conversation Analytics) and the emerging Agentic AI programme. These capabilities are discussed in detail in the Technology, AI, and Platform Evolution section of this Annual Report.


4
Conversational AI
Core AI Suite
TRANSCRIBE
SUMMARISE
Call Summary
SENTIMENT ANALYSIS
CONVERSATION ANALYTICS
Agentic AI
AI CHAT & VOICE AGENT
3
Customer Engagement Solutions
CONTACT CENTRE
CAMPAIGN MANAGER
FEEDBACK MANAGEMENT
2
Embeddables
PROGRAMMABLE MESSAGING
Hi! I was wondering if this item is in stock?
Yes, it is still in stock!
PROGRAMMABLE VOICE
This is a reminder that you have an appointment scheduled with...
NUMBER MASKING
VERIFICATION
458976
Your Verification Code
IN-APP VOICE
1
Connectivity
CONNECTIVITY

End-to-End Stack Ownership

A defining characteristic of the Group's platform is its end-to-end ownership of the technology and service delivery stack. Unlike competitors that rely on third-party infrastructure for connectivity, outsource professional services to channel partners, or depend on external AI models for intelligence capabilities, the Group controls the entire value chain from telecommunications connectivity through to AI applications and implementation services.

This vertical integration confers several strategic advantages. It ensures complete quality control throughout the service delivery chain, as the Group is not dependent on third-party performance for any critical capability. It enables rapid innovation cycles unconstrained by external dependencies, allowing the Group to release platform enhancements on its own timeline. It provides flexibility in pricing models, as the Group can optimise across the full stack rather than being constrained by third-party licensing structures. And it creates a unified accountability model that enterprises value: a single vendor responsible for every element of the customer experience infrastructure.

The Activeo brand, acquired through the Group's strategic acquisition of Activeo SEA in March 2023, extends this ownership to professional services. The Activeo practice delivers enterprise architecture consulting, complex multi-system integration, industry-specific customisation and ongoing success management. Professional services typically contribute 10% to 20% of initial contract value while establishing technical dependencies that reinforce long-term retention.

The combination of technology ownership and professional services excellence means the Group can take full accountability for enterprise deployments, from initial design through implementation to ongoing optimisation. In regulated industries, where the consequences of platform failure are severe, this single-vendor model provides a level of assurance that fragmented multi-vendor arrangements cannot match.

Deployment Models and Data Sovereignty

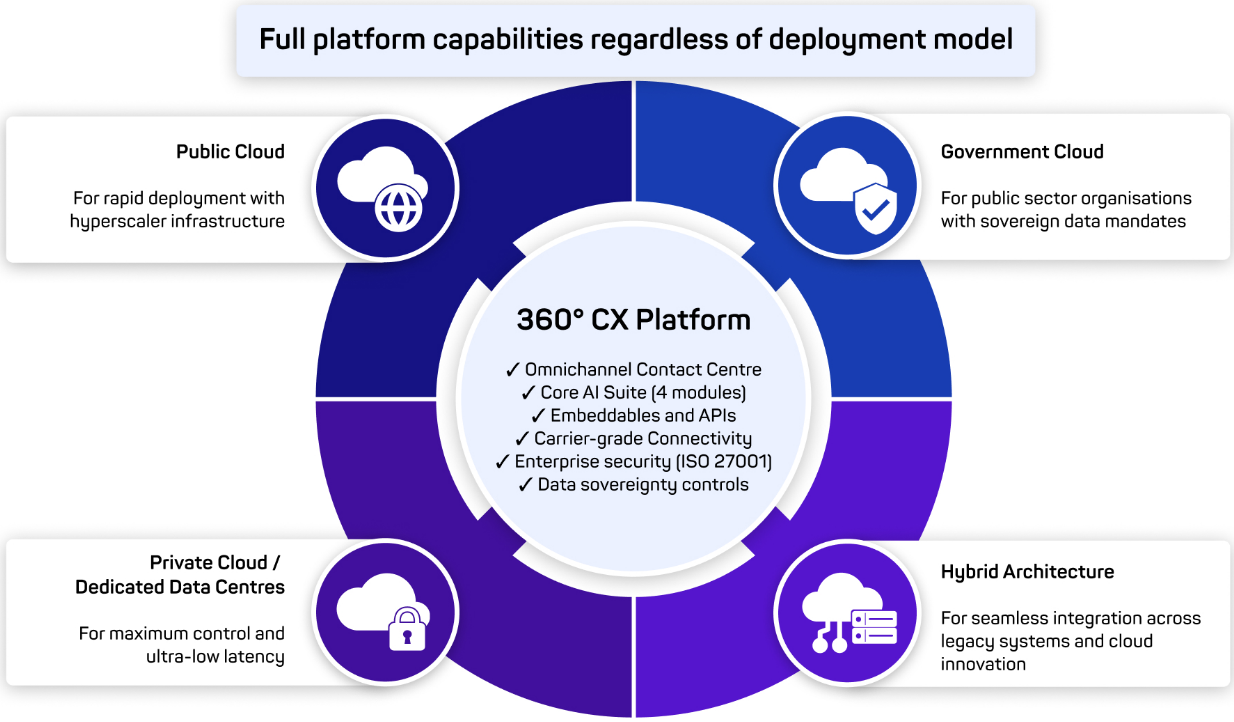
Data sovereignty has moved from a compliance checkbox to a decisive procurement criterion for enterprises operating in complex markets. Across APAC, several jurisdictions now require certain personal and financial data to remain within national borders. Similar requirements are emerging in the Middle East and Europe. For government agencies and regulated industries, the ability to process and store data within designated environments is non-negotiable.

The Group's "infrastructure without boundaries" approach provides enterprises with the deployment flexibility to meet these requirements without sacrificing platform capabilities. The Group supports four deployment models, each delivering functionally consistent core capabilities.

DEPLOYMENT MODEL	DESCRIPTION	TYPICAL USE CASE
Public Cloud	Leverages leading global hyperscaler infrastructure for scalability, innovation and global footprint	Enterprises seeking rapid deployment with standard compliance requirements
Government Cloud	Dedicated cloud environments meeting enhanced security standards and government compliance requirements	Government agencies and public sector organisations with sovereign data mandates
Private Cloud / Dedicated Data Centres	Colocation facilities and private infrastructure providing dedicated control and ultra-low latency	Financial institutions and enterprises requiring maximum control over data and infrastructure
Hybrid Architecture	Bridges legacy systems with cloud innovation, enabling seamless integration across environments	Multinational corporations with varied infrastructure across markets and a mix of legacy and modern systems

The Group's operational backbone uses the infrastructure of a leading global hyperscaler, where the Group has developed deep expertise and optimised performance. The platform architecture follows cloud-agnostic principles: services are containerised and orchestrated through modern infrastructure tools, with cloud dependencies abstracted behind provider interfaces. This approach is complemented by permanent infrastructure in tier-1 private data centres and points of presence through regional and local providers in markets where hyperscaler coverage remains limited.

This flexibility is particularly critical in the Group's target markets. In Singapore, government deployments require government cloud infrastructure. In the Middle East, data residency mandates require processing within designated environments. In parts of Southeast Asia, limited hyperscaler presence necessitates hybrid architectures that combine cloud scalability with local infrastructure. The Group's ability to deploy consistently across all these environments, without feature degradation, is a meaningful competitive advantage.



Platform Synergies and the Expansion Dynamic

While each module within the 360° CX Platform delivers standalone value, the platform's true commercial strength emerges through integrated deployment. Modules are designed to work together, creating comprehensive customer experience capabilities that exceed the sum of their parts.

The platform's unified architecture ensures seamless data flow across layers. Connectivity provides the reliable foundation for all voice and messaging interactions. Embeddables enable rapid custom development through APIs that leverage the same infrastructure. Customer Engagement Solutions orchestrate omnichannel experiences across all touchpoints. And the Conversational AI layer amplifies value across the entire platform: every voice interaction is transcribed, summarised and analysed, creating a continuous improvement cycle where each conversation contributes to platform intelligence.

Enterprises typically begin their journey with modules addressing immediate operational needs, such as a Contact Centre deployment for agent operations or Toku Transcribe for quality assurance. As the platform becomes embedded in their operations, customers naturally expand adoption to additional modules. A contact centre adding transcription discovers immediate quality monitoring benefits, then implements summarisation to reduce after-call work, followed by Conversation Analytics to identify coaching opportunities. This organic expansion, facilitated by the Group's modular architecture that eliminates integration complexity between components, is a primary driver of the strong retention and expansion dynamics described in the Revenue Model and Platform Economics section of this Annual Report.

As described in the Revenue Model and Platform Economics section, the Offer Document disclosed a revenue multiplier effect within customer accounts: total revenue across all streams grows to more than two times the initial Subscriptions and Licensing value. Each additional module deployed reduces the customer's total cost of ownership, deepens integration dependencies and increases switching costs, creating a compounding cycle of value creation for both the customer and the Group.

Compounding Revenue Through Expanding Customer Adoption

>150%
Net Revenue Retention

>2x
Revenue from initial S&L value

Progressive module adoption

Adding platform capabilities over time

Contact Centre

\+

Transcribe
(quality monitoring)

\+

Summarise
(productivity)

\+

Sentiment Analysis
(real-time guidance)

\+

Conversation Analytics
(strategic insight)

Navigating the Organisation

Expanding from support to sales and marketing use cases

Support Team
Initial deployment: Service and operations

Operations Team
Expanded scope:
Workflow automation, CRM integration

Sales Team
New use case:
Customer-facing sales (CRM already connected)

Marketing Team
Full CX platform:
Campaigns, outbound, omnichannel engagement

Security, Compliance and Certifications

Enterprise-grade security is foundational to the platform's architecture, not an overlay applied after deployment. The Group maintains ISO/IEC 27001:2022 (Information Security Management Systems) certification, with ISO/IEC 27017:2015 (Information Security for Cloud Services) and ISO/IEC 27018:2019 (Protection of Personally Identifiable Information in Public Clouds) controls implemented and audited within the scope of its certification by TÜV SÜD PSB. The ISO 27001 certification and ISO 27017 and 27018 controls have been extended to cover the Group's Activeo subsidiaries following successful re-certification and site extension audits completed in December 2025.

The platform incorporates end-to-end encryption, role-based access controls and comprehensive audit trails. Configurable data residency settings ensure adherence to regional data protection regulations. Infrastructure as Code practices, automated health checks and security scanning maintain platform stability across diverse deployment environments. These capabilities are critical for the Group's target customers in government, financial services and insurance, where information security is a prerequisite for procurement.

For a comprehensive discussion of the Group's risk management framework, including cybersecurity and data protection, shareholders are referred to the Risk Management section of this Annual Report.

The Core Narrative

The preceding sections describe a platform company with a clear and differentiated position: purpose-built for complex, fragmented markets; validated by eight years of revenue growth and expansion to 38 countries; and equipped with the AI capabilities, deployment flexibility and professional services depth required to serve enterprises in the world's most demanding operating environments.

Complexity is not a constraint for Toku; it is the environment the platform was built to master.

For a detailed discussion of the Group's technology and AI capabilities, refer to the following section: Technology, AI, and Platform Evolution. For the Group's customer segments, geographic footprint and go-to-market approach, refer to Customers, Markets and Go-to-Market. For the economic model underlying the platform, refer to Revenue Model and Platform Economics.

TECHNOLOGY, AI, AND PLATFORM EVOLUTION

Technology is a core foundation of the Group's competitive position. The platform's value to enterprise customers is determined not only by what it does, but by how its architecture handles the real-world conditions described in the Engineering Customer Experience for Complex Markets section. This section describes the Group's AI capabilities in production, the principles that govern their deployment, the platform enhancements delivered during FY2025, and the direction of the Agentic AI programme. It should be read in conjunction with the Revenue Model and Platform Economics section (which explains how these capabilities translate into commercial value) and the Customers, Markets and Go-to-Market section (which covers customer segments and distribution approach).

Core AI Capabilities in Production

The Core AI Suite

The Group's Core AI Suite comprises four integrated capabilities that together transform raw customer interactions into structured, actionable intelligence. These modules are not experimental features or product roadmap items; they are deployed in production with enterprise customers today, supporting revenue generation and operational improvement across the Group's customer base.

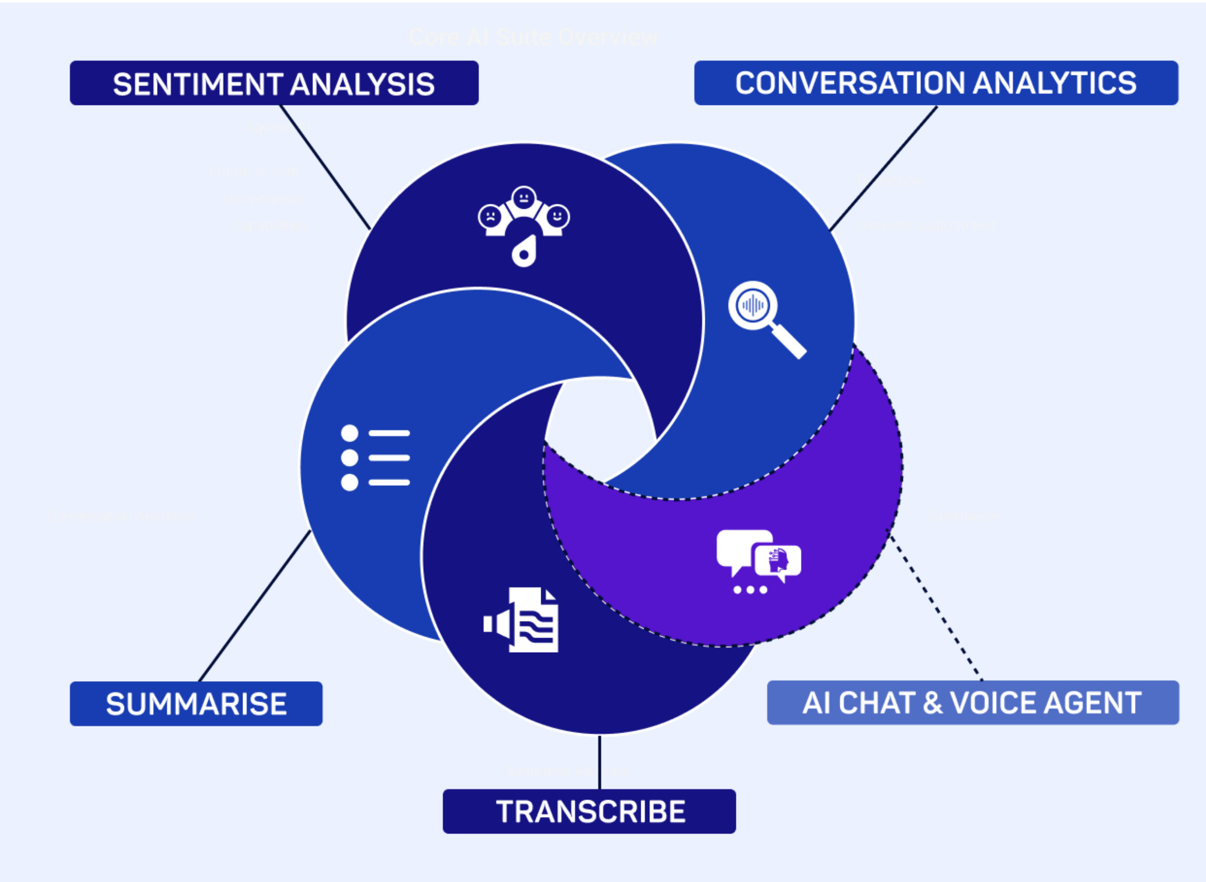
What makes these capabilities distinctive is their purpose-built design for the operating conditions that global competitors have not adequately addressed. Most AI models in the market today are optimised for English and a small number of major European languages. The Group's proprietary models are designed for the regional languages spoken across APAC, MENA and Latin America, many of which remain underserved by the large foundation models. They also perform reliably in real-world contact centre conditions: variable network quality, background noise and the challenging audio environments common in emerging markets. These are not edge cases for the Group's customers; they are everyday operating realities.

Toku Transcribe is the Group's enterprise AI transcription engine, purpose-built for complex linguistic markets. The module delivers accurate speech recognition across multiple languages, regional accents and code-switching scenarios, converting live and recorded voice interactions into precise, searchable text. Unlike generic transcription services that degrade in noisy telephony environments, Toku Transcribe is optimised for the variable audio conditions typical of contact centre operations in emerging markets, including low-bandwidth connections and background noise. The module supports real-time transcription for live agent assist, immediate processing for post-interaction analysis, and batch processing for cost efficiency, with language models continuously refined through exposure to the Group's growing corpus of enterprise interaction data.

Toku Summarise transforms conversation data into concise, structured intelligence. The module automatically generates summaries of customer interactions, extracting key topics, action items and resolution outcomes without manual agent input. In contact centre environments, after-call work (the time agents spend documenting interactions) typically accounts for a significant portion of total handling time. By automating this process, Toku Summarise enables agents to move to the next interaction faster while producing more accurate and consistent records than manual note-taking. In some deployments, Management estimates that the Group's AI tools have contributed to over 30% productivity gains by reducing the time spent on documentation and context retrieval.

Sentiment Analysis delivers real-time sentiment detection during live customer interactions. The module applies natural language processing to identify sentiment polarity (positive, neutral, negative), signs of dissatisfaction, urgency, or service friction, and escalation risk within active conversations. This intra-conversation guidance helps agents navigate difficult interactions, recognise opportunities for service recovery and adjust their approach dynamically. Operating alongside Toku Transcribe, the module processes the live transcription stream to surface insights directly within the agent interface. The sentiment models are trained to recognise sentiment and conversational patterns across multiple languages and cultural contexts, an essential requirement in markets where communication styles vary significantly between regions.

Conversation Analytics operates post-interaction, transforming completed customer conversations into strategic business intelligence. The module employs machine learning to automatically tag, categorise and analyse interactions, synthesising enriched data from the Transcribe, Summarise and Sentiment Analysis modules. This eliminates the dependency on manual agent tagging, which traditionally compromises data accuracy and completeness. Advanced natural language analytics enable users to explore customer issues, sentiment trends, agent performance and operational patterns through conversational queries rather than complex technical reporting tools. Topic modelling and keyword extraction capabilities surface recurring themes, emerging issues and conversation drivers that provide deeper context beyond basic interaction metrics.



The Intelligence Cycle

The four modules of the Core AI Suite do not operate in isolation. They form an integrated intelligence cycle where each module enriches the data processed by the others, creating a compounding effect that improves platform intelligence with every interaction.

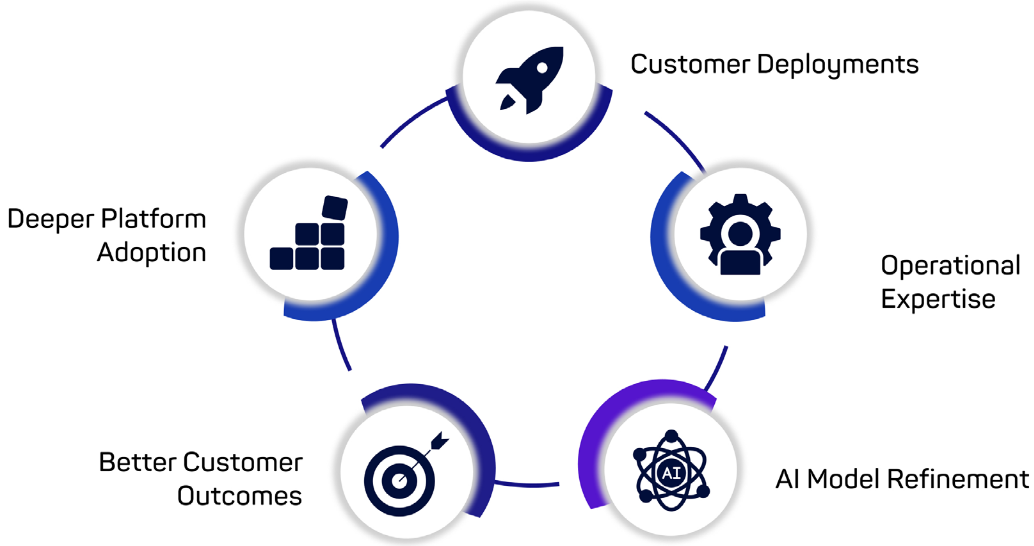
The cycle begins when a customer interaction enters the platform through the Connectivity layer. The following table illustrates how raw interaction data is progressively transformed into actionable intelligence across the platform.

STAGE	PROCESS	OUTCOME
1. Capture	Customer interaction is received across voice, chat or digital channel through the Connectivity layer	Raw interaction data enters the platform
2. Audio Processing	Audio is cleaned, background noise filtered, VAD applied to isolate active speech, and the signal optimised for downstream processing.	Clean audio signal suitable for accurate transcription
3. Language Recognition	Local accents, speech patterns, code-switching and regional dialects are identified and interpreted	Accurate linguistic mapping regardless of speaker characteristics
4. Contextual Interpretation	Conversation content is interpreted with relevant business context, customer history and interaction metadata	Contextually enriched data stream for AI processing
5. AI Processing	Toku Transcribe generates the transcript; Toku Summarise produces structured summaries; Sentiment Analysis provides real-time emotion markers	Actionable intelligence for agents, supervisors and analytics systems
6. Insights and Action	Conversation Analytics aggregates enriched data across interactions to surface trends, coaching opportunities and operational patterns	Strategic business intelligence driving continuous improvement

This continuous cycle means that every interaction processed by the platform generates actionable intelligence for the customer. Transcribed conversations enable quality monitoring and improve operational visibility. Summarised interactions accelerate quality reviews and reduce documentation time. Real-time sentiment markers guide agent behaviour during live conversations and feed historical trend analysis. Analytical insights identify coaching opportunities, process bottlenecks and emerging customer issues that inform operational decisions.

The result is a unified intelligence ecosystem where isolated customer touchpoints are connected into a coherent data stream. For the enterprise customer, this translates into tangible operational benefits: faster resolution times, more consistent service quality, improved agent productivity and data-driven decision-making across the organisation. For the Group, it creates a learning effect that deepens competitive advantage over time, as the platform's intelligence improves with each customer deployment and each interaction processed.

Self-reinforcing lifecycle of competitive advantage



AI as Revenue Enablement

The Group's AI strategy is anchored in a deliberate positioning choice. Our AI capabilities are designed to achieve revenue enablement, rather than focusing narrowly on AI as a tool for cost reduction. Voice AI that enables contact centres to handle greater customer demand, improve collection rates, increase first-contact resolution or reduce churn directly reinforces how enterprises create value. We have observed that platforms positioned around outcomes rather than automation tend to capture stronger commercial momentum, and management believes this framing aligns the Group's AI capabilities with the way enterprise procurement decisions are made.

This positioning is reflected in how the Group's customers deploy the Core AI Suite. Rather than using AI to reduce headcount, enterprises are using the Group's transcription, summarisation and analytics capabilities to make existing teams more effective: agents resolve issues faster with better context, supervisors identify coaching opportunities through data rather than manual observation, and quality assurance teams review a larger proportion of interactions without additional resources. The most effective enterprise AI, as the Group's Founder and CEO has observed, is invisible to the customer but unmistakable in the experience it delivers.

Enterprise AI Principles and Governance

As AI capabilities expand across the platform, the Group's approach is governed by a clear set of principles designed to maintain enterprise trust. In regulated industries, where the consequences of AI failure extend beyond customer dissatisfaction to legal, financial and reputational damage, the governance framework surrounding AI deployment is as important as the capabilities themselves.

The Group's Enterprise AI capabilities are designed around three principles: control, reliability and compliance. These principles are not aspirational statements; they are architectural requirements embedded into the platform's design.

PRINCIPLE	DEFINITION	PLATFORM IMPLEMENTATION
Control	Governance and monitoring over AI behaviour, ensuring that AI operates within defined parameters and business rules at all times	Multi-tier verification of intent detection, process step execution and response accuracy; explicit state management with validated transitions; comprehensive audit trails for every AI decision
Reliability	Consistent, predictable performance at enterprise scale across diverse operating conditions	AI models optimised for real-world conditions including variable audio quality, code-switching and regional accents; redundant processing architecture with automated failover; continuous performance monitoring against defined SLOs
Compliance	Alignment with regulatory requirements across jurisdictions, including data sovereignty, privacy and industry-specific mandates	Flexible deployment architecture with in-country processing options; configurable data residency controls; transparency and auditability built into platform architecture rather than applied as an overlay

The Case for Governed AI

The enterprise AI market is evolving from capability to trustworthiness. Reliability, auditability and demonstrable real-world outcomes are increasingly the decisive procurement criteria. Enterprises and government agencies considering AI deployment are asking not only what the technology can do, but whether it can be trusted to operate consistently within defined parameters and whether its behaviour can be explained and audited after the fact.

This shift is particularly relevant in the sectors the Group serves. In financial services, AI systems may be required to explain how decisions are reached, for example in loan approval or customer risk assessment. In government operations, strict adherence to defined procedures is mandatory, and any deviation carries compliance implications. In insurance, claims processing must follow auditable workflows where every step is documented.

Content errors tend to attract the most attention, but in enterprise environments, the more significant risks are silent: what the Group describes as "process hallucinations," where an AI system confidently skips a mandatory compliance step, executes the wrong workflow, or reports that it has completed an action it never performed. Unlike factual errors that are visible in the output, these failures operate beneath the surface and may only be detected through subsequent audit, by which point the damage, whether regulatory, financial or reputational, may already have occurred.

The Group's Enterprise AI principles are designed to address these risks directly. By embedding control, reliability and compliance into the platform's architecture rather than treating them as optional overlays, the Group provides the governance framework that enterprises in regulated industries require before deploying AI into their customer-facing operations.

Model-agnostic Architecture

The Group's platform infrastructure enables flexibility across AI model providers rather than single-vendor dependency. No single AI model dominates all use cases, and leading enterprises increasingly require the ability to select the most appropriate model for each specific application. The Group's architecture supports this requirement, enabling deployment of proprietary models alongside third-party foundation models within a consistent governance framework.

This model-agnostic approach ensures that enterprise customers are not locked into a particular AI ecosystem. It allows the Group to optimise performance and cost across its platform by selecting the best-suited model for each capability, whether that is a proprietary model optimised for regional languages, a third-party model suited for general-purpose tasks, or a combination of both. As the AI landscape continues to evolve, this architectural flexibility positions the Group to incorporate new model capabilities without requiring fundamental platform changes.

Platform Enhancements During FY2025

FY2025 was a year of significant platform investment alongside the operational demands of the IPO process. The Group capitalised US$1.1 million in platform and module development during the year (FY2024: US$1.0 million), reflecting continued investment in expanding capabilities across new languages, use cases and geographic markets. The following table summarises the principal areas of platform enhancement.

AREA	FY2025 DEVELOPMENT
Platform and Module Development	US$1.1 million capitalised in platform and module development (FY2024: US$1.0 million), reflecting continued investment in expanding platform capabilities across new languages and use cases
Core AI Suite Expansion	Extended the capabilities of Toku Transcribe, Toku Summarise, Sentiment Analysis and Conversation Analytics; first AI contracts closed with both enterprise and public sector customers
Agentic AI Programme	Commenced active development of AI Chat and Voice Agents with process-first architecture; entered customer pilots for governed agentic interactions
Security Certifications	Completed re-certification audit for ISO/IEC 27001:2022 and surveillance audits for ISO/IEC 27017:2015 and ISO/IEC 27018:2019, with site extensions covering Activeo Pte. Ltd. and Activeo CDS Pte. Ltd.
Infrastructure Expansion	Established connectivity infrastructure to serve 15 LATAM markets and 2 MENA markets; infrastructure and licence costs increased modestly (+3.3%) to US$2.1 million
Platform Consolidation	Continued API-driven development and cross-domain integration across CCaaS, UCaaS and CPaaS; engineering practices aligned to service catalogue, golden paths and staged deployment

Research and Development Organisation

The Group's research and development function comprises over 28 engineers and technical specialists, led by the Chief Technology Officer in Singapore and the Senior Vice President of Engineering in the Netherlands. Development centres are distributed across Singapore, Indonesia, Malaysia, India and the Netherlands, providing access to deep regional talent pools while maintaining the focused expertise required for complex linguistic and regulatory environments.

The R&D function is organised into three specialised departments that collaborate to deliver the unified platform. Product Engineering teams operate through autonomous squads, each owning specific platform modules and customer outcomes. Data Engineering builds the infrastructure that processes large volumes of customer interactions across multiple languages, providing the foundation for AI model training and real-time analytics. AI Engineering develops the conversational AI and machine learning capabilities optimised for multilingual, multi-accent environments and challenging audio conditions.

Engineering practices are aligned with the Group's vision for a consolidated platform architecture: mandatory code reviews, automated testing frameworks (unit, integration, end-to-end), static analysis, dependency scanning and staged deployment practices with automated rollback on health signal regression. Quality assurance is embedded throughout, ensuring enterprise-grade reliability for the government agencies and multinational corporations that depend on the platform for mission-critical operations.

For a discussion of the Group's capitalised development costs and amortisation policy, shareholders are referred to Note 13 of the Audited Consolidated Financial Statements for the year ended 31 December 2025.

The Direction of Agentic AI

Building on the foundation established by the Core AI Suite, the Group is developing Agentic AI capabilities that represent the next evolution of its Conversational AI layer. AI Chat Agents and AI Voice Agents, currently in active development with customer pilots in the pipeline, are designed to add reasoning capabilities, API-driven actions and multi-step autonomy for complex customer resolutions.

A Process-First Approach

The Group's approach to Agentic AI is fundamentally different from the unconstrained conversational AI models that optimise for linguistic flexibility. For enterprises in regulated industries, where strict adherence to defined procedures is mandatory, the Group takes a process-first approach rather than a conversational-first approach.

This means that the AI agents are designed with explicit state management, validated transitions and business rules embedded directly into the AI workflow. Every interaction follows enforced processes with safeguards that prevent unauthorised access, enforce data sovereignty and regulatory steps (including PDPA and GDPR compliance), and maintain comprehensive audit trails. The system prioritises operational integrity over conversational flexibility, ensuring that an AI agent handling a loan application, insurance claim or government service request follows every mandatory step without exception.

This design philosophy addresses the "process hallucination" risk described earlier in this section. By embedding governance into the agent's architecture rather than relying on the AI model's general capabilities to maintain process fidelity, the Group provides a level of operational assurance that regulated industries require. A multi-tier verification system layers validation of intent detection, process step execution and response accuracy, ensuring consistent and correct handling of every interaction.

Omnichannel and Orchestration Capabilities

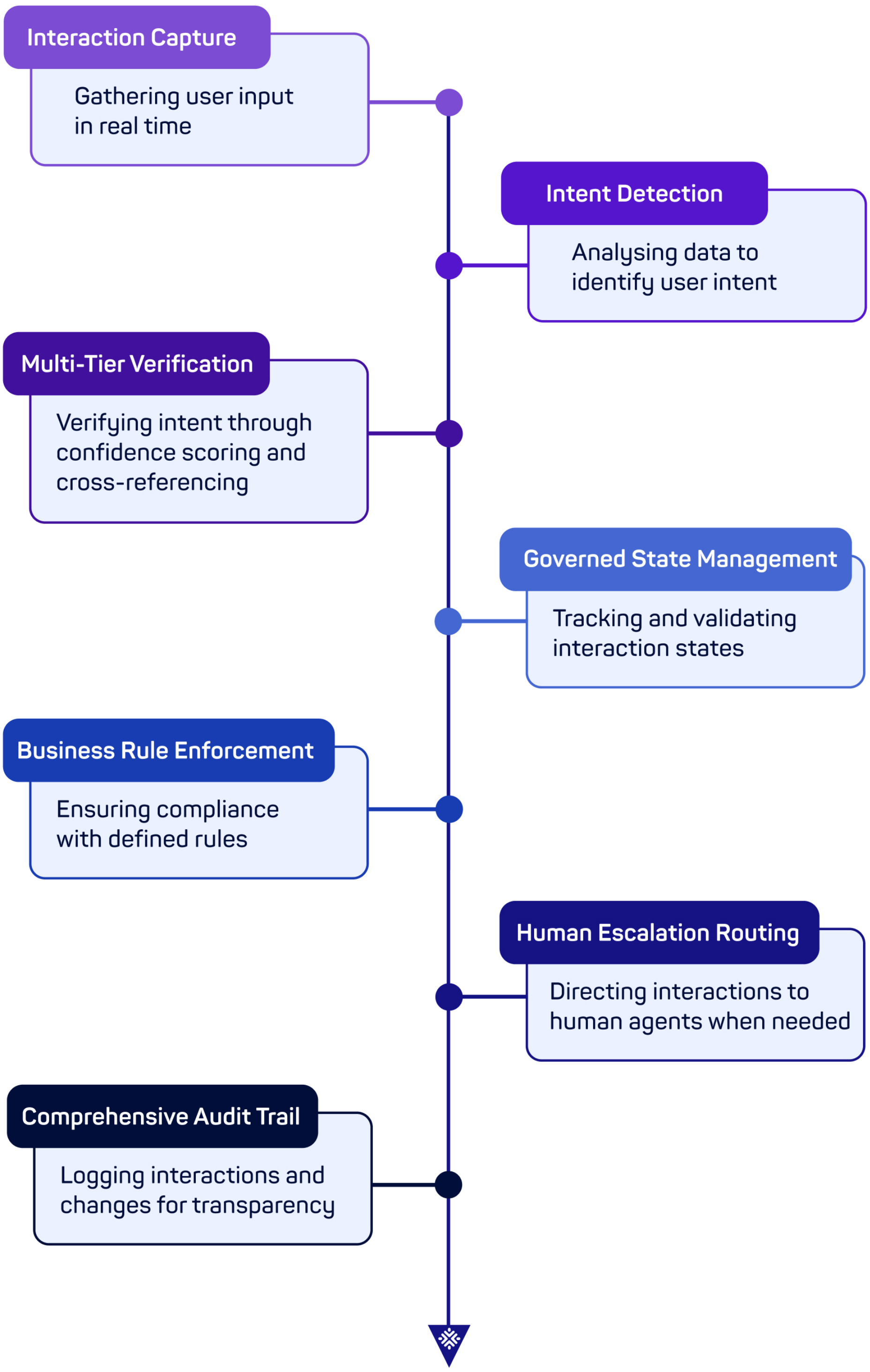
The Group is developing omnichannel coordination that will enable AI agents to operate seamlessly across chat and voice channels, preserving complete conversational state and context when customers switch between modalities. This ensures personalised engagement without repetition or information loss, a critical capability for enterprises whose customers may begin a conversation on one channel and continue it on another.

Real-time orchestration through the Group's event-streaming architecture is designed to unify component interactions, maintain contextual awareness across the customer journey, and enable dynamic routing between AI and human agents based on complexity, customer value or regulatory requirements. This hybrid model reflects the Group's conviction that the most effective enterprise AI amplifies human expertise rather than replacing it: AI handles routine interactions and repetitive tasks, while human agents focus on the judgement, empathy and complex resolution where they add the most value. The boundaries between automated and human-led resolution are designed upfront rather than discovered after deployment, governed by five escalation triggers: emotional cues detected through sentiment analysis, explicit customer requests, AI confidence falling below defined thresholds, business rules for high-value or sensitive interactions, and conversation loop detection after repeated failed attempts. When escalation occurs, AI preserves the full conversational context and routes the interaction to the most appropriate agent with summary and suggestions on the case, enabling human resolution rather than reconstruction.

Integration and Analytics

Integration capabilities with the Group's Contact Centre solution, CRM systems and enterprise applications will enable AI Chat and Voice Agents to access customer history, account information and business logic necessary for personalised service delivery. The Conversation Analytics module processes agent interaction data to identify improvement opportunities and optimise conversation flows, creating a continuous improvement cycle where AI performance is refined through real-world deployment data.

The Agentic AI programme's process-first approach is designed to address critical compliance demands in the sectors the Group serves, including financial services, insurance, healthcare and government operations. Comprehensive reporting frameworks that track every decision point, state transition and outcome provide the transparency required for quality assurance reviews and regulatory audits, supporting deployment in environments where reliability and compliance cannot be compromised for conversational flexibility.



Development Status and Outlook

As at the date of this Annual Report, the Agentic AI programme is in active development with customer pilots progressing. During FY2025, the Group closed its first AI contracts with both enterprise and public sector customers, with initial deployments progressing into production. The Group's layered approach, from proven Core AI Suite capabilities to next-generation agentic intelligence, reflects a deliberate choice to validate each capability in production before introducing the next. That discipline is increasingly relevant as the market contends with "agent washing," where existing chatbot and robotic process automation tools are rebranded as agentic AI without any meaningful change in capability. The Group's view is that enterprises should apply a clear test: does the system follow governed processes, or does it improvise? As the enterprise AI conversation shifts from capability demonstration towards production readiness, the criteria that matter are accuracy, control, compliance, and operational resilience. The Group's process-first architecture is being designed to meet that standard.

The Group's AI development roadmap prioritises two parallel tracks. First, expanding Core AI Suite capabilities across new languages and industry verticals, with no-code customisation tools that enable rapid localisation and measurable performance improvements for enterprise customers: by tailoring AI outputs to their specific context. Second, advancing the Agentic AI programme toward broader production deployment, adding reasoning capabilities and multi-step autonomy while maintaining the control, reliability and compliance standards that enterprises require.

For a discussion of the Group's AI monetisation strategy and the role of AI in the Group's medium-term growth trajectory, shareholders are referred to the Strategy and Outlook section of this Annual Report.

The technology and AI capabilities described in this section represent the highest-value differentiation layer of the Group's platform. They are the capabilities that enable enterprise customers in complex markets to deliver consistent, compliant and intelligent customer experiences, and they are the foundation on which the Group's margin improvement and revenue growth strategies are built. As the enterprise AI conversation shifts from capability demonstration towards production readiness, the Group's emphasis on accuracy, control, compliance, and operational resilience positions it to meet the standards that regulated industries increasingly demand.

CUSTOMERS, MARKETS AND GO-TO-MARKET

The Group serves enterprise customers whose operations span complex, multi-jurisdictional environments where customer experience is a strategic differentiator. This section describes who the Group serves, the markets in which it operates, and the go-to-market approach that connects the platform to the enterprises that need it.

This section should be read in conjunction with the Engineering Customer Experience for Complex Markets section (which describes the platform's architecture and capabilities), the Technology, AI, and Platform Evolution section (which details the AI and technology layer), and the Revenue Model and Platform Economics section (which explains the commercial model).

Enterprise Customer Segments

The Group focuses exclusively on the enterprise segment: organisations with operational complexity, multi-country presence, significant customer interaction volumes, and the regulatory and compliance requirements that accompany serving customers across diverse markets. The platform is not designed for small or mid-market businesses; it is purpose-built for organisations where the cost of poor customer experience, whether measured in regulatory penalties, customer attrition, or operational inefficiency, is substantial.

Within the enterprise segment, the Group serves customers across five principal verticals, each presenting distinct requirements that the platform addresses through its integrated architecture.

Government and Public Sector

Government agencies require stringent data sovereignty, security accreditation and process compliance. Customer interactions in the public sector often involve sensitive personal data, multilingual citizen populations, and the expectation of consistent service delivery across every channel. The Group's government cloud deployment capability, ISO/IEC 27001:2022 certification, and configurable data residency controls are designed to support customers in meeting these requirements. In Singapore, the Group supports government agencies that manage citizen-facing services requiring secure, auditable interactions across voice and digital channels. These deployments operate within dedicated government cloud environments, with access controls and data handling protocols that meet the stringent standards mandated by public sector procurement frameworks.

Financial Services and Insurance

Financial institutions and insurers operate under rigorous regulatory oversight across every market in which the Group is present. Customer interactions in this vertical frequently involve identity verification, transaction processing, and the handling of confidential financial data, all of which must comply with jurisdiction-specific regulations. The Group's platform supports financial services customers in managing these interactions, including through audit trail and encryption capabilities, and the deployment flexibility to process data within national borders where required.

Internet Marketplaces and Digital Platforms

Digital-native enterprises, including food delivery platforms, ride-hailing services, and e-commerce marketplaces, present a distinct set of requirements. These organisations operate at scale across multiple countries, manage large agent workforces, and require platforms that can handle high volumes of real-time customer interactions with minimal latency. Linguistic diversity is a constant, as agents and customers frequently communicate across multiple languages within a single market. The Group's deployment for a leading on-demand delivery actor across Spanish-speaking Latin America exemplifies this vertical. The platform supports more than 1,400 agents across all markets where the customer operates, spanning 15 countries. This deployment validated the Group's ability to deliver consistent performance across markets with widely varying network conditions and telecommunications infrastructure.

Travel and Hospitality

Travel and hospitality enterprises manage seasonal demand fluctuations, multilingual customer bases, and the expectation of responsive service across every stage of the customer journey, from booking through to post-travel support. The Group's omnichannel capabilities, combining voice, messaging, and digital channels within a single operational environment, enable these organisations to deliver seamless experiences regardless of the channel the customer chooses. The platform's advanced routing algorithms direct interactions to agents based on language proficiency, product expertise, and customer value, supporting the delivery of contextually appropriate support to travellers.

Healthcare (Emerging Vertical)

Healthcare represents an emerging opportunity for the Group. Cloud CX solutions are being adopted for appointment scheduling, post-consultation engagement, and patient communications, all within the constraints of health data privacy regulations. While still in its early stages as a revenue contributor, this vertical shares the same structural characteristics that favour the Group's platform: stringent data handling requirements, multilingual patient populations, and the need for compliant, auditable interactions. The Group's process-first AI architecture and flexible deployment options position it well for this regulated growth vertical as adoption accelerates.

Enterprise Customer Segments

Government and Public Sector	Financial Services and Insurance	Internet Marketplaces and Digital Platforms	Travel and Hospitality	Healthcare
Focuses on data, sovereignty, security, and process compliance for government agencies.	Emphasizes regulatory oversight, identity verification, and data encryption for financial institutions.	Addresses high-volume, real-time interactions and linguistic diversity for digital-native enterprises.	Highlights seasonal demand, multilingual customer bases, and seamless omnichannel experiences.	Explores emerging opportunities in appointment scheduling and patient communications within health data privacy regulations.

Geographic Footprint and Market Opportunity

The Group's geographic presence expanded significantly during FY2025, reaching 34 countries by year-end and subsequently growing to 38 with the entry into four European markets in early 2026. The following discussion describes the market opportunity and customer characteristics in each region, complementing the detailed geographic expansion narrative set out in the Engineering Customer Experience for Complex Markets section and the strategic framework presented in the Strategy and Outlook section.

APAC: The Established Core

The Asia-Pacific region remains the Group's largest and most mature market, contributing 77.0% of total revenue in FY2025 (Singapore: 58.2%, Hong Kong: 18.8%). The region is characterised by deep enterprise relationships, an established government customer base, and the operational infrastructure that has been built and refined over eight years. Structural demand drivers are also strengthening: the combination of labour scarcity, rising wage costs, and increasing regulatory complexity means enterprises across the region are investing in AI-powered CX platforms not as a discretionary upgrade, but as an operational necessity. APAC also serves as the proving ground for the Group's AI capabilities, with the Core AI Suite optimised for the region's linguistic diversity, including the code-switching, regional accents, and multilingual interactions that are a daily reality in contact centres across the region.

Singapore is the Group's headquarters and anchor market, home to its deepest enterprise and government relationships. The market benefits from a mature digital infrastructure, progressive regulatory environment, and a concentration of multinational enterprises that use Singapore as their regional hub.

Beyond Singapore, the Group maintains active customer deployments across Malaysia, Bangladesh, Cambodia, the Philippines, Vietnam, and 11 other APAC markets.

LATAM: Customer-Anchored Expansion

Latin America represents the Group's first large-scale regional expansion beyond APAC. The Group entered the region through its deployment for a leading on-demand delivery actor across Spanish-speaking Latin America, establishing connectivity infrastructure across 15 countries during FY2024 and reaching normalised run-rate operations during FY2025. The LATAM market is characterised by strong growth fundamentals, a rapidly expanding digital economy, and a contact centre landscape that is transitioning from on-premises to cloud-based solutions.

This deployment demonstrated that the Group's operational playbook, developed and refined in APAC, transfers credibly into a new region. The same capabilities that enabled success in linguistically diverse, regulatorily fragmented Asian markets proved equally relevant in a Latin American context where similar dynamics apply: varying telecommunications regulations across jurisdictions, inconsistent network quality, and the need for Spanish-language AI capabilities optimised for regional accents and dialects.

The infrastructure investments made in the region during FY2024 and FY2025 are already in place and can accommodate additional customers before requiring further capital expenditure, subject to ongoing operating, localisation, and support costs as regional scale increases. This provides a favourable cost absorption dynamic positioning the Group to serve additional customers in the region as opportunities arise.

GCC and MENA: First-Mover Advantage

The Group entered the Middle East during FY2025, with initial markets in Bahrain and Qatar going live during the year. The Gulf Cooperation Council (GCC) and broader MENA regions present a compelling opportunity shaped by three converging factors: accelerating digital transformation, stringent data sovereignty requirements, and a regulatory environment that favours providers with flexible deployment architecture.

Data residency mandates across the GCC require customer interaction data to be processed and stored within designated jurisdictions. The Group's ability to deploy across public cloud, private cloud, and government cloud environments, with a consistent feature set, supports its competitiveness in procurement processes where data sovereignty is a decisive criterion. The region's enterprises are also investing heavily in AI-powered customer engagement, creating demand for the Group's Core AI Suite capabilities in Arabic and multilingual environments.

Europe: Strategic Entry

The Group announced its first European enterprise agreement in February 2026, extending its country footprint to 38 across four initial markets, with the agreement providing for extension to a further 18 markets as the partnership progresses. The customer selected Toku to support its customer-facing sales operations across these markets, a use case that demonstrates the platform's applicability beyond traditional contact centre service and support. European markets, while mature in infrastructure terms, present their own complexity: stringent data protection regulations (GDPR and national implementations), multilingual requirements across each market, and the high compliance expectations of regulated industries.

The Group's European entry follows a distinct pathway: leveraging established enterprise relationships to provide a lower-risk market entry, with the potential to accelerate regional presence through strategic M&A. European expansion represents a medium-term priority, with the initial four-market deployment serving as a foundation for broader regional development.

Revenue by Geography

The geographic composition of FY2025 revenue reflects the Group's expanding international footprint. Detailed figures and year-on-year analysis are presented in the Financial Highlights and Management Discussion & Analysis section of this Annual Report.

GEOGRAPHY	FY2025 REVENUE	SHARE	TREND
Singapore	US$20.2M	58.2%	Stable anchor market
Hong Kong	US$6.6M	18.8%	Enterprise relationships
Other Countries	US$8.0M	23.0%	Diversifying footprint
Total	US$34.8M	100.0%	

The revenue concentration in Singapore and Hong Kong (77.0% combined) reflects the depth of the Group's enterprise relationships in its most established markets. As LATAM, MENA and European deployments mature and new customers are acquired across these regions, the geographic mix is expected to diversify further.

Go-to-Market Approach

The Group's go-to-market model is evolving from a primarily direct-led approach to a balanced model that combines direct enterprise sales with a channel partner programme that will progressively extend the Group's reach. This transition is central to the Group's long-term operating leverage thesis: extending reach into new markets and customer segments without proportional increases in direct sales headcount.

Direct Enterprise Sales

The Group's direct sales organisation currently generates the majority of new business revenue. Field sales teams focus on strategic enterprise opportunities in the Group's core markets (Singapore, and Malaysia), while dedicated account teams manage expansion and renewal activity within the existing customer base. The direct sales approach is particularly well suited to the Group's target customer profile: large enterprises with complex requirements that benefit from consultative engagement, detailed technical evaluation, and customised solution design.

The typical enterprise sales cycle spans six to nine months, though strategic accounts may involve longer evaluation periods. This timeline reflects the complexity of enterprise procurement processes, which frequently involve multiple stakeholders across IT, operations, compliance, and procurement functions. The Group's improving commercial indicators in FY2025, including a tender win rate of 23.9% (FY2024: 8.8%) and a close-won rate of 9.4% (FY2024: 6.4%), suggest that the Group's competitive positioning within these processes is strengthening.

In new geographies, the Group employs a "compliance-first" entry strategy: establishing the regulatory, licensing, and infrastructure prerequisites before pursuing commercial opportunities. This approach ensures that the Group can deliver on enterprise commitments from the first deployment, building the credibility required for sustained market development.

The Activeo Practice: Professional Services as a Go-to-Market Channel

The Activeo brand, acquired through the Group's strategic acquisition of Activeo SEA in March 2023, serves a dual purpose within the go-to-market model. It provides the professional services capability required for complex enterprise implementations (system integration, digital transformation, and bespoke development), and it functions as a strategic entry point for new customer relationships. Consulting engagements and technology assessments create opportunities to introduce the broader platform, transforming initial professional services relationships into comprehensive platform deployments.

Activeo's established partnerships with enterprise software providers enable the Group to co-deliver complementary solutions, extending its reach into accounts where it may not have had a direct presence. These engagements serve as footholds for cross-functional collaboration and targeted cross-selling of the Group's platform capabilities. The Activeo practice also plays a foundational role in the Group's channel partner development: its proven implementation methodologies and delivery frameworks provide the basis on which external partners are trained and certified, enabling the progressive transfer of delivery capability described in the Channel Partner Programme below.

Channel Partner Programme

The development of a structured channel partner programme represents a strategic priority for FY2026 and beyond. The programme is designed to extend the Group's distribution reach, particularly into markets and customer segments where direct sales investment would be disproportionate to the near-term revenue opportunity. Approximately 90% of the Group's new deal revenue is currently generated through direct sales. The channel partner programme is intended to shift this balance progressively, enabling scalable growth while preserving the Group's focus on platform innovation and strategic account management.

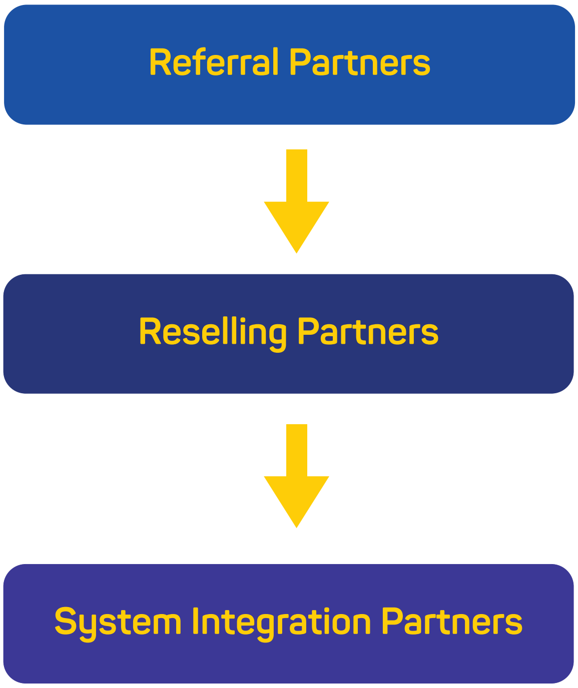
The programme envisions a progressive partnership model, recognising that channel development is a multi-year journey requiring sustained investment in enablement, certification, and joint go-to-market activity.

Referral partners represent the initial tier: organisations that identify and introduce qualified enterprise opportunities to the Group, receiving referral fees for successfully originated engagements. This tier requires the least investment from partners and serves as the entry point for new relationships, allowing both parties to build familiarity and commercial alignment before committing to deeper collaboration.

Reselling partners represent the next stage of maturity: partners that are authorised to sell the Group's platform solutions directly to their enterprise clients, supported by the Group's pre-sales, technical, and delivery resources. Reselling partnerships require structured enablement, including product training, sales certification, and access to the Group's demonstration environments and technical documentation. Revenue sharing models are designed to create mutual incentives for sustained engagement.

System integration partners represent the most advanced tier: partners that are equipped to sell, implement, and deliver the Group's technology with minimal support from the Group. These partners, trained using the Activeo practice's proven implementation methodologies, bring their own delivery teams, customer relationships, and market expertise. The system integration tier is the long-term target for the programme, as it enables the Group to scale delivery capacity across multiple geographies without proportional growth in its own professional services headcount.

The progression from referral to reselling to full system integration capability requires significant time, training, and commercial investment from both the Group and its partners. The Group is deliberately calibrating this transition, prioritising quality of partnership over speed of expansion, with a target of establishing live channel partners by the end of FY2026.



Technology Alliances and Ecosystem

Complementing the channel partner programme, the Group maintains and is developing technology alliances with enterprise software and cloud infrastructure providers. Integration with corporate platforms including Salesforce, Microsoft Dynamics, and ServiceNow enables the Group's platform to function within the existing enterprise technology ecosystem, reducing deployment friction and accelerating time to value. These alliances also create co-sell opportunities: joint go-to-market motions where the Group's CX capabilities are positioned alongside complementary enterprise solutions.

Ideal Customer Profile

The Group's go-to-market activities are focused on a clearly defined ideal customer profile, refined through eight years of enterprise sales experience. The characteristics that define the Group's highest-value prospects include operational presence across three or more countries in APAC or adjacent regions; annual customer engagement spend exceeding US$120,000; existing investment in enterprise CX or IT infrastructure (indicating budget authority and procurement maturity); operational complexity driven by regulatory, linguistic, or infrastructure requirements; and the presence of legacy systems that constrain flexibility and create demand for modern, cloud-native alternatives.

This profile reflects the Group's strategic focus on accounts where the platform's full capabilities, from connectivity through to AI and professional services, can be deployed and where the total contract value justifies the investment required in consultative sales, solution design, and implementation.

For a detailed discussion of the Group's platform architecture and capabilities, refer to the Engineering Customer Experience for Complex Markets section. For a discussion of the revenue model and expansion economics, refer to the Revenue Model and Platform Economics section. For the Group's strategic priorities, refer to the Strategy and Outlook section.

REVENUE MODEL AND PLATFORM ECONOMICS

The Group's revenue model is designed to capture value at every layer of the enterprise customer relationship, from the connectivity infrastructure that carries customer interactions through to the AI capabilities that transform those interactions into strategic intelligence. This section describes how the Group generates revenue, the economic characteristics of each stream, and the expansion and retention dynamics that drive long-term value creation.

This section should be read in conjunction with the Financial Highlights and Management Discussion & Analysis section, which presents the detailed financial performance for FY2025, and the Strategy and Outlook section, which describes the Group's margin improvement and revenue mix objectives.

Five Complementary Revenue Streams

The Group's revenue is organised into five streams, each corresponding to a distinct layer of the 360° CX Platform and serving a specific function within the enterprise customer lifecycle. The streams are designed to be complementary: adoption of one capability frequently generates demand for others, creating a compounding expansion dynamic that reinforces customer retention and increases lifetime value.

1

Usage

Usage is the Group's largest revenue stream, accounting for 68.8% of total revenue in FY2025. Usage revenue is generated through voice and messaging traffic flowing across the Group's Connectivity layer, including voice API services, wholesale carrier services, and network interconnection, as well as consumption-based AI services delivered through the Core AI Suite, including transcription, summarisation, and sentiment analysis. Revenue is recognised based on actual consumption metrics (minutes of traffic, number of messages processed), with automated billing systems ensuring accurate measurement and invoicing.

The Usage stream correlates directly with customer activity levels, providing a scalable growth model that reflects platform adoption and utilisation rates. As enterprise customers expand their operations, increase agent headcounts, or extend into new markets, Usage revenue grows organically without requiring incremental sales activity. The stream also creates strong operational retention incentives: once an enterprise's telecommunications infrastructure flows through the Group's platform, migrating to an alternative provider typically requires significant technical effort and carries execution risk.

The margin profile of Usage revenue is influenced by the volume-driven carrier costs that form the primary cost component of traditional connectivity. Usage margins on connectivity services are lower than those of the Group's software and services streams, reflecting the infrastructure-intensive nature of carrier delivery. As the Group's traffic volumes grow, including through customers onboarded via the channel partner programme, improved carrier rate negotiations, more efficient routing, and the progressive shift towards AI-driven consumption create opportunities for blended margin improvement within this stream.

2

Subscriptions and Licensing

Subscriptions and Licensing is the Group's highest-margin stream and the strategic anchor of its platform economics. This stream encompasses SaaS subscriptions for cloud-based access to the Group's platform, feature-based licensing (including per-seat and concurrent licences for the Contact Centre, omnichannel capabilities, and AI services), and recurring subscriptions for ancillary services such as number leasing.

Revenue is typically recognised on a straight-line basis over the subscription period, providing predictable, contracted cash flows that enhance visibility into future performance. Contracts are structured with minimum one-year commitments and automatic renewal provisions. The margin profile of this stream benefits from the scalability of proprietary technology: once developed, the Group's software capabilities can be deployed across additional customers and geographies with minimal incremental cost, creating inherent operating leverage as the subscriber base grows.

Subscriptions and Licensing represented 16.2% of total revenue in FY2025 (FY2024: 17.6%). The Group's strategic objective is to increase this proportion progressively, as described in the Strategy and Outlook section, through broader AI adoption, geographic expansion, and the development of the channel partner programme.

3

Professional Services

Professional Services revenue is generated through implementation, consulting, and solution enhancement activities delivered primarily through the Activeo practice. This stream encompasses system integration for complex enterprise environments, digital transformation projects, and bespoke development tailored to specific customer requirements.

Professional services revenue is recognised over time, typically following the percentage-of-completion method, with management exercising judgement on milestone-based recognition. The margin profile is determined by resource utilisation and project complexity: professional services are labour-intensive, and margins are influenced by the balance between billable utilisation and the investment required to maintain a skilled delivery workforce.

While Professional Services represented a smaller proportion of revenue in FY2025 (7.0%, FY2024: 10.4%), this stream plays a strategic role that extends beyond its direct revenue contribution. Implementation projects create technical dependencies that reinforce long-term retention, establish the Group as a trusted transformation partner within the enterprise, and frequently unlock expansion opportunities as customers move from initial deployment to progressive platform adoption.

4

Maintenance and Support

Maintenance and Support encompasses post-implementation revenue from technical support, account management, and ongoing platform optimisation. Delivered through tiered support packages with defined service level agreements, this stream provides recurring revenue that correlates with the installed base of deployed solutions.

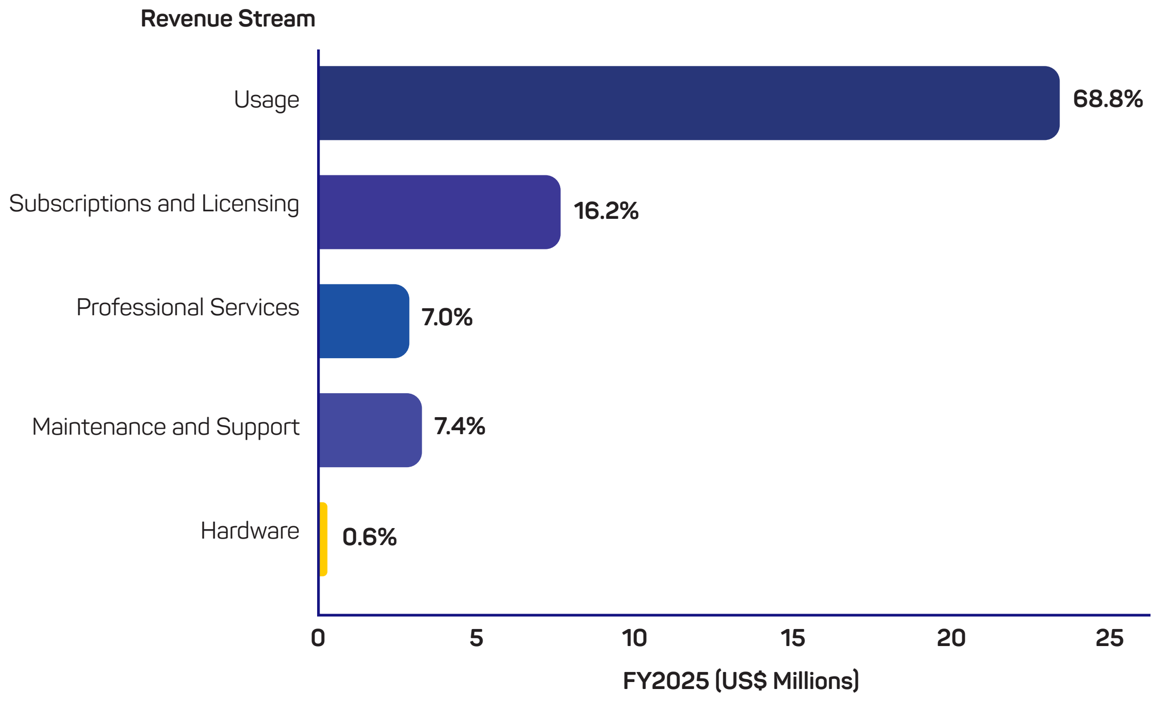
Revenue is recognised on a straight-line basis over the service period. The margin profile benefits from the leveraged delivery model: support infrastructure and account management resources serve multiple customers, creating favourable economics as the installed base grows. This stream safeguards customer success, contributes to high retention rates, and provides the ongoing relationship that enables the Group to identify and pursue expansion opportunities within existing accounts.

5

Hardware Sales

Hardware revenue is generated through the sale of specialised equipment supporting hybrid or custom deployments, including IP phones, network gateways, and on-premises appliances. This stream is immaterial in the context of the Group's total revenue (0.6% in FY2025), consistent with the Group's strategic focus on software and cloud-based services. Hardware is offered as a complementary capability to ensure the platform can accommodate the full spectrum of enterprise deployment requirements, including legacy environments where physical equipment remains necessary.

FY2025 Revenue Breakdown



Subscription-Led Platform Economics

The Group's economic model is anchored in a deliberate strategic choice: building a comprehensive platform that generates value across multiple revenue streams, rather than optimising for a single source of income. This approach, while producing a lower blended gross margin than a pure software business, creates a more durable and defensible commercial position, as described below.

The Multiplier Effect

The integrated design of the 360° CX Platform creates a powerful multiplier effect within customer accounts. As disclosed in the Company's Offer Document, when analysing the same customer cohorts across all revenue streams, total revenue has, in historical cohort analysis, grown to more than two times the initial Subscriptions and Licensing revenue. This occurs because increased licensing drives higher usage volumes (as more agents and channels are activated), generates professional services requirements (as deployments expand in scope and complexity), and sustains ongoing maintenance and support.

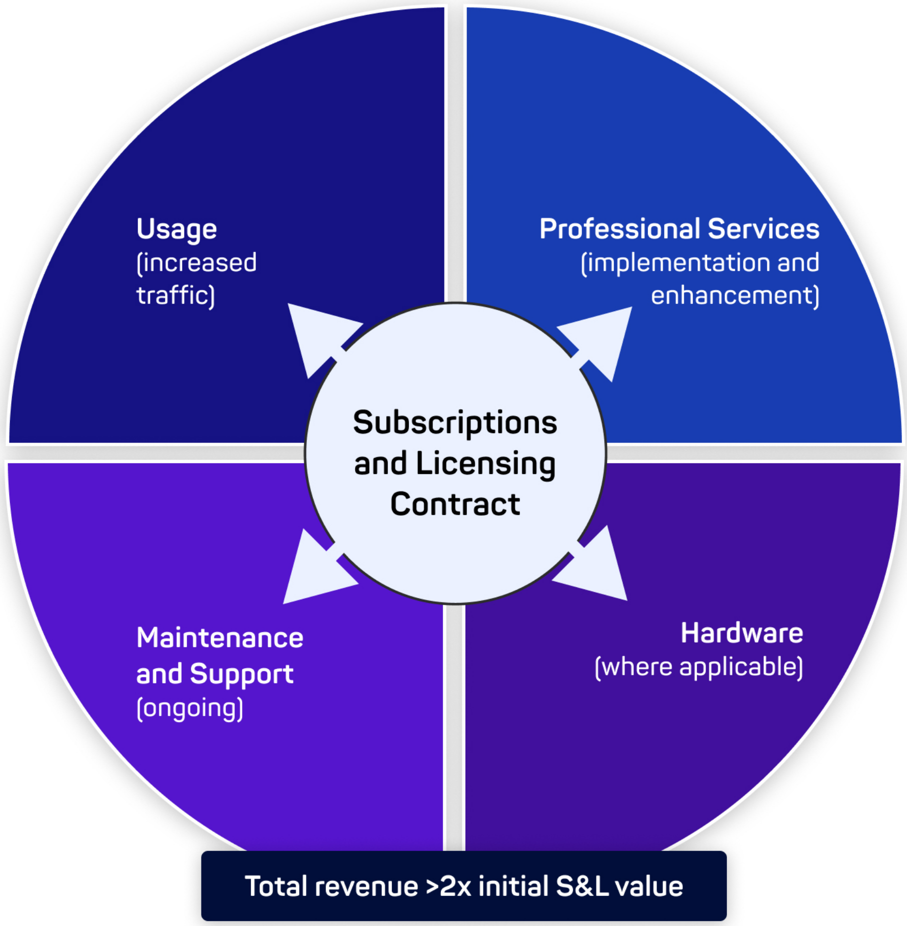
This multiplier effect means that Subscriptions and Licensing, while representing 16.2% of total revenue in FY2025, functions as the catalyst for substantially greater total value creation. The strategic focus on growing this stream, described in the Strategy and Outlook section, is therefore a strategy for growing total revenue, not only the subscription component.

Margin Architecture

The Group's blended gross profit margin of 24.3% in FY2025 reflects the integrated nature of the platform and the current revenue mix, where Usage (the highest-volume, lowest-margin stream) accounts for the largest share. This margin level is a deliberate consequence of the Group's comprehensive platform strategy, as disclosed in the Offer Document, rather than an indication of competitive weakness.

The margin architecture of the platform is designed to improve as the revenue mix evolves. Software-based streams (Subscriptions and Licensing, AI-enhanced services) carry structurally higher margins than connectivity-based streams, because proprietary technology can be deployed at scale with minimal incremental delivery cost. As these higher-margin streams grow as a proportion of total revenue, the blended margin is expected to improve progressively. The Group has identified four principal levers for this improvement: growing adoption of AI-enhanced capabilities, which carry a favourable margin profile; the channel partner programme, which is designed to enable scale without proportional cost increases; platform maturity, where proprietary technology progressively replaces third-party components; and the broader rebalancing of the revenue mix towards Subscriptions and Licensing over time.

For a detailed analysis of FY2025 gross margin performance and the factors affecting margin evolution, shareholders are referred to the Financial Highlights and Management Discussion & Analysis section.



Expansion and Retention Dynamics

The Group's platform economics are characterised by strong customer retention, organic expansion within accounts, and structural switching costs that reinforce long-term relationships.

How Customers Expand

Enterprise customers typically begin their relationship with the Group through a deployment addressing an immediate operational need: a Contact Centre implementation to improve agent productivity, a connectivity deployment to consolidate telecommunications infrastructure, or an AI module to enhance quality assurance. As the platform becomes embedded in the customer's operations, adoption naturally expands to additional modules.

A representative expansion path illustrates this dynamic. An enterprise deploying the Contact Centre for agent operations discovers the benefits of Toku Transcribe for quality monitoring. Transcription data enables Toku Summarise to reduce after-call documentation time. Sentiment Analysis provides real-time guidance during live interactions. Conversation Analytics aggregates these insights into strategic intelligence that informs coaching, process improvement, and customer experience strategy. Each additional module reduces the customer's total cost of ownership, deepens integration dependencies, and increases the operational value of the platform.

This progressive adoption pattern is facilitated by the Group's modular architecture, which eliminates integration complexity between platform components. Customers can add capabilities without disruptive migration, technical rework, or the involvement of third-party integrators. The result is an organic expansion dynamic where the Group's commercial relationship deepens through operational utility rather than sales pressure.

Contract Structure and Retention Mechanics

The Group's enterprise contracts are structured to support sustained retention while providing flexibility for account expansion. Key commercial terms, as disclosed in the Offer Document, include minimum one-year commitments that establish a baseline contracted revenue floor for each account; automatic renewal provisions that maintain continuity unless either party provides advance notice within the agreed notification period; mid-term licence expansion, enabling customers to increase their committed licences (and associated maintenance and support fees) at any time during the contract term; and licence reduction caps, whereby reductions can only occur at contract anniversaries, subject to advance notice requirements and typically capped at a limited percentage of the original licence count.

This structure creates favourable economics for the Group: expansion revenue can be realised throughout the contract term, while reductions are constrained in timing and magnitude. Combined with the operational complexity of platform migration (encompassing data transfer, workflow reconfiguration, system reintegration, and extensive user retraining), these contractual provisions contribute to the strong gross retention rates reported by the Group.

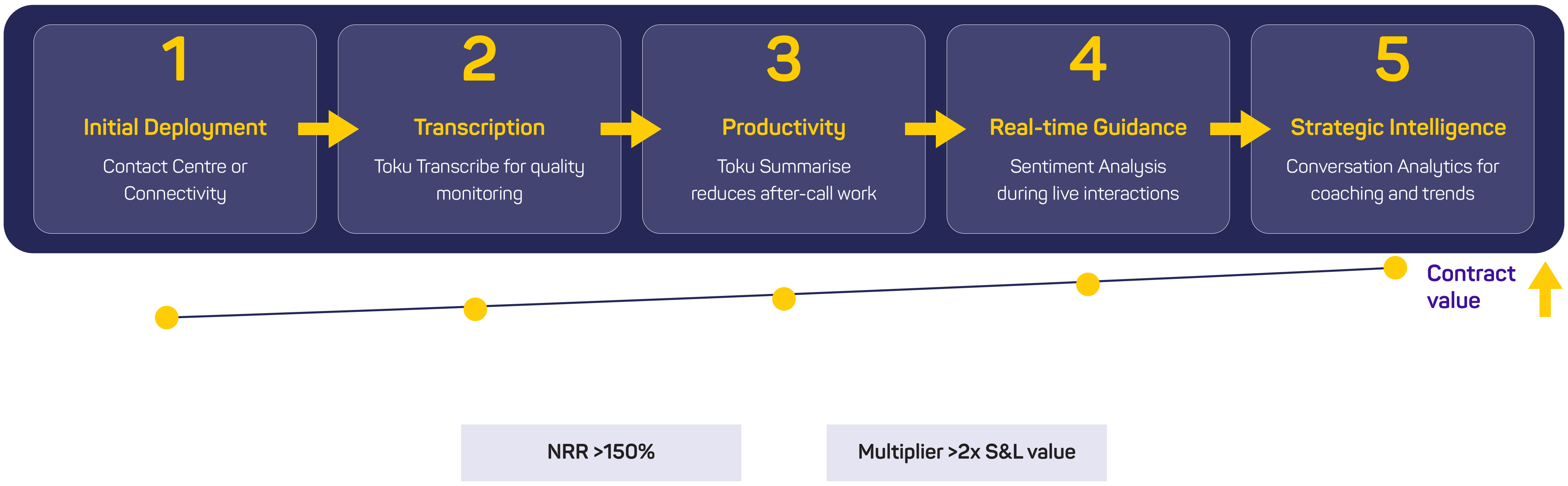
Net Revenue Retention

The Group's Net Revenue Retention rate for its Subscriptions and Licensing business exceeded 150% during the period under review. This metric, calculated using established SaaS industry methodology, measures the revenue retained from existing customers including the impact of expansions, contractions, and churn. An NRR exceeding 150% indicates that the revenue generated from the existing customer base is growing significantly, with expansion revenue substantially outweighing any losses from contraction or attrition.

NRR is calculated on Subscriptions and Licensing revenue because it is the stream most suited to recurring revenue methodology. It is not applicable to Usage revenue (which is consumption-based and therefore variable), Professional Services revenue (which is project-based), or Hardware revenue (which is transactional). While NRR applies to Subscriptions and Licensing specifically, the multiplier effect described above means that the expansion captured by this metric catalyses substantially greater total value creation across all revenue streams.

Progressive Module Adoption

From initial deployment to full platform utilisation



Value Creation Across Modules and Services

The Group's value proposition to enterprise customers is built on two reinforcing dynamics: the operational value each module delivers individually, and the compounding value that emerges when multiple modules operate as an integrated system.

Individual Module Value

Each module within the 360° CX Platform addresses a specific enterprise requirement.

MODULE	ENTERPRISE VALUE	REVENUE STREAM
Connectivity	Carrier-grade telecommunications with 99.99% uptime; PSTN-replacement across 34 countries; regulatory compliance across jurisdictions	Usage, Subscriptions and Licensing
Embeddables (APIs)	Programmable voice, messaging, verification, and number masking integrated directly into enterprise applications	Usage, Subscriptions and Licensing
Contact Centre	Omnichannel orchestration across voice, chat, email, and digital channels; advanced routing; campaign management	Subscriptions and Licensing
Core AI Suite	Transcribe, Summarise, Sentiment Analysis, Conversation Analytics; multilingual, purpose-built for complex markets	Subscriptions and Licensing, Usage
Professional Services (Activeo)	System integration, digital transformation, bespoke development, and ongoing success management	Professional Services
Maintenance and Support	Tiered post-implementation support; platform optimisation; account management	Maintenance and Support

Integrated Platform Value

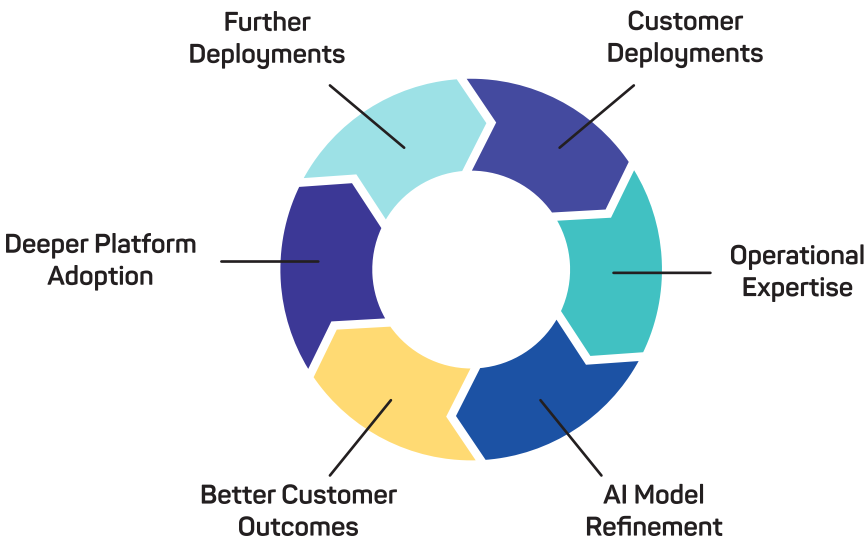
The commercial power of the platform emerges when these modules are deployed together. Connectivity provides the reliable foundation for all interactions. The Contact Centre orchestrates those interactions across channels. The Core AI Suite transforms each interaction into structured intelligence. Professional Services ensures successful deployment and ongoing optimisation. And Maintenance and Support sustains the relationship and identifies further expansion opportunities.

This integrated approach differentiates the Group from point-solution vendors that address only one element of the customer experience chain. Enterprises that adopt the Group's platform replace fragmented multi-vendor arrangements with a single, accountable provider that controls the entire stack, from the network layer through to the AI application layer. The Group does not compete on individual line-item pricing; it competes on the value of an integrated platform that reduces the enterprise's total cost of ownership. When an organisation can consolidate multiple point solutions into a single environment with built-in compliance and AI, the economic argument is compelling regardless of component-level pricing comparisons. This total cost of ownership advantage reinforces retention and makes competitive displacement progressively less likely as adoption deepens.

The Flywheel Effect

The interaction between platform adoption, deployment breadth, and AI performance creates a self-reinforcing cycle that the Group describes as a flywheel effect. Each new deployment across a different language, market, or industry vertical deepens the Group's operational expertise and informs the refinement of its model architecture and training methodologies. Anonymised and aggregated interaction data, processed in accordance with applicable data protection laws and regulations and customer agreements, contributes to the continuous improvement of the Group's AI models, enhancing accuracy and performance across the platform. This flywheel is particularly powerful in the Group's target markets, where the combination of multilingual production data and operational deployment expertise required to deliver accurate regional AI models is scarce and difficult for competitors to replicate.

The Group's competitive advantage deepens with every deployment. Unlike competitors that rely on generic, third-party AI models, the Group's intelligence layer has been developed through sustained production experience across the languages, accents, and operating conditions that characterise its markets, with anonymised and aggregated interaction data contributing to continuous model refinement. This combination of operational expertise and proprietary model development compounds over time and is not something competitors can acquire through licensing or partnership alone.



Outlook for the Revenue Model

The Group's revenue model is positioned for progressive improvement across several dimensions. The strategic shift towards higher-margin Subscriptions and Licensing, the growing contribution of AI-enhanced services, and the development of the channel partner programme are each designed to improve the Group's margin profile and operating leverage over the medium term. The balance between revenue growth and margin improvement is central to management's capital allocation discipline, as described in the Strategy and Outlook section.

For the detailed financial analysis of FY2025 revenue performance by stream and geography, shareholders are referred to the Financial Highlights and Management Discussion & Analysis section. For the Group's strategic priorities, including AI monetisation, channel partner development, and margin improvement objectives, refer to the Strategy and Outlook section.

MANAGEMENT DISCUSSION & ANALYSIS

The following section presents the management discussion & analysis of the Group's financial performance and position for the financial year ended 31 December 2025 ("FY2025"), with comparatives for the financial year ended 31 December 2024 ("FY2024"). This review should be read in conjunction with the audited consolidated financial statements and the accompanying notes thereto. Unless otherwise stated, all figures are denominated in United States dollars (US$).

FY2025 was a transformational year for the Group, marked by the completion of the Company's listing on the Catalist of the SGX-ST on 22 January 2026, the first initial public offering on the SGX in 2026. While the IPO process introduced significant non-cash and non-recurring charges into the reported results, the underlying business continued to deliver meaningful progress: revenue grew 9.3% to US$34.8 million, marking the eighth consecutive year of growth; Adjusted EBITDA improved 17.8%; underlying operating expenses declined 7.5%; and the Group expanded its geographic footprint to 34 countries by year-end, demonstrating its ability to scale efficiently while managing multiple concurrent workstreams.

Summary of Key Performance Indicators

	FY2025 (US$)	FY2024 (US$)	CHANGE (US$)	CHANGE %
Revenue	34,755,416	31,788,258	+2,967,158	+9.3%
Gross Profit	8,431,462	8,701,221	(269,759)	(3.1%)
Gross Profit Margin	24.3%	27.4%	n/m	(3.1pp)
Adjusted EBITDA[1]	(3,281,879)	(3,994,248)	+712,369	+17.8%
Adjusted EBITDA Margin	(9.4%)	(12.6%)	n/m	+3.2pp
Adjusted Net Loss[1]	(4,215,328)	(4,593,458)	+378,130	+8.2%
Reported Net Loss	(9,080,054)	(5,256,507)	(3,823,547)	(72.7%)
Operating Cash Flow	(4,160,603)	(3,773,996)	(386,607)	(10.2%)
Cash and Bank Balances	1,952,464	1,234,168	+718,296	+58.2%
Total Assets	16,139,028	15,090,281	+1,048,747	+7.0%

[1] Adjusted metrics exclude US$5.7M of non-cash and non-recurring charges within operating expenses (listing costs of US$2.3M, accelerated share-based payment expenses of US$3.0M and US$0.4M fair-value adjustments on pre-IPO convertible instruments).

Condensed Consolidated Statement of Profit or Loss

The following table presents the condensed consolidated statement of profit or loss for the Group, prepared under the management reporting format.

	FY2025 (US$)	FY2024 (US$)	CHANGE
Revenue	**34,755,416**	**31,788,258**	**+9.3%**
Cost of Sales	**(26,323,954)**	**(23,087,037)**	**+14.0%**
Gross Profit	**8,431,462**	**8,701,221**	**(3.1%)**
Headcount Costs	11,479,001	9,578,718	+19.8%
Infrastructure and Licence Costs	2,057,983	1,992,155	+3.3%
Marketing and Advertising Costs	116,572	92,010	+26.7%
Office Related Costs	168,657	479,226	(64.8%)
Professional Costs	418,882	466,637	(10.2%)
Other Operating Expenses	2,797,996	500,630	n/m
Other financial expenses	409,387	314,342	+30.2%
Total Operating Expenses	**17,448,478**	**13,423,718**	**+30.0%**
Operating Loss	**(9,017,016)**	**(4,722,497)**	**(90.9%)**
Other Income	70,411	47,339	+48.7%
EBITDA	**(8,946,605)**	**(4,675,158)**	**(91.4%)**
Depreciation and amortisation	(166,701)	(171,902)	(3.0%)
EBIT	**(9,113,306)**	**(4,847,060)**	**(88.0%)**
Interest expenses, net	(766,748)	(427,308)	+79.4%
Loss before tax	**(9,880,054)**	**(5,274,368)**	**(87.3%)**
Income tax credit	800,000	17,861	n/m
Net loss for the year	**(9,080,054)**	**(5,256,507)**	**(72.7%)**

The reported net loss of US$9.1 million includes the non-cash and non-recurring charges detailed in the Operating Expenses section of this review. The underlying operational performance, measured by Adjusted EBITDA, improved 17.8% year-on-year. On an underlying basis, excluding the IPO-related charges, total operating expenses declined 7.5%.

Condensed Statement of Financial Position

	31 DEC 2025 (US$)	31 DEC 2024 (US$)	CHANGE
Non-current assets	8,268,723	6,447,319	+28.3%
Current assets	7,870,305	8,642,962	(8.9%)
Total assets	**16,139,028**	**15,090,281**	**+7.0%**
Current liabilities	18,167,914	12,492,670	+45.4%
of which: FVPL liabilities	7,078,214	–	n/m
Non-current liabilities	2,902,966	1,934,363	+50.1%
Total liabilities	**21,070,880**	**14,427,033**	**+46.1%**
Total equity	**(4,931,852)**	**663,248**	**n/m**
Net current liabilities	(10,297,609)	(3,849,708)	
Adjusted net current liabilities[2]	**(3,219,395)**	**(3,849,708)**	**+16.4%**

[2] *Adjusted net current liabilities excludes the FVPL liabilities of US$7.1M, which were converted into equity on 13 January 2026.*

The balance sheet as at 31 December 2025 reflects the pre-IPO capital structure, including the classification of US$7.1 million of redeemable convertible loans as current liabilities. As described in the Post-Balance Sheet Events section, these instruments have been fully converted into equity, and the Group's capital structure has been materially transformed.

Revenue

Total revenue increased 9.3% from US$31.8 million in FY2024 to US$34.8 million in FY2025, sustaining the Group's unbroken growth trajectory since inception. The increase was primarily driven by higher Usage revenue and continued platform adoption across the Group's expanding geographic footprint. Over the four financial years presented in the Offer Document and this Annual Report, the Group has achieved a compound annual growth rate of approximately 17% from FY2022 to FY2025. The year-on-year growth rate moderated from 10.3% in FY2024 to 9.3% in FY2025, reflecting the impact of the workforce restructuring completed in the second half of FY2024 on near-term delivery capacity and new customer onboarding. Revenue growth accelerated through the year, with the second half growing 13.9% compared to 4.7% in the first half, supporting management's view that the near-term impact of the restructuring has been absorbed.

Revenue by Stream

Revenue Stream	FY2025 (US$)	MIX	FY2024 (US$)	Mix	YoY %
Usage	23,914,733	68.8%	19,770,964	62.2%	+21.0%
Subscriptions and Licensing	5,623,770	16.2%	5,590,494	17.6%	+0.6%
Professional Services	2,448,060	7.0%	3,292,487	10.4%	(25.6%)
Maintenance and Support	2,559,357	7.4%	2,913,443	9.2%	(12.2%)
Hardware	209,496	0.6%	220,870	0.7%	(5.1%)
Total Revenue	**34,755,416**	**100.0%**	**31,788,258**	**100.0%**	**+9.3%**

Usage Revenue

Usage revenue, the Group's largest stream, grew 21.0% to US$23.9 million (FY2024: US$19.8 million), representing 68.8% of total revenue (FY2024: 62.2%). This acceleration was driven by three factors: first, the maturing contribution of the Group's Latin American operations, which reached normalised run-rate during the period; second, expanded traffic volumes from existing APAC customers as enterprise deployments matured; and third, early-stage contributions from new deployments secured during the year.

During FY2025, the Group began monetising its AI-powered capabilities through the Core AI Suite, with transcription, summarisation and sentiment analysis services gaining initial adoption across the customer base. The Group closed its first AI contracts with both enterprise and public sector customers during the year, with initial deployments progressing into production. While the associated revenue contribution was not yet material during the period, management views the adoption trajectory as a positive signal for the AI monetisation roadmap described in the Strategy and Outlook section.

Subscriptions and Licensing

Subscriptions and Licensing revenue was broadly stable at US$5.6 million (+0.6%), providing a contracted recurring revenue base. This stream encompasses SaaS subscriptions for cloud services and API-based access to the Group's enterprise CX platform, recognised on a straight-line basis over the subscription period. The stability of this stream reflects the embedded nature of the Group's platform within customer operations, with retention rates remaining strong across the portfolio.

Professional Services

Professional Services revenue declined 25.6% to US$2.4 million (FY2024: US$3.3 million), primarily reflecting reduced delivery capacity following the workforce restructuring initiatives undertaken in the second half of FY2024, alongside delayed project commencements. Despite a smaller workforce, resource utilisation improved year-on-year, underscoring stronger operational discipline within a streamlined structure. With delivery capacity stabilising and pipeline conversions underway, this segment is positioned for recovery as the direct sales pipeline converts into implementation engagements. Separately, the channel partner programme is designed to enable partners to deliver implementation services directly, supporting Subscriptions and Licensing and Usage revenue growth without proportional demand on the Group's own delivery resources.

Maintenance and Support

Maintenance and Support revenue decreased 12.2% to US$2.6 million (FY2024: US$2.9 million), primarily due to the completion of certain legacy maintenance contracts. Recurring support requirements from new enterprise deployments across APAC, LATAM and the MENA region, together with the planned expansion of the channel partner programme, are expected to underpin the Group's medium-term growth across selected revenue streams.

Hardware

Hardware revenue remained immaterial at US$0.2 million (FY2024: US$0.2 million), consistent with the Group's strategic focus on software and services.

Revenue by Geography

Geography	FY2025 (US$)	MIX	FY2024 (US$)	Mix	YoY %
Singapore	20,222,399	58.2%	21,176,853	66.6%	(4.5%)
Hong Kong	6,531,868	18.8%	1,993,035	6.3%	+227.7%
Other Countries	8,001,149	23.0%	8,618,370	27.1%	(7.2%)
Total Revenue	**34,755,416**	**100.0%**	**31,788,258**	**100.0%**	**+9.3%**

The geographic composition of revenue shifted meaningfully in FY2025, reflecting the Group's expanding international footprint across 34 countries spanning APAC, LATAM and MENA as at 31 December 2025, subsequently expanding to 38 countries with the Group's entry into four European markets announced in early 2026. Hong Kong revenue increased to US$6.5 million (FY2024: US$2.0 million), with the geographic segmentation reflecting the domicile of contracting entities rather than the location of service delivery.

Singapore remained the Group's largest market at US$20.2 million, though its share decreased from 66.6% to 58.2% as international markets grew. Revenue from Other Countries, which encompasses APAC (outside Singapore and Hong Kong), LATAM and MENA, was US$8.0 million (FY2024: US$8.6 million). The Group's revenue from customers individually contributing 10% or more of total revenue was derived from two major customers totalling approximately US$9.9 million in FY2025 (FY2024: US$9.9 million from two major customers), consistent with the prior year concentration level.

Remaining Performance Obligations

Transaction prices allocated to remaining unsatisfied or partially satisfied performance obligations totalled US$5.5 million at 31 December 2025 (FY2024: US$4.2 million), an increase of 32.5%. Of this amount, US$3.9 million is expected to be recognised within one year and US$1.6 million over the subsequent four years, providing visibility into near-term contracted revenue.

Cost of Sales and Gross Profit

Cost of sales increased 14.0% from US$23.1 million to US$26.3 million, outpacing revenue growth of 9.3%. The increase was principally driven by higher voice and messaging termination charges associated with the 21.0% growth in Usage revenue, as these costs are predominantly volume-driven and correlate directly with traffic levels. The expansion of Latin American operations contributed to higher carrier costs as new routes were activated during the year.

	FY2025 (US$)	FY2024 (US$)	CHANGE
Revenue	34,755,416	31,788,258	+9.3%
Cost of Sales	(26,323,954)	(23,087,037)	+14.0%
Gross Profit	**8,431,462**	**8,701,221**	**(3.1%)**
Gross Profit Margin	**24.3%**	**27.4%**	**(3.1pp)**

Gross profit decreased 3.1% from US$8.7 million to US$8.4 million. The gross profit margin declined from 27.4% to 24.3%, principally attributable to a shift in revenue mix. Usage revenue, which carries a lower gross margin than the Group's software and services streams, grew 21.0% and increased its share of total revenue from 62.2% to 68.8%, mechanically compressing the blended gross margin despite the overall increase in total revenue. Management views this compression as a temporary dynamic rather than a structural one, reflecting the current stage of the Group's revenue mix evolution rather than a deterioration in unit economics. Within the Usage stream itself, AI-enhanced services (including transcription, summarisation and analytics monetised on a consumption basis) carry a meaningfully higher margin profile than traditional connectivity services, and their growing adoption is expected to progressively improve blended Usage margins as the Core AI Suite scales.

As disclosed in the Offer Document, the Group's gross profit margin levels reflect its strategic positioning as a comprehensive enterprise platform operating across the entire customer experience value chain. While overall margins may be lower than benchmarks for pure software companies, this is a deliberate consequence of the Group's integrated platform strategy, combining connectivity infrastructure with higher-margin software and services.

Gross Margin Improvement Levers

Management has identified multiple pathways to improve blended margins over the medium term: first, the growing adoption of AI-enhanced services monetised on a consumption basis, which carry a higher margin profile; second, the channel partner programme, which enables scale without proportional cost increases; third, platform maturity, where proprietary technology progressively replaces third-party components and enables premium pricing; and fourth, the broader rebalancing of the revenue mix towards Subscriptions and Licensing over time.

Operating Expenses

Total reported operating expenses increased 30.0% from US$13.1 million to US$17.0 million. The increase is substantially attributable to US$5.7 million of non-cash and non-recurring charges arising from the IPO process, comprising listing costs of US$2.3 million and accelerated share-based payment expenses of US$3.0 million and fair-value adjustments on pre-IPO convertible instruments of US$0.4 million. These items will not recur in FY2026.

Reconciliation of Operating Expenses

Category	FY2025 (US$)	FY2024 (US$)	Change
Headcount Costs (underlying)	8,516,522	9,212,150	(7.6%)
Infrastructure and Licence Costs	2,057,983	1,992,155	+3.3%
Office Related Costs	168,657	479,226	(64.8%)
Professional Costs	418,882	466,637	(10.2%)
Marketing and Advertising Costs	116,572	92,010	+26.7%
Other Operating Expenses (underlying)	505,168	500,630	+0.9%
Underlying Operating Expenses	**11,783,784**	**12,742,808**	**-7.5%**
As % of Revenue	**33.9%**	**40.1%**	**(6.2pp)**
Non-cash and non-recurring items:			
Other financial expenses	409,387	314,342	+30.2%
Accelerated share-based payment	2,962,479	366,568	n/m
Listing costs	2,292,860	–	n/m
Total Operating Expenses (reported)	**17,448,478***	**13,423,718***	**+30.0%**

*These do not include depreciation and amortisation charges that were included in 'Total operating expenses' in the Audited Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Excluding the non-cash and non-recurring items, underlying operating expenses declined 7.5% from US$12.7 million to US$11.8 million despite 9.3% revenue growth, reflecting operational discipline across all cost categories. The underlying operating expense-to-revenue ratio improved from 40.1% to 33.9%, a reduction of 6.2 percentage points.

Headcount Costs

As at 31 December 2025, the Group's workforce comprised 120 people across its operations in 13 countries (31 December 2024: 123 people in 12 countries). Headcount costs (excluding share-based charges), the Group's largest operating expense category, fell 7.6% to US$8.5 million following the workforce restructuring completed in the second half of FY2024. The headcount cost-to-revenue ratio improved from 29.0% to 24.5%. This improvement is consistent with the Group's strategic shift towards a channel partner-led distribution model, which extends the Group's reach without proportional headcount growth.

Other Operating Expense Categories

Office-related costs declined 64.8% to US$0.2 million following the transition to hybrid work arrangements. Infrastructure and licence costs increased modestly (+3.3%) to US$2.1 million, reflecting platform expansion to support new geographic markets. Professional costs decreased 10.2%; this category is expected to increase in FY2026 as the Group absorbs the full-year compliance burden of operating as a listed entity. Marketing and advertising costs increased 26.7% but remain modest in absolute terms at US$0.1 million.

EBITDA and Profitability

Adjusted EBITDA

	FY2025 (US$)	FY2024 (US$)	CHANGE
Reported EBITDA	**(8,946,605)**	**(4,675,158)**	**(91.4%)**
Add back:			
Accelerated share-based payment expenses	2,962,479	366,568	
Loss on fair value change of liabilities at FVPL	409,387	314,342	
Listing costs	2,292,860	–	
Total adjustments	**5,664,726**	**680,910**	
Adjusted EBITDA	**(3,281,879)**	**(3,994,248)**	**+17.8%**
Adjusted EBITDA Margin	**(9.4%)**	**(12.6%)**	**+3.2pp**

Excluding listing costs (US$2.3 million), accelerated share-based payment expenses (US$3.0 million) and fair-value adjustments on pre-IPO convertible instruments (US$0.4M), Adjusted EBITDA improved from a loss of US$4.0 million to a loss of US$3.3 million, representing the Group's best full-year result on this measure since adjusted metrics were introduced. The Adjusted EBITDA margin improved 3.2 percentage points from (12.6%) to (9.4%).

Adjusted Net Loss

	FY2025 (US$)	FY2024 (US$)	CHANGE
Reported Net Loss	**(9,080,054)**	**(5,256,507)**	**(72.7%)**
Add back:			
Accelerated share-based payment expenses	2,962,479	366,568	
Finance expenses: fair value adjustments	409,387	314,342	
Listing costs	2,292,860	–	
Less non-recurring credits:			
Income tax credit	(800,000)	(17,861)	
Total adjustments	**4,864,726**	**663,049**	
Adjusted Net Loss	**(4,215,328)**	**(4,593,458)**	**+8.2%**
Adjusted Net Loss Margin	**(12.1%)**	**(14.5%)**	**+2.4pp**

Excluding the non-cash and non-recurring charges, the Adjusted Net Loss improved 8.2% from US$4.6 million to US$4.2 million. The Adjusted Net Loss margin improved from (14.5%) to (12.1%), a gain of 2.4 percentage points.

Finance Costs

Net finance costs totalled US$0.8 million (FY2024: US$0.7 million). Interest expenses on borrowings and other facilities increased to US$0.8 million (FY2024: US$0.4 million), reflecting the higher average balance on the Group's venture debt facility and additional working capital borrowings during the year. Finance expenses on financial liabilities at FVPL of US$0.4 million represent the non-cash fair-value adjustment on the redeemable convertible loans. The venture debt facility was repaid early on 9 April 2026.

Statement of Financial Position

Total Assets

Total assets increased 7.0% from US$15.1 million to US$16.1 million, reflecting growth in the Group's asset base despite the operating loss for the period.

Non-Current Assets

Non-current assets increased 28.3% to US$8.3 million (FY2024: US$6.4 million), principally driven by a US$1.1 million increase in intangible assets to US$2.9 million, reflecting continued investment in platform and module development. The Group also recognised a deferred tax asset of US$0.8 million in FY2025 relating to previously unrecognised accumulated tax losses. Goodwill on acquisition was unchanged at US$4.4 million, relating to the Activeo SEA acquisition completed in March 2023.

Current Assets

Current assets declined 8.9% to US$7.9 million (FY2024: US$8.6 million). The decrease was driven by lower trade and other receivables (US$4.3 million vs US$5.4 million), reflecting improved collection cycles and timing of invoicing relative to the year-end. Cash and bank balances increased 58.2% to US$2.0 million (FY2024: US$1.2 million), primarily due to net proceeds from convertible loan issuances during the year.

Total Liabilities and Capital Structure

Total liabilities increased to US$21.1 million (FY2024: US$14.4 million). The increase is substantially attributable to the recognition of financial liabilities at FVPL of US$7.1 million. Excluding FVPL liabilities, total liabilities decreased from US$14.4 million to US$14.0 million. Total borrowings were broadly stable at US$4.0 million (FY2024: US$3.9 million). A new third-party secured loan of US$1.7 million was drawn from IRIS Fund LP, carrying an interest rate of 18.0% per annum. This facility was repaid early on 9 April 2026.

Working Capital Analysis

	FY2025 (US$)	FY2024 (US$)
Total current assets	7,870,305	8,642,962
Total current liabilities	(18,167,914)	(12,492,670)
Net current liabilities	**(10,297,609)**	**(3,849,708)**
Add back: FVPL liabilities (converted post-year-end)	7,078,214	–
Adjusted net current liabilities	**(3,219,395)**	**(3,849,708)**

On an adjusted basis, excluding the FVPL liabilities converted into equity post-year-end, the Group's net current liability position improved by US$0.6 million year-on-year.

Capital Deficit and Going Concern

The Group's total equity as at 31 December 2025 was negative at (US$4.9 million) (FY2024: positive US$0.7 million). The capital deficit is substantially a consequence of non-cash items and the classification of convertible loans as financial liabilities. The Board confirms that the Group is able to meet its short-term debt obligations as and when they fall due. The Board is satisfied that preparation of the financial statements on a going concern basis remains appropriate. The Board's assessment takes into account the conversion of redeemable convertible loans into equity and the completion of the IPO subsequent to year-end, which materially strengthened the Group's capital position.

Post-Balance Sheet Events

DATE	EVENT	IMPACT
13 January 2026	Conversion of redeemable convertible loans into 51,126,205 new ordinary shares	Elimination of US$7.1M FVPL liability; corresponding increase in equity
22 January 2026	Listing on SGX Catalist: issuance of 65,000,000 new shares at SGD0.25 per share	Gross proceeds of SGD16.25M (~US$12.1M); increase in cash and equity
28 January 2026	Repayment of shareholder loans of SGD2,954,630 in full	Reduction in borrowings; elimination of monthly interest expenses
9 April 2026	Early repayment of IRIS Fund LP venture debt facility	Retirement of highest-cost borrowing facility

Changes in Equity

The Group's total equity moved from positive US$0.7 million at 31 December 2024 to negative (US$4.9 million) at 31 December 2025. The principal movements were:

Share capital increased by US$4.6 million to US$21.4 million, comprising US$0.5 million from share issuances during the year, US$1.7 million from the conversion of share application monies received in FY2024 and a non-cash increase of US$2.4 million arising from the share-based payment modification associated with the capital restructuring, as described below under ESOP reserves and accumulated losses.

ESOP reserves were reduced to nil (FY2024: US$0.8 million). An ESOP expense of US$0.6 million was recognised during the year, followed by a transfer of US$1.4 million from ESOP reserves to accumulated losses upon the winding down of the pre-IPO employee share option plan.

Accumulated losses increased by US$7.7 million to US$26.3 million, reflecting the net loss for the year of US$9.1 million, the share-based payment modification charge of US$2.4 million (offset by the corresponding share capital increase), and the US$1.4 million ESOP reserves transfer.

Total comprehensive loss for the year was US$9.0 million (FY2024: US$5.3 million), including a favourable currency translation difference of US$36K (FY2024: unfavourable US$42K).

Cash Flow Analysis

Operating Cash Flow

Net cash used in operating activities was US$4.2 million (FY2024: US$3.8 million). The operating cash outflow before working capital movements was US$5.6 million (FY2024: US$4.0 million), driven largely by the US$2.3 million in one-off listing costs incurred during the year. Excluding these non-recurring costs, the underlying operating outflow was broadly consistent with the prior year.

Working capital movements contributed a net inflow of US$1.4 million (FY2024: outflow of US$0.3 million), principally driven by a US$1.2 million reduction in trade and other receivables reflecting improved collection cycles.

	FY2025 (US$)	FY2024 (US$)
Loss before income tax	(9,880,054)	(5,274,368)
Non-cash adjustments	4,285,224	1,228,817
Operating cash flow before working capital	**(5,594,830)**	**(4,045,551)**
Working capital movements	1,434,227	253,694
Income tax	–	17,861
Net cash used in operating activities	(4,160,603)	(3,773,996)

Investing Cash Flow

Net cash used in investing activities was US$1.7 million (FY2024: US$2.2 million). The principal outflow was the addition of intangible assets of US$1.1 million (FY2024: US$1.0 million), representing continued investment in platform and module development. The Group also paid US$0.6 million (FY2024: US$1.2 million) in deferred consideration relating to the Activeo SEA acquisition.

Financing Cash Flow

Net cash from financing activities was US$7.0 million (FY2024: US$5.6 million), principally comprising proceeds from the issuance of convertible loans of US$7.1 million in connection with the pre-IPO funding round. New borrowings of US$2.5 million were drawn during the year, offset by borrowing repayments of US$2.4 million. Interest paid on borrowings was US$0.7 million (FY2024: US$0.4 million), reflecting higher average debt balances during FY2025.

Net Cash Position

The Group's cash and cash equivalents increased to US$2.0 million at 31 December 2025 (FY2024: US$0.8 million). The Group's cash position has been further strengthened subsequent to the reporting date by the receipt of IPO proceeds of SGD16.25 million, partially offset by the repayment of shareholder loans of SGD2.95 million. Pending full deployment, undisbursed proceeds have been placed in interest-bearing accounts with banks, consistent with the Company's stated policy in the Offer Document.

Use of IPO Proceeds

The Company raised gross proceeds of SGD16,250,000 from the initial public offering of 65,000,000 Invitation Shares at SGD0.25 per share on the Catalist of the SGX-ST on 22 January 2026. As at the date of this report, the status of the utilisation is as follows:

Use of IPO Proceeds	ALLOCATED (SGD)	UTILISED (SGD)	BALANCE (SGD)
Platform Expansion and Technology	3,863,000	–	3,863,000
Cash Reserve	1,996,000	–	1,996,000
Strategic M&A and Corporate	4,551,000	–	4,551,000
Shareholder Loan Repayment	3,324,000	2,954,630	369,370
Estimated listing expenses payable in cash	2,515,000	1,162,135	1,352,865
Total gross proceeds	**16,249,000**	**4,116,725**	**12,132,235**

As at the date of this report, SGD4.1 million (25.3%) of the gross proceeds has been utilised, with SGD12.1 million remaining. The utilisation is in accordance with the intended use of proceeds as stated in the Offer Document dated 14 January 2026.

Share Capital and Loss Per Share

As at 31 December 2025, the Company had 452,915,050 issued ordinary shares post sub-division of capital (31 December 2024: 5,062,554 shares, equivalent to 253,127,700 on a post-subdivision basis). Since 31 December 2025, an additional 117,326,205 shares have been issued through the conversion of convertible loans (51,126,205 shares), the IPO allotment (65,000,000 shares) and the PPCF share allotment (1,200,000 shares). As at the date of this report, the total number of issued shares is 570,241,255, with no treasury shares or subsidiary holdings.

Basic and diluted loss per share (post-subdivision) was US$(0.03) cents for FY2025 (FY2024: US$(0.02) cents) based on weighted average number of shares during the year. The Company had no dilutive securities in issue as at 31 December 2025.

Dividend

No dividend has been declared or recommended for FY2025 or FY2024. The Group recorded a net loss for both financial years and accordingly has no retained earnings available for distribution. The Board intends to apply available resources towards funding the Group's growth strategy, as described in the Company's Offer Document.

Commercial Momentum

As a platform serving enterprise customers in complex markets, the Group's sales cycles typically span multiple quarters. Commercial activity in FY2025 provides forward-looking visibility into revenue recognition in the periods ahead.

Indicator	FY2025 PERFORMANCE	TREND
New Business Value	+12% YoY growth in deal value	Growing
Average Deal Size	1.6x compared to FY2024	Landing at scale
Close-Won Rate	9.4% (FY2024: 6.4%)	Improving
ARR Won	+30% YoY growth in value	Accelerating
Tender Win Rate	23.9% (FY2024: 8.8%)	Significantly improved
Tier 1–2 Customers (>US$200K in ARR)	+8.0% YoY increase	Shifting to higher value
New Logos in Top 30	16.7% of top 30 revenue contributors	Growing contribution
AI Demand	First AI contracts with enterprise and public sector customers	Increasing complexity

The improvement in commercial indicators is particularly notable in tender win rates, which rose from 8.8% to 23.9%, and close-won rates, which improved from 6.4% to 9.4%. These gains reflect the Group's strengthening competitive position in enterprise procurement processes. The average deal size increased 1.6 times relative to FY2024, indicating that the Group is landing larger, more strategic engagements.

The above indicators are directional and based on management's assessment. They are leading indicators and may not translate directly to near-term financial results due to typical enterprise deployment and revenue recognition cycles.

Key Accounting Estimates and Judgements

The preparation of the consolidated financial statements in conformity with SFRS(I) requires management to exercise judgement in the process of applying the Group's accounting policies. The following areas involve significant management judgement:

Impairment Assessment of Goodwill
As at 31 December 2025, the Group reported goodwill of US$4,443,070 arising from the acquisition of Activeo SEA. Management performs an annual impairment assessment using the value-in-use method based on discounted cash flow projections. Key assumptions include revenue growth rates of 5.1% to 12.7% (FY2024: (8.0%) to 10.0%), terminal growth rates and discount rates appropriate to the cash-generating unit. Management assessed that no impairment loss is required.

Impairment Assessment of Intangible Assets
The Group's intangible assets of US$2,865,133 (FY2024: US$1,763,064) comprise Level 3 cloud numbers (US$754,404) and capitalised platform and module development costs (US$2,110,729).

Revenue Recognition
Revenue recognition requires management judgement in determining the timing and pattern of satisfying performance obligations, particularly for Professional Services engagements where the percentage-of-completion method is applied.

Going Concern Assessment
The assessment of going concern requires significant judgement regarding the Group's ability to continue operating for the foreseeable future. The Board's assessment took into account the post-balance sheet events that have materially transformed the Group's capital structure.

Deferred Tax Assets
The recognition of deferred tax assets of US$800,000 in FY2025 requires management to assess the probability that future taxable profits will be available against which the accumulated tax losses can be utilised. As at 31 December 2025, the Group had accumulated tax losses of US$24.0 million (FY2024: US$19.7 million), of which the majority remains unrecognised.

Market Context and Near-Term Expectations

The statements in this section are forward-looking in nature and are based on management's current expectations, assumptions and assessments as at the date of this report; actual results may differ materially due to risks and uncertainties beyond the Group's control.

The structural market dynamics described in the Company's Offer Document remain favourable. The global contact centre solutions and broader customer experience market continues to expand, driven by enterprise digital transformation, the adoption of artificial intelligence in customer service, and the ongoing migration from on-premises to cloud-based solutions. Management observes a broader shift in enterprise procurement patterns, with organisations increasingly consolidating fragmented technology stacks onto fewer, more integrated platforms as AI capabilities need to be embedded across the entire customer interaction lifecycle rather than deployed as standalone tools. These trends continue to support demand for integrated platforms capable of navigating the regulatory and operational complexity of fragmented markets, and represent a structural tailwind for platform providers with end-to-end ownership of their technology stack. In the Group's principal markets, demand is further supported by labour scarcity and rising wage costs, which are positioning AI-driven automation as an operational necessity rather than a discretionary investment. In Singapore, recent policy developments, including measures announced in the 2026 Budget to accelerate enterprise AI adoption and support digital transformation, are expected to create a more supportive environment for the Group's offerings in its home market.

Against this backdrop, the Group enters FY2026 with a simplified capital structure, improving operational momentum, and several catalysts for growth. Management expects AI-driven usage to contribute progressively to revenue as the Core AI Suite and Agentic AI programme move into broader production deployment. The channel partner programme, as it scales, is anticipated to accelerate Subscriptions and Licensing growth, while Professional Services is positioned for recovery as delivery capacity stabilises.

Geographically, the Group is sequencing its market expansion in line with the strategy outlined in the Offer Document. The entry into four European markets in early 2026 represents a significant milestone, establishing Europe as the Group's fourth operating region and validating the transferability of the platform beyond its APAC heritage. The Group continues to evaluate opportunities in additional markets, including North America, and will pursue further expansion as commercial traction and partner readiness allow.

Margin improvement remains a key management priority. The revenue mix is expected to shift gradually towards higher-margin software and AI-enhanced services, while the transition to a channel partner-led distribution model is designed to enable the Group to scale without proportional cost increases.

With pre-IPO transitional items behind it and its highest-cost borrowing facility retired ahead of schedule, the Group is well positioned to pursue its medium-term profitability objective while continuing to scale across complex, fragmented markets.

For a detailed discussion of the Group's strategic priorities and market outlook for FY2026, shareholders are referred to the Strategy and Outlook section of this Annual Report.

STRATEGY AND OUTLOOK

This section sets out the Group's strategic direction and market outlook for FY2026 and the medium term. It should be read in conjunction with the Engineering Customer Experience for Complex Markets and Technology, AI, and Platform Evolution sections of this Annual Report, the Financial Highlights and MD&A, the Business Strategies and Future Plans section of the Company's Offer Document dated 14 January 2026, and the cautionary note on forward-looking statements at the end of this Annual Report.

The strategic priorities and market observations set out in this section reflect management's current assessment and are subject to evolving market, regulatory and operating conditions.

Our Strategic Foundation

The Group's strategy rests on a central conviction: complexity is not a barrier to competitive advantage but rather its foundation. Organisations that master AI deployment in linguistically diverse, regulatorily fragmented and infrastructurally variable markets establish competitive moats that pure-play global solutions cannot replicate. This conviction, validated through a sustained track record of revenue growth and the Group's expansion to 34 countries by the end of FY2025, underpins every strategic choice the Group makes.

The Group positions itself as the APAC-native alternative to global generalists: built and proven in Asia's most demanding markets, delivering seamless customer engagement across regulatory, linguistic and operational barriers worldwide. This positioning is reinforced by three pillars of differentiation:

Regional AI Excellence. Purpose-built for APAC's linguistic complexity, with proprietary models optimised for regional accents, code-switching and cultural nuances that Western-centric competitors cannot readily replicate. The Group's Core AI Suite, including Toku Transcribe, Toku Summarise, Sentiment Analysis and Conversation Analytics, represents the highest-value differentiation layer of the platform.

Deployment Flexibility. Complete control, security and adaptability through end-to-end technology ownership with hybrid deployment options. As data sovereignty requirements intensify across APAC and MENA, the Group's ability to deploy across public cloud, private cloud and on-premises environments without feature degradation provides a meaningful advantage in enterprise procurement processes where data residency is a decisive criterion.

Proven Enterprise Trust. Demonstrated results with global enterprises and government agencies in the world's most challenging environments. The Group's strong Net Revenue Retention, as described in the Revenue Model and Platform Economics section, reflects the embedded nature of the platform within customer operations.

Strategic Priorities for FY2026 and Beyond

The Group has identified four strategic priorities for the medium term, each designed to build on the operational foundation established in FY2025 and reinforced by the post-IPO capital structure.

Priority 1: AI Monetisation at Scale
AI is anticipated to become a foundational element of the Group's future margin structure and a key revenue enabler. The Core AI Suite, comprising Toku Transcribe, Toku Summarise, Sentiment Analysis and Conversation Analytics, together with the emerging Agentic AI programme, represent the highest-margin and most defensible elements of the platform.

The Group's AI strategy is anchored in a deliberate positioning choice: we emphasise revenue enablement, rather than positioning AI primarily as a cost-reduction tool. Voice AI that enables contact centres to handle greater customer demand, improve collection rates, increase first-contact resolution or reduce churn directly reinforces how enterprises create value. Platforms positioned around measurable enterprise outcomes, rather than automation alone, capture disproportionate commercial momentum, and management believes this framing aligns the Group's AI capabilities with the way enterprise procurement decisions are made.

During FY2025, the Group closed its first AI contracts with both enterprise and public sector customers, with initial deployments progressing into production. The Group's approach to Agentic AI is process-first rather than conversational-first, prioritising operational integrity, explicit state management and comprehensive audit trails. This design philosophy reflects the requirements of the regulated industries the Group serves, including financial services, insurance and government, where strict adherence to defined procedures is mandatory.

The Group's model-agnostic AI architecture enables flexibility across model providers rather than single-vendor dependency, ensuring that enterprise customers are not locked into a particular AI ecosystem. This approach also allows the Group to select the most appropriate model for each use case, optimising performance and cost while helping ensure alignment with customer, regulatory and market-specific requirements.

Priority 2: Complex Market Expansion
The Group's geographic expansion strategy is sequenced by strategic value and investment intensity. Having approximately doubled its country footprint over the preceding 18 months to reach 34 countries by the end of FY2025, the Group has since expanded further with its entry into four European markets announced in early 2026, bringing the current total to 38 countries.

Region	Approach	Strategic Rationale	Investment*
APAC Core	Defend and deepen	Protect market position; expand AI adoption within existing customer base	High
GCC/MENA	First-mover advantage	Data sovereignty requirements and regulatory complexity favour the Group's deployment flexibility	Medium-High
LATAM	Customer-anchored expansion	Strong market growth outlook; proven operational model validated through the deployment for a leading on-demand delivery actor, providing a scalable template for further customer acquisition	Medium
Europe	Strategic entry	Four initial markets with contractual pathway to 18 further markets; entry via established enterprise relationships with growth potentially accelerated through selective M&A	Medium

** Investment intensity reflects relative strategic focus and anticipated resource allocation over the medium term, rather than committed capital expenditure levels.*

A key enabler of the Group's geographic expansion is the repeatability of its operational playbook: solutions proven in APAC are being replicated in LATAM, MENA and, more recently, Europe. The infrastructure investments to serve LATAM and MENA during FY2024 and FY2025 are already in place and can accommodate multiple customers before requiring further expansion, supporting improved cost absorption as these markets scale.

Priority 3: Platform Evolution and Enterprise Stickiness
The Group's 360° CX Platform creates compounding value through progressive module adoption. Enterprise customers who begin with a single capability naturally expand to multiple modules as the platform becomes embedded in their operations.

The strong retention dynamics described in the Revenue Model and Platform Economics section are reinforced by FY2025 commercial indicators: average deal size increased to 1.6 times FY2024 levels, the value of annual recurring revenue won grew 30% year-on-year, and remaining performance obligations reached US$5.5 million, a 32.5% increase.

Platform stickiness is reinforced by several structural factors: the composable architecture enabling progressive adoption without disruptive migration; AI capabilities that are customised to each customer's operational context, creating a tailored experience that deepens over time; professional services excellence through the Activeo practice, which provides implementation and consulting expertise; and the operational simplification of a single integrated platform for enterprise procurement, replacing the fragmented vendor relationships that characterise many complex market deployments.

Looking ahead, the Group's product strategy follows a principle of reinforcing existing strengths before addressing capability gaps, leading with deployment flexibility and regional AI specialisation. We have observed a competitive shift from isolated analytics towards journey orchestration, where platforms increasingly use real-time data to proactively shape customer interactions, which the Group plans to reflect in the next evolution of the platform. The Group's Conversation Analytics capabilities provide a robust foundation to support this transition.

Additionally, the Group intends to strengthen its AI governance capabilities to address a critical enterprise requirement: trust, reliability and demonstrable improvement in real outcomes are increasingly the decisive factors in enterprise AI procurement, beyond capability breadth alone. Transparency, auditability and explainability are being designed into the platform architecture rather than added retrospectively.

As disclosed in the FY2025 financial statements, the Group incorporated Makimoto Technology Pte. Ltd. during the year as a wholly owned subsidiary in Singapore. Makimoto Technology Pte. Ltd. is intended to serve as the vehicle for the Group's developer ecosystem initiatives, exploring approaches to extend the reach of its AI capabilities beyond traditional enterprise sales channels. The initiative remains at an early stage, and the Group will provide further updates as the strategy matures.

Priority 4: Scalable Growth Through Channel Partners

The transition to a channel partner-led distribution model is central to the Group's long-term operating leverage thesis. By empowering partners to sell, implement and deliver the Group's solutions, the model extends the Group's reach into markets and customer segments that would otherwise require significant direct investment in headcount and infrastructure.

The channel partner programme serves multiple strategic objectives: geographic reach, enabling the Group to serve customers in markets where it does not maintain a direct presence; delivery capacity, with partner-delivered professional services complementing the Group's direct delivery team; technology alliances, integrating with CRM, UCaaS and cloud infrastructure providers to strengthen the platform ecosystem; and co-sell opportunities, creating joint go-to-market motions with strategic partners.

The programme is at an early stage and management is deliberately calibrating the balance between direct and partner investment. As described in the Financial Highlights and MD&A, the underlying headcount cost-to-revenue ratio improved from 29.0% to 24.5% in FY2025, and the structural efficiency gains from the channel model are designed to sustain this trajectory as revenue scales.

Capital Allocation and M&A Strategy

The Group's post-IPO capital structure, including the settlement of all pre-IPO convertible instruments, the repayment of shareholder loans and the early retirement of the venture debt facility, provides a strengthened foundation for disciplined capital deployment. The Group's capital allocation priorities, in order, are:

1. **Operational investment:** Fund organic growth, continued product development and go-to-market expansion, including the channel partner programme and geographic expansion into new markets.
2. **Strategic M&A:** Opportunistically seek complementary acquisitions that accelerate the Group's growth trajectory. As disclosed in the Offer Document, the Group has allocated SGD4.6 million of IPO proceeds for strategic M&A and general corporate purposes. The Group's acquisition criteria prioritise capability and/or geographic expansion, cultural alignment with the Group's entrepreneurial and customer-focused values, and clear synergy realisation pathways. The successful integration of Activeo SEA, completed in March 2023, provides an established playbook for future transactions.
3. **Cash reserve:** Maintain sufficient liquidity for working capital requirements and enterprise credibility, supported by the SGD2.0 million cash reserve allocation from IPO proceeds.
4. **Shareholder returns:** The Board only intends to consider shareholder returns after the Group achieves sustained profitability, consistent with the Group's current focus on reinvesting available resources into growth.

Market Outlook

The structural trends and competitive dynamics described in the Company's Offer Document remain broadly unchanged. The global contact centre solutions market continues to be shaped by three converging forces: the consolidation of Contact Center as a Service (CCaaS), Communications Platform as a Service (CPaaS) and Unified Communications as a Service (UCaaS) into unified platforms; accelerating enterprise AI adoption; and increasing regulatory complexity, which favours compliance-capable providers with hybrid deployment flexibility. A related dynamic is the rationalisation of fragmented vendor landscapes: enterprises that once assembled a patchwork of specialist tools for different elements of the customer journey are increasingly consolidating onto fewer, more integrated platforms, driven by the cost and complexity of managing disparate solutions across multiple markets.

Enterprise AI Adoption

The pace of enterprise AI adoption continues to accelerate, particularly in the APAC and MENA markets where the Group operates. Management observes increasing complexity in customer AI requirements, with enterprises seeking multi-product, AI-enhanced solutions rather than standalone point capabilities. The Group's Core AI Suite adoption during FY2025 supports management's view that AI-driven usage will become a progressively more meaningful contributor to the Group's revenue and margin profile. The enterprise AI market is simultaneously evolving from capability to trustworthiness: reliability, auditability and demonstrable real-world outcomes are becoming the decisive procurement criteria. In Singapore, the Government's Budget 2026 initiatives, including the Champions of AI programme, the enhanced Enterprise Innovation Scheme, and the formation of a National AI Council, signal a coordinated push to accelerate enterprise AI adoption from experimentation into production. These policy developments create a more favourable environment for enterprises to invest in AI-powered solutions, reinforcing the structural demand drivers that underpin the Group's growth trajectory.

Competitive Landscape

The competitive environment reflects a tension between global scale and regional depth. Large global platforms benefit from brand recognition and breadth of capability, while regional specialists offer the localisation, regulatory expertise and deployment flexibility that complex markets demand. The Group is positioned to bridge these two worlds: a platform with global-grade capabilities, purpose-built for and proven in the most demanding regional markets.

Management observes that demand is increasingly shifting from generic point solutions towards integrated platforms with deep domain expertise, compliance rigour and the ability to support the delivery of demonstrable return on investment across customer engagement operations. An emerging distinction in the market is between integrated platform providers that own their full technology stack and serve regulated verticals, and more narrowly focused point-product vendors designed around standardised workflows with limited deployment flexibility. The Group believes its end-to-end ownership of the technology stack, from carrier-grade connectivity and proprietary AI through to compliance and professional services delivery, positions it on the favourable side of this structural shift. Enterprise procurement teams increasingly express concern about single-vendor dependency and data sovereignty constraints, further reinforcing the Group's hybrid deployment model and model-agnostic AI architecture.

Regulatory Environment

Data protection, AI governance and telecommunications regulation continue to evolve across the Group's principal markets. In APAC, several jurisdictions are implementing or strengthening data localisation requirements, which favour the Group's ability to deploy within national borders. AI regulatory frameworks are emerging at varying paces, with the Group's emphasis on built-in compliance architecture, transparency and auditability positioning it to meet these requirements as they crystallise. The Group views regulatory complexity as a competitive advantage rather than a constraint, consistent with its broader strategic thesis.

Factors Affecting FY2026 Performance

The principal factors that may affect the Group's performance over the next 12 months include:

Factor	Description
AI adoption and monetisation	The pace at which the Group's AI capabilities are adopted and monetised at scale, including the transition of initial AI deployments into recurring revenue streams
Channel partner programme	The development and scaling of the channel partner programme and its effectiveness in driving revenue growth without proportional headcount increases
Strategic acquisitions	The timing, execution and integration of potential strategic acquisitions, particularly those that may accelerate the Group's presence in Europe or expand platform capabilities
Revenue mix evolution	The pace at which the revenue mix shifts towards higher-margin Subscriptions and Licensing and AI-enhanced services, supporting gross margin recovery
Competitive dynamics	Competitive and pricing dynamics in traditional connectivity services, including the evolving strategies of global platform providers in the Group's core markets
Macroeconomic conditions	Economic conditions in the Group's principal markets, including the pace of enterprise technology investment and the impact of macroeconomic uncertainty on customer procurement decisions
Foreign exchange	Foreign exchange movements, particularly in the USD/SGD cross-rate, given the Group's multi-currency exposure across its expanding geographic footprint
Listed company costs	The absorption of full-year compliance, professional and marketing costs associated with operating as a listed entity for the first time

Concluding Outlook

The Group enters FY2026 with a simplified capital structure, improving operational momentum and several catalysts for growth. The growth trajectory established since inception, a compound annual growth rate of approximately 17% over FY2022 to FY2025, and an improving Adjusted EBITDA trajectory demonstrate the resilience and scalability of the business model. The FY2025 commercial indicators, including a tender win rate of 23.9%, close-won rate of 9.4% and average deal sizes at 1.6 times FY2024 levels, provide forward visibility into the Group's revenue pipeline.

Management's ambition is to continue growing revenue while progressively improving operational efficiency and moving towards Adjusted EBITDA profitability over the next two to three years. The Group defines this as the period over which it expects the combined effects of AI monetisation, channel partner scaling, and revenue mix rebalancing to bring Adjusted EBITDA to a sustained positive position. The balance between growth investment and margin improvement is central to management's capital allocation discipline, and the post-IPO capital structure provides the resources to execute on both dimensions simultaneously.

Three metrics will serve as the principal near-term indicators of whether the Group's strategic trajectory is translating into financial performance: the recovery of blended gross margins toward their FY2024 levels as the revenue mix evolves; the conversion rate of the FY2025 commercial pipeline into recognised revenue during FY2026; and the pace of AI-driven usage adoption as the Core AI Suite and Agentic AI programme move into broader production deployment. The Board expects management to report candidly on progress against each of these indicators.

With pre-IPO transitional items behind it, the Group's highest-cost borrowing facility retired ahead of schedule, and a clear strategic roadmap anchored in AI monetisation, complex market expansion, platform evolution and channel partner development, the Board is confident in the Group's trajectory. The opportunity ahead is substantial: enterprises across the Group's markets are consolidating their customer engagement infrastructure onto fewer, more capable platforms, and the Group's combination of proprietary AI, deployment flexibility and complex market expertise positions it to capture a meaningful share of that consolidation.

For a full discussion of the Group's business strategies and future plans, shareholders are referred to the section entitled "Business – Our Business Strategies and Future Plans" of the Company's Offer Document dated 14 January 2026. For a discussion of the Group's risk factors, shareholders are referred to the Risk Management section of this Annual Report.

RISK MANAGEMENT, SECURITY AND COMPLIANCE

Effective risk management is essential to the Group's ability to execute its strategy and deliver sustainable value for shareholders. The Board maintains oversight of the Group's risk management framework, with the Audit Committee providing detailed review of risk identification, assessment and mitigation activities. This section presents the principal risks facing the Group, organised under four categories (strategic, operational, financial and compliance), followed by an overview of the Group's security architecture and certifications.

The risks described below should be read in conjunction with the risk factors set out in the Company's Offer Document dated 14 January 2026, which provides a comprehensive discussion of the risks associated with the Group's business and an investment in the Company's shares. The following discussion focuses on those risks that the Board considers most significant to the Group's operations and prospects in the current environment, and highlights developments since the Offer Document.

The risks described below are not exhaustive and do not purport to identify all risks that may affect the Group. Mitigation measures are designed to reduce likelihood and impact, but cannot eliminate risk entirely.

Risk Governance Framework

The Group's risk management framework operates through established governance channels that ensure enterprise-wide awareness and strategic alignment. Overall responsibility for risk management rests with the Board, with the Audit Committee providing oversight of the risk management framework, internal controls and compliance matters, including financial, operational and information technology controls.

Information security and data protection risks are governed at management level through the Information Security Management System Committee (ISMS Committee), chaired by the Chief Legal Officer, which oversees the Group's cybersecurity posture, ISMS compliance and security-related risk mitigation measures supporting the Group's technology platform.

Risk review is integrated into the Group's regular operating cadence. Each principal risk is assigned an owner from the executive team with specific mitigation actions and progress tracking. The framework evolves through annual comprehensive risk assessments, systematic incorporation of incident learnings, proactive regulatory horizon scanning across operational markets, and adaptation to technology risks as the platform capabilities expand.

Key risk themes and mitigation progress are monitored by management and reported to the Audit Committee, with material or strategic risks, including significant cybersecurity incidents or exposures, escalated directly to the Board where appropriate.

Strategic Risks

Risk	Description	Mitigation
Rapid technological transformation	The contact centre solutions market is characterised by frequent new products, changing customer requirements and continuing technological advancement. If the Group is unable to develop or acquire new features for its existing solutions or new applications that achieve market acceptance, its business could be adversely affected.	Continuous platform evolution through sustained R&D investment (US$1.1M capitalised in FY2025); model-agnostic AI architecture avoiding single-vendor dependency; modular platform design enabling progressive capability adoption; over 28 engineers and technical specialists across Singapore, Indonesia, Malaysia, India and the Netherlands.
AI investment and return	The Group's substantial investments in AI technology may not achieve expected returns. AI models may not incorporate sufficient customer data for industry-specific applications, competitors may integrate AI features more quickly, and competition for specialised AI talent is intense.	Proprietary APAC language models with demonstrated performance benchmarks; process-first Agentic AI design for regulated industries; focused AI talent strategy leveraging Singapore's research ecosystem; first AI contracts closed with enterprise and public sector customers in FY2025, validating commercial demand.
Competitive intensity	The Group operates in a competitive market with both global platform providers and regional specialists. Global providers benefit from brand recognition and deep resources, while new entrants may emerge with novel AI capabilities. Consolidation among competitors could alter competitive dynamics.	Differentiation through regional AI excellence, deployment flexibility and proven complex market expertise; hybrid deployment model addressing enterprise data sovereignty concerns; Net Revenue Retention exceeding 150% demonstrating platform stickiness; end-to-end stack ownership providing pricing flexibility and rapid innovation cycles.
Customer concentration	Revenue from the Group's two largest customers totalled approximately US$9.9 million in FY2025, representing approximately 28% of total revenue. The loss of a major customer could materially affect the Group's financial performance.	Active geographic and vertical diversification; expanding customer base with 16.7% of top 30 revenue contributors from new logos in FY2025; channel partner programme extending reach into new customer segments; gross retention rates above 95% reflecting platform stickiness and high switching costs.
Geographic expansion execution	The Group's expansion into LATAM, MENA and Europe introduces execution risk across new regulatory environments, business cultures and operational contexts. The pace of expansion may be slower than anticipated, and new markets may require greater investment than planned.	Transferable operational playbook proven across APAC; infrastructure established to serve LATAM and MENA with capacity for multiple customers; partner-led models in new markets reducing direct investment requirements; European entry via established enterprise relationship providing a lower-risk entry pathway.
M&A integration	Strategic acquisitions involve execution risk in integration, cultural alignment and synergy realisation. The Group's acquisition strategy, funded in part by IPO proceeds, may not deliver expected returns.	Proven integration playbook from the Activeo SEA acquisition (March 2023); disciplined acquisition criteria prioritising capability or geographic expansion and cultural alignment; Board oversight of M&A activity; SGD4.6 million allocated from IPO proceeds with clear deployment criteria.

Operational Risks

Risk	Description	Mitigation
Platform reliability and service continuity	The Group's platform handles mission-critical enterprise communications. Any disruption or failure in systems or infrastructure could result in service interruptions, reputational damage and potential customer losses.	Enterprise-grade infrastructure across multiple cloud environments; hybrid deployment architecture providing redundancy; incident response procedures with defined escalation paths; ongoing investment in monitoring and observability (four golden signals via OpenTelemetry); 99.99% uptime target supported by multi-AZ design.
Cybersecurity and data protection	The Group's platform processes and stores sensitive customer data across multiple jurisdictions. Cybersecurity breaches could result in data loss, regulatory penalties and reputational harm.	ISO/IEC 27001:2022 certification, with ISO/IEC 27017:2015 and ISO/IEC 27018:2019 controls, each implemented and audited within the scope of its certification by TÜV SÜD PSB and extended to Activeo subsidiaries (December 2025); security-by-design architecture with end-to-end encryption, role-based access controls, multi-factor authentication and comprehensive audit trails; regular vulnerability assessments and penetration testing; dedicated cybersecurity function.
AI operational risks	AI systems can generate content containing bias, factual errors or inappropriate responses, particularly when processing diverse linguistic inputs or operating in challenging audio environments. Errors in AI-driven processes could affect customer outcomes in regulated industries.	Process-first architecture with multi-tier verification for regulated industries; proprietary APAC language models with demonstrated accuracy benchmarks; human-in-the-loop oversight for critical workflows; AI governance framework built on three principles (control, reliability, compliance); comprehensive audit trails for every AI decision.
Key personnel and talent	The Group's success depends on the continued service of key management and technical personnel. Competition for specialised AI talent is intense, and the loss of key individuals could affect execution capability.	Equity incentive framework (Toku ESOS and Toku PSP) adopted in connection with the listing to support retention and alignment; competitive compensation benchmarked across 13 jurisdictions; investment in engineering culture and career development pathways; distributed development model across five countries reducing single-location risk.
Channel partner transition	The shift from a direct-only model to a channel partner-led distribution model introduces transition risk. The timing and effectiveness of partner development may not align with expectations.	Phased approach with careful calibration between direct and partner investment; partner enablement and certification programmes based on proven Activeo methodologies; direct delivery capability maintained alongside partner development; channel programme targeting at least three live partners by end of 2026.
Third-party dependencies	The Group's platform requires compatibility with customers' systems of record and third-party providers. Changes to third-party systems could require costly redesign or result in loss of functionality.	Modular platform architecture with well-defined integration interfaces; model-agnostic AI architecture reducing dependency on any single provider; active monitoring of third-party API changes and release cycles; end-to-end stack ownership minimising reliance on external infrastructure for core capabilities.

Financial Risks

Risk	Description	Mitigation
Profitability timeline	The Group has not yet achieved profitability and reported a net loss of US$9.1 million in FY2025 (Adjusted Net Loss of US$4.2 million). There is no assurance that the Group will achieve profitability within the expected timeframe.	Adjusted EBITDA improving 17.8% year-on-year; underlying OPEX-to-revenue ratio reduced from 40.1% to 33.9%; identified margin improvement levers including AI-enhanced services, channel partner scaling, platform maturity and revenue mix rebalancing; post-IPO capital structure providing runway for execution.
Foreign exchange exposure	The Group operates across multiple currencies, with revenue and expenses denominated in various currencies including USD, SGD, HKD and others. Adverse currency movements could affect reported results.	Natural hedge in place: the majority of the Group's revenues and cost of sales are denominated in US dollars, limiting transactional exposure. The Group's IPO proceeds were raised in Singapore dollars, providing a natural buffer for SGD-denominated operating costs. Management monitors exposure and evaluates hedging strategies as international operations scale.
Working capital and liquidity	The Group's operations require sufficient working capital to fund growth, including geographic expansion and platform development. Insufficient liquidity could constrain the Group's ability to execute its strategy.	Post-IPO cash position materially strengthened by gross proceeds of SGD16.25 million; shareholder loans fully repaid; venture debt facility retired ahead of schedule (April 2026) with replacement financing under evaluation on more favourable terms; SGD2.0 million allocated as cash reserve from IPO proceeds.
Revenue mix and gross margin	The Group's blended gross margin is influenced by the mix between Usage (lower margin) and software and services streams (higher margin). Continued growth in Usage revenue could compress margins further before higher-margin streams scale.	Margin performance is influenced by revenue mix as well as strategic investments in geographic expansion and infrastructure scaling, most recently in LATAM, as described in the Offer Document. As these markets mature, management expects margin dynamics to increasingly reflect revenue mix optimisation and operating leverage initiatives. Management monitors margin drivers closely and is pursuing margin improvement initiatives including scaling higher-margin Subscriptions and Licensing, expanding AI-enhanced services, expanding partner-led distribution, platform optimisation and continued pricing discipline.
Enterprise sales cycle variability	The Group's enterprise customers have sales cycles typically spanning six to nine months. Revenue timing variability may cause quarterly fluctuations that do not reflect underlying business trajectory.	Pipeline management discipline with improved close-won rates (9.4% in FY2025 vs 6.4% in FY2024); remaining performance obligations of US$5.5 million providing near-term contracted revenue visibility; diversified revenue streams reducing dependency on any single large transaction.
Interest rate exposure	The Group's borrowings carry both fixed and variable interest rates. Changes in interest rates could affect the Group's finance costs.	Highest-cost borrowing facility (IRIS Fund LP, 18% p.a.) retired ahead of schedule; shareholder loans fully repaid post-IPO; replacement financing under evaluation on more favourable terms; total borrowings broadly stable at US$4.0 million with manageable debt service requirements.

Compliance and Regulatory Risks

Risk	Description	Mitigation
Multi-jurisdictional regulatory complexity	Since the publication of the Offer Document, the Group's operational footprint has expanded across the APAC, LATAM and MENA markets with varying telecommunications, data protection and industry-specific regulations. Compliance requirements differ between jurisdictions and are frequently changing, increasing the cost and complexity of operations.	Proactive regulatory horizon scanning across operational markets; in-house legal expertise complemented by local regulatory advisors; compliance architecture designed into the platform rather than added retrospectively; hybrid deployment model enabling adaptation to jurisdiction-specific requirements.
Data protection and privacy	Multiple data protection regimes apply across the Group's markets, including the PDPA (Singapore), GDPR-aligned frameworks and emerging data localisation requirements. Non-compliance could result in significant penalties and reputational damage.	ISO/IEC 27001:2022 certification, with ISO/IEC 27017:2015 and ISO/IEC 27018:2019 controls, each implemented and audited within the scope of its certification by TÜV SÜD PSB; hybrid deployment architecture enabling in-country data processing; privacy-by-design principles embedded in platform development; data protection officer function with jurisdiction-specific expertise; configurable data residency settings across all deployment models.
AI regulatory evolution	AI governance frameworks are emerging at varying paces across jurisdictions. In Singapore, the Monetary Authority of Singapore published its Consultation Paper on AI Risk Management in November 2025 proposing Guidelines on AI Risk Management for financial institutions, and IMDA published its Model AI Governance Framework for Agentic AI in January 2026. In Europe, key AI Act obligations for high-risk systems are scheduled to apply from 2 August 2026. ISO/IEC 42001 provides a certifiable global standard for AI management systems. The Group's AI capabilities may become subject to new or enhanced regulatory scrutiny, increasing compliance costs and potentially limiting deployment in certain markets.	AI governance built into platform architecture with transparency, auditability and explainability; process-first approach for regulated industries ensuring compliance readiness; active monitoring of regulatory developments across operating markets, including the MAS AI Risk Management framework, IMDA's agentic AI governance guidelines, and EU AI Act implementation timelines; model-agnostic architecture enabling adaptation to jurisdiction-specific AI requirements.
Telecommunications licensing	The Group holds telecommunications licences across multiple jurisdictions. Changes in licensing requirements or failure to maintain licences could restrict the Group's ability to operate in certain markets.	Dedicated regulatory compliance function; proactive licence renewal and monitoring; relationships with regulatory authorities across operating markets; the Group's Level 3 cloud numbers in Singapore are regulated by IMDA with substantial allocations to customers under lease arrangements. The Group's ability to provide SMS services in Singapore, is regulated by the Full SSIR Regime, as implemented by the IMDA with effect from 31 January 2023.

Listed company compliance	As a newly listed company on SGX Catalist, the Group is subject to ongoing listing obligations, continuous disclosure requirements and corporate governance standards. The costs and complexity of compliance may be higher than anticipated.	Board and committee structures established with experienced independent directors; company secretary (BoardRoom) and sponsor (PrimePartners Corporate Finance) providing guidance; internal audit function (Baker Tilly) in place; external auditors (Forvis Mazars) appointed; dedicated legal and compliance leadership through the Chief Legal Officer.
Intellectual property	Third parties may claim that the Group's products or technology infringe their intellectual property rights. The Group's proprietary AI models and platform technology may also be subject to misappropriation or unauthorised use.	IP monitoring and protection strategy; proprietary AI model development reducing reliance on third-party technology; employment agreements with appropriate IP assignment and confidentiality provisions; trademark registrations across key jurisdictions including Singapore, WIPO-designated countries and pending applications.

For a full discussion of the risk factors associated with the Group's business and an investment in the Company's shares, shareholders are referred to the section entitled "Risk Factors" of the Company's Offer Document dated 14 January 2026.

Security Architecture and Certifications

Enterprise-grade security underpins the Group's platform architecture. The Group's enterprise customers, including government agencies and financial institutions, require assurance that their customer interaction data is processed, stored and transmitted in accordance with robust security standards. The following section outlines the Group's security architecture, controls and certifications.

Certifications

The Group maintains internationally recognised information security certifications and controls, all implemented and audited within the scope of their certifications by TÜV SÜD PSB and extended to cover the Group's Activeo subsidiaries following successful re-certification and site extension audits completed in December 2025:

ISO/IEC 27001:2022 (Information Security Management Systems) specifies requirements for establishing, implementing, maintaining and continually improving an ISMS that preserves the confidentiality, integrity and availability of information through systematic risk management processes.

ISO/IEC 27017:2015 (Information Security for Cloud Services) provides guidelines for information security controls applicable to cloud services, offering additional implementation guidance for ISO/IEC 27002 controls and cloud-specific security measures.

ISO/IEC 27018:2019 (Protection of PII in Public Clouds) establishes a code of practice for protecting personally identifiable information in public clouds acting as PII processors, based on ISO/IEC 27002 principles and privacy protection requirements.

Technical Security Architecture

The Group employs industry-standard encryption for data at rest and in transit, including AES-256 encryption and TLS 1.2+ protocols. The platform incorporates multi-layered access controls with role-based permissions, multi-factor authentication and comprehensive audit capabilities. Infrastructure security leverages enterprise-grade capabilities including multi-region architecture with redundancy, availability zone resilience, Infrastructure as Code for consistent deployment and automated provisioning with recovery mechanisms.

Data Sovereignty and Compliance

The platform supports data sovereignty through configurable data residency options, cross-border controls and alignment with regulations including GDPR, PDPA and market-specific requirements. The Group's hybrid deployment architecture, supporting public cloud, government cloud, private cloud and on-premises environments, provides enterprise customers with the flexibility to meet jurisdiction-specific data residency mandates while maintaining core platform capabilities.

Security Operations and Business Continuity

The Group maintains ongoing security management through regular vulnerability assessments and penetration testing, continuous monitoring of infrastructure and applications, especially before each deployment, and prompt remediation of identified vulnerabilities. Business continuity capabilities include comprehensive disaster recovery with defined recovery objectives, periodic testing programmes, documented procedures aligned with industry best practices, and a 24/7 Network Operations Centre supporting incident response through tiered classification with structured escalation procedures and systematic post-incident analysis.

For a detailed discussion of the Group's data protection and cybersecurity framework, shareholders are referred to the section entitled "Business – Data Protection and Cybersecurity" of the Company's Offer Document dated 14 January 2026.

CORPORATE GOVERNANCE

OUR GOVERNANCE FRAMEWORK

BOARD OF DIRECTORS

5 Directors
3 Independent Directors, 1 Non-Independent Non-Executive Director, 1 Executive Director
Chair: Mrs Lim Hwee Hua

AUDIT COMMITTEE	NOMINATING COMMITTEE	REMUNERATION COMMITTEE
3 Independent Directors Chair: Mr Bhavik Doshi	2 Independent Directors, 1 Executive Director Chair: Ms Pebble Sia	3 Independent Directors Chair: Mr Vincent Stevens

Toku Ltd. (the "Company") and its subsidiaries (the "Group") are committed to maintaining high standards of corporate governance to protect the interests of shareholders and enhance long-term value. This report describes the Company's corporate governance practices for the financial year ended 31 December 2025 ("FY2025") with reference to the principles and provisions of the Code of Corporate Governance 2018 (the "Code") and the Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "Catalist Rules").

The Company was incorporated as a private limited company and operated as such throughout FY2025. On 8 December 2025, the Company was converted from a private limited company (Pte. Ltd.) to a public company limited by shares (Ltd.) as part of the capital restructuring in preparation for its initial public offering. The current Board of Directors was appointed on that date. The Company was subsequently admitted to the Official List of the Catalist Board of the SGX-ST on 22 January 2026.

Accordingly, this Corporate Governance Report covers FY2025, during which the Company transitioned through three governance phases. For the majority of the financial year (1 January to 7 December 2025), the Company was governed by the pre-listing Board, which met regularly throughout the year and addressed the full range of matters that now fall within the mandates of the Audit Committee, Nominating Committee and Remuneration Committee. On 8 December 2025, the Board was reconstituted with the appointment of the non-independent non-executive Chair (Mrs Lim Hwee Hua) and three independent non-executive Directors (Ms Pebble Sia, Mr Bhavik Doshi and Mr Vincent Stevens), and the three Board committees were formally constituted. The Company was subsequently admitted to the Official List of the Catalist Board on 22 January 2026, from which date the listed company governance framework became fully operative. Where specific Code provisions or Catalist Rules requirements relate to activities that take place during the course of a full financial year (such as annual Board evaluations, meeting attendance records and remuneration reviews), these will be reported in full from FY2026, the first complete financial year as a listed company.

Where the Company's practices vary from any provision of the Code, the variation, the reason for the variation, and an explanation of how the practices adopted are consistent with the intent of the relevant principle are set out below.

A. BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Board's Duties and Responsibilities

The Board's primary responsibility is to foster the Company's success so as to deliver sustainable value over the long term. Directors are fiduciaries who act objectively in the best interests of the issuer and hold Management accountable for performance. As part of the Board's duties and responsibilities, it oversees the strategic direction, performance and affairs of the Group and provides guidance to Management, led by the Chief Executive Officer (CEO). The Board has adopted a Code of Conduct and Ethics to set the appropriate tone from the top and establish the desired organisational culture. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

In addition to its statutory duties, the Board's principal functions are to:

(a) Create value for shareholders and ensure the long-term success of the Group;
(b) Decide on matters in relation to the Group's activities which are significant in nature, including decisions on strategic directions and guidelines and the approval of periodic plans and major investments and divestments, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
(c) Review and approve the Group's annual budget
(d) Review key management personnel's performance;
(e) Ensure good corporate governance practices to protect the interests of shareholders;
(f) Establish a framework of prudent and effective internal controls and risk management strategies which enables risk to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets;
(g) Oversee, through the NC, the appointments, re-election and resignation of Directors and the Management;
(h) Oversee, through the RC, the design and operation of an appropriate remuneration framework;
(i) Endeavour to align the interests of the Board and Management with the interests of shareholders and balance the interests of all stakeholders; and
(j) Oversee the quality and integrity of the accounting and financial reporting systems, disclosure controls and procedures and internal controls.

Matters Reserved for the Board

The Company has internal guidelines regarding matters that are specifically reserved for the Board's decision-making, including:

(a) approval of the Group's strategic plans, annual budgets and key business initiatives;
(b) approval of financial results announcements and annual financial statements;
(c) approval of material acquisitions and disposals, and capital expenditures exceeding prescribed thresholds;
(d) approval of equity-related transactions (including share issuances, share buy-backs and dividends);
(e) oversight of risk management and internal controls;
(f) appointment of Directors, the CEO, and Key Management Personnel; and
(g) approval of interested person transactions above prescribed thresholds.

The Board may, where appropriate, delegate authority to Management to make decisions and implement the Group's strategies and operations, subject to Board oversight. Management remains accountable to the Board for the discharge of such delegated authority, and the Board retains full responsibility for matters reserved to it.

Board Committees

To assist in the discharge of its responsibilities, the Board has established three Board committees, each with clear written terms of reference setting out its composition, authorities, duties and reporting responsibilities to the Board. The committees were constituted on 8 December 2025 as part of the pre-listing restructuring. The composition of the Board and its committees as at the date of this Annual Report is set out below.

Director	DESIGNATION	DATE APPOINTED	AC	NC	RC	BOARD
Mrs Lim Hwee Hua	NINED, Chair	8 December 2025	–	–	–	C
Mr Thomas Laboulle	ED, CEO	31 January 2018*	–	M	–	M
Ms Pebble Sia	LID	8 December 2025	M	C	M	M
Mr Bhavik Doshi	ID	8 December 2025	C	M	M	M
Mr Vincent Stevens	ID	8 December 2025	M	–	C	M

Legend: AC: Audit Committee | C: Chair | M: Member | NINED: Non-Independent Non-Executive Director | ED: Executive Director | LID: Lead Independent Director | ID: Independent Director

* Mr Laboulle was originally appointed as Director on 31 January 2018 and re-appointed on 8 December 2025 in connection with the Company's IPO.

Board and Board Committee Meeting Attendance

Prior to the reconstitution of the Board on 8 December 2025, the pre-listing Board met regularly throughout FY2025, convening on 4 occasions. These meetings addressed the full range of matters that, following the reconstitution, now fall within the respective mandates of the Audit Committee, Nominating Committee and Remuneration Committee, including financial oversight, the IPO process, capital structure decisions, remuneration matters and corporate governance preparations for listing. While the Board committees were not formally constituted as separate bodies until 8 December 2025, the substantive governance activities within their scope were conducted through the regular Board meetings during the year.

The independent non-executive Directors (Ms Pebble Sia Huei-Chieh, Mr Doshi Bhavik Umesh and Mr Stevens Vincent Francois) and the non-independent non-executive Chair (Mrs Tan Hwee Hua @ Lim Hwee Hua) were appointed on 8 December 2025. The inaugural meetings of the reconstituted Board and its committees took place in February 2026, following the Company's listing on 22 January 2026.

From FY2026 onwards, the Board will meet at least on a quarterly basis, and the Company will disclose each Director's attendance at Board and Board Committee meetings in the annual report for that year.

Directors' Training and Development

The Company has an orientation programme for newly appointed Directors. Upon appointment on 8 December 2025, each Director was briefed by Management on the Group's business activities, strategic direction, governance framework and the regulatory environment. Prior to listing, the Directors also received a comprehensive briefing on the roles and responsibilities of directors of SGX-listed companies.

In accordance with Practice Note 4D of the Catalist Rules, Mr Thomas Laboulle and Mr Vincent Stevens, who did not have prior experience as directors of SGX-listed companies in Singapore at the time of their appointment, have undertaken to complete the prescribed mandatory training under Schedule 1 of Practice Note 4D within one year from the date of the Company's admission to the Catalist (i.e. by 22 January 2027). As these training obligations arose from the listing date and not during FY2025, their completion status will be reported in the FY2026 Annual Report.

Mrs Lim Hwee Hua, Ms Pebble Sia and Mr Bhavik Doshi each have prior experience as directors of listed companies and the NC assessed that the prescribed training was not required. Mrs Lim Hwee Hua serves as an independent director of JERA Co., Inc. and Nippon Paint Holdings Co. Ltd. Ms Pebble Sia serves as an independent director of Singapore Shipping Corporation Ltd, PropNex Limited (both SGX Mainboard) and SMX (Security Matters) PLC (NASDAQ). Mr Bhavik Doshi serves as Chairman and Non-Executive independent director of Alpha Integrated REIT (formerly Sabana Industrial REIT), which is listed on the SGX Mainboard.

Going forward, the Company will take responsibility for funding and arranging regular trainings for the Directors from time to time, with a particular focus on keeping the Directors informed of changes in the relevant laws, regulations and/or commercial risks which are relevant to the Company. The Directors will also be provided with opportunities to attend appropriate courses, conferences and seminars, at the Company's expense.

Directors' Sustainability Training

In accordance with Catalist Rule 720(6), all Directors are required to undergo training on sustainability matters as prescribed by the Exchange. As this obligation arose from the listing date (22 January 2026) and the Board was constituted for only 24 days of FY2025, the Directors' sustainability training will be undertaken and reported upon in the FY2026 Annual Report.

Notwithstanding the above, Mrs Lim Hwee Hua, Ms Pebble Sia and Mr Bhavik Doshi, each have received training on sustainability matters in accordance with Catalist Rule 720(6), as part of the prescribed trainings they have received as directors for other listed companies on the SGX. Mandatory training on sustainability matters will be arranged for Mr Thomas Laboulle and Mr Vincent Stevens in the course of FY2026, in accordance with Catalist Rule 720(6).

Access to Information and Independent Advice

Management provides Directors with complete, adequate and timely information prior to meetings and on an ongoing basis. Directors have separate and independent access to Management, the Company Secretary (Boardroom Corporate & Advisory Services Pte. Ltd.) and, where necessary, external advisers at the Company's expense. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

The Board comprises five Directors: one Non-Independent Non-Executive Director (Chair), one Executive Director (CEO) and three Independent Directors. The Independent Directors therefore form a majority of the Board (three out of five, or 60%). Non-executive Directors also form a majority (four out of five, or 80%), consistent with the requirements of the Code of Corporate Governance 2018, where the Chair is not independent.

Independence Assessment

The Nominating Committee ("NC") reviewed the independence of each Director in connection with the Company's listing, in accordance with Catalist Rule 406(3)(d) and Provision 2.1 of the Code. As all Directors were newly appointed on 8 December 2025 as part of the pre-listing restructuring, this assessment was conducted at the time of their appointment. Going forward, the NC will review the independence of each Director annually and as circumstances require.

The Company follows a rigorous process: each Director discloses business interests and confirms that there are no relationships which interfere with the exercise of independent business judgement. The NC reviews these disclosures and considers each Director's conduct, character and judgement. The NC considered the following relevant relationships and circumstances:

Relevant Relationships and Circumstances	NC's Considerations
(1) Mrs Lim Hwee Hua is the spouse of Mr Lim Andy, a Substantial Shareholder. She is also Co-Chairman of Tembusu Partners Pte. Ltd., which is a Substantial Shareholder of the Company.	Mrs Lim is designated as a Non-Independent Non-Executive Director. Her relationship with Tembusu Partners and Mr Lim Andy, both being Substantial Shareholders, was fully disclosed in the Offer Document and was a factor in her non-independent designation. She does not participate in any deliberations where she has a personal interest.
(2) Ms Pebble Sia is Managing Director of Esquire Law Corporation and an independent director of Singapore Shipping Corporation Ltd, PropNex Limited (both SGX Mainboard) and SMX (Security Matters) PLC (NASDAQ).	(a) Esquire Law Corporation was not engaged by the Group in FY2025 and does not have a business relationship with the Group. (b) Ms Sia's listed company directorships are with entities that have no business relationship with the Group. (c) The NC is satisfied that Ms Sia's external appointments do not impair her ability to exercise independent judgement.
(3) Mr Doshi Bhavik Umesh is an Investment Director at One Hill Capital, a private investment company headquartered in Singapore. He also serves as Chairman and Non-Executive independent director of Alpha Integrated REIT, which is listed on the SGX.	(a) One Hill Capital does not have a business relationship with the Group. (b) Alpha Integrated REIT does not have a business relationship with the Group. (c) Mr Doshi's external roles are not related to the Group's operations. (d) The NC is satisfied that these appointments do not impair his independence.
(4) Mr Vincent Stevens is VP of Premium Entertainment at Telenet, a Belgian telecommunications company.	(a) Telenet does not have a business relationship with the Group. (b) Mr Stevens' role at Telenet and his board memberships at Streamz and PKS Campus are not related to the Group's operations. (c) The NC is satisfied that these appointments do not impair his independence.

None of the Independent Directors nor their immediate family members have been employed by the Company or any of its related corporations in the current or any of the past three financial years. None has served as a Director of the Company for an aggregate period of more than nine years. As at the date of this Report, the Independent Directors have also confirmed their independence in accordance with the guidelines in the Code and Catalist Rules. The Board has considered the conduct of each Independent Director and has determined that Ms Pebble Sia, Mr Bhavik Doshi and Mr Vincent Stevens are independent Directors.

Board Diversity Policy

The Company adopted a Board Diversity Policy in connection with its listing, which addresses gender, skills, experience, age and other relevant aspects of diversity. The Board Diversity Policy considers diversity in terms of skills, experience, gender, age, ethnicity and other relevant factors. The current Board composition reflects meaningful diversity across gender (40% female representation), nationality (two nationalities), professional background (spanning finance, law, telecommunications and public policy) and listed company governance experience.

The Board's diversity targets, plans and progress as at the date of this Annual Report are set out below:

Dimension	Target	FY2025 Status
Gender	Maintain at least one female Director on the Board, with a target of at least 30% female representation by 2028.	**Achieved: 2 out of 5 Directors (40%) are female.**
Age	Ensure the Board comprises Directors across at least two age groups: (a) 50 and below; and (b) above 50.	**Achieved: 3 Directors aged 42-43; 2 Directors aged 52 and 67. Board spans three decades.**
Skills and Experience	Ensure the Board collectively possesses expertise in: (a) finance, accounting and capital markets; (b) technology and telecommunications; (c) legal and governance; (d) government and public policy; and (e) international business across APAC, Europe and North America.	**Achieved across all five domains. See Board Skills Matrix below.**
Nationality and Culture	Maintain Directors from at least two different nationalities to reflect the Group's multinational operations across 30+ countries.	**Achieved: Directors hold two nationalities (3 Singaporean, 2 Belgian), reflecting the Group's Singapore headquarters and European origins.**

The NC reviews the Board's composition annually to ensure it remains appropriate for the Group's evolving needs. As the Group scales its operations across APAC, LATAM, MENA and Europe, the Board's collective expertise in international business, regulatory frameworks and capital markets provides a strong foundation for effective governance and strategic oversight.

Board Skills Matrix

The following matrix summarises the key competencies of each Director, demonstrating that the Board collectively possesses the appropriate balance and diversity of skills:

Competency Area	Mrs Lim	Mr Laboulle	Ms Sia	Mr Doshi	Mr Stevens
Finance, Accounting and Capital Markets	✓	✓	✓	✓	✓
Technology and Telecommunications	–	✓	–	–	✓
Legal, Regulatory and Governance	✓	–	✓	–	–
Government and Public Policy	✓	✓	–	–	–
M&A and Investment Management	✓	✓	✓	✓	✓
International / Regional Experience	✓	✓	✓	✓	✓
Enterprise Software / SaaS	–	✓	–	–	✓
Listed Company Board Experience	✓	–	✓	✓	–

The Board, taking into account the NC's views, is of the opinion that the Board's current size is appropriate with a balanced mix of skills, knowledge, experience, gender, age and nationality for effective decision-making, constructive debate and quality discourse. As the Board is of the view that the current Board's composition is sufficiently diverse and has an appropriate mix of skills, knowledge and experience, the Board has determined that the sole target for the upcoming financial year should be maintaining the existing level of diversity on the Board. Accordingly, no further targets have been set for the upcoming financial year.

Non-Executive Directors' Meetings

The Independent Directors, led by the Lead Independent Director Ms Pebble Sia, will meet periodically without the presence of Management to discuss matters of significance. Feedback from these sessions is provided to the Chair and/or the Board as appropriate.

During FY2025, no such meeting was held. Prior to the reconstitution of the Board on 8 December 2025, the Company's pre-listing Board did not include any independent directors. The three Independent Directors (Ms Pebble Sia, Mr Bhavik Doshi and Mr Vincent Stevens) were appointed on 8 December 2025, leaving only 24 days of the financial year during which the priority was completing the remaining pre-listing workstreams. The inaugural meeting of the Independent Directors without the presence of Management took place following the Company's listing on 22 January 2026 and will be reported in the FY2026 Annual Report.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of Chair of the Board and CEO are held by separate individuals. Mrs Lim Hwee Hua serves as Non-Independent and Non-Executive Chairperson of the Board, and Mr Thomas Laboulle serves as Executive Director and CEO. The Chair of the Board and the CEO are not immediate family members (Catalist Rule 1204(10)).

The Board has established and set out in writing the division of responsibilities between the Chair and the CEO. The Chair leads the Board, ensures its effective functioning, fosters constructive dialogue among Directors and ensures that the Board engages Management in constructive debate on strategic issues. The CEO is responsible for the day-to-day management of the Group, formulating and implementing business strategies, and leading the executive management team.

Lead Independent Director

As the Chair is non-independent, the Board has appointed Ms Pebble Sia Huei-Chieh as Lead Independent Director in compliance with Provision 3.3 of the Code. The Lead Independent Director is the contact person for shareholders where they have concerns and for which contact through the normal channels with the Chair of the Board or Management is inappropriate or inadequate. She also takes the lead in ensuring compliance with the Code. Ms Pebble Sia makes herself available to the shareholders via dedicated email at pebble.sia@toku.co and will also be present and available to the shareholders at the Annual General Meeting for FY2025.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

The NC comprises Ms Pebble Sia (Chair), Mr Bhavik Doshi and Mr Thomas Laboulle. Two of the three NC members, including the NC Chair, are independent. The Lead Independent Director is a member of the NC.

Under its terms of reference, the NC's key responsibilities include: (a) reviewing succession plans for Directors, the Chair of the Board, the CEO and Key Management Personnel; (b) recommending the process and criteria for evaluation of Board performance; (c) reviewing training and professional development programmes for Directors; and (d) making recommendations on the appointment and re-appointment of Directors.

Selection and Appointment Process

When identifying candidates for Board appointments, the NC considers the desired skills, experience, knowledge and diversity needed for the Board to function effectively. The NC uses a skills matrix (as set out under Principle 2 above) to identify gaps and assess whether a candidate's expertise would complement the existing Board. The NC may use a variety of channels including professional networks, industry associations and, where appropriate, third-party search firms. The NC considers the need to position and shape the Board in line with the evolving needs of the Company and its business. In identifying and evaluating potential candidates, the NC adopts a rigorous and transparent nomination process, drawing from various channels such as recommendations from Directors, management, professional search firms and its own network. The NC assesses candidates against a range of criteria, including relevant experience, competencies, industry knowledge and skillsets aligned with the Company's business, while also taking into account broader considerations such as diversity and technological expertise. The Board retains the final discretion in the appointment of new Directors.

Directors Standing for Re-election

In accordance with the Company's Constitution, one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not less than one-third) must retire from office at each AGM. As this is the Company's inaugural AGM since listing, all five Directors will submit themselves for re-election. Shareholders vote on the election of each Director individually.

The information required under Appendix 7F of the Catalist Rules for each Director standing for re-election is set out in a separate section of this Annual Report. The NC, having reviewed the contributions of each Director and the Board's collective skill sets, has recommended to the Board the re-election of all Directors. . The NC has also reviewed and confirmed that the independence of the Independent Directors is in accordance with the guidelines in the Code, and the Catalist Rules and that no additional disclosure is required, in order for the shareholders to assess the independence of such Directors.

Review of Directors' Ability to Commit Time

Each Director is required to confirm that he or she is able to devote sufficient time and attention to the affairs of the Company. The NC has established internal guidelines on the number of other directorships which are normally permitted for members of the Company Board. However, those limits represent guidelines and not absolute caps and the NC retains discretion to assess each Director's circumstances individually, recognising that the nature and demands of different directorships vary considerably.

The NC has reviewed the listed company directorships and principal commitments of each Director and is satisfied that each Director is able to and has been adequately carrying out his or her duties. The listed company directorships and principal commitments of each Director are set out in the table below.

Name of Director	Listed Company Directorships (other than Toku Ltd)	Principal Commitments (other than Toku Ltd)
Mrs Lim Hwee Hua	Nippon Paint Holdings Co., Ltd	1. Cora Environment Group Pte. Ltd. 2. Cora Environment Pte. Ltd. 3. DRR Investment Pte. Ltd. 4. JERA Co. Ltd 5. Nippon Paint Holdings Co., Ltd 6. Tembusu Partners Pte. Ltd. 7. International Valuation Standards Council, Chairman of Board of Trustee 8. National University of Singapore Tembusu College, Rector
Ms Pebble Sia	Singapore Shipping Corporation Limited PropNex Limited SMX (Security Matters) Public Company Limited	1. Esquire Law Corporation 2. Hexagon Residences Pte. Ltd. 3. Lacho Calad Pte. Ltd. 4. Maria Grachvogel Pte. Ltd. 5. Propnex Limited 6. Singapore Shipping Corporation Limited 7. SMX (Security Matters) Public Company Limited
Mr Bhavik Doshi	Alpha Integrated Real Estate Investment Trust	1. Alpha Integrated REIT Management Pte.Ltd. 2. IECP Pte. Ltd. 3. OHCP Pte. Ltd. 4. One Hill Capital Pte. Ltd. 5. One Hill Investments Pte. Ltd. 6. One Hill Ventures Pte. Ltd. 7. One Hill Alliance Pte. Ltd. 8. GFR Holdings Pte. Ltd. 9. RACP Pte. Ltd.
Mr Vincent Stevens	Nil	1. PKS Campus 2. Streamz 3. Telenet
Mr Thomas Laboulle	Nil	Nil

Review of Directors' Independence

As set out under the disclosures in Principle 2, the NC has reviewed and confirmed that the independence of the Independent Directors is in accordance with the guidelines in the Code, and the Catalist Rules.

The Company has implemented a policy requiring Directors to consult both the Chairman of the Board and the Chairman of the Nominating Committee prior to accepting any new directorship appointments. Directors are also required to promptly disclose any changes to their external appointments, including any corporate developments relating thereto, which may affect their independence. This ensures that Directors continue to meet the independence guidelines set out under the Code of Corporate Governance and the Catalist Rules.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board committees and individual Directors.

As the Board was constituted on 8 December 2025 and the Company was not listed during FY2025, a formal board evaluation exercise was not conducted for the financial year under review. The NC has recommended, and the Board has approved, the adoption of an evaluation framework to be implemented for FY2026, the first complete financial year as a listed company. The evaluation will cover the effectiveness of the Board as a whole, each Board committee separately, and the contribution to the Board by the Chair and each individual Director, facilitated through a structured questionnaire covering areas including Board composition, information management, Board processes, strategy oversight and risk management.

B. REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and Key Management Personnel

Remuneration Committee
The RC comprises Mr Vincent Stevens (Chair), Ms Pebble Sia and Mr Bhavik Doshi. All members are non-executive and independent. The RC was constituted on 8 December 2025 as part of the pre-listing restructuring. The RC reviews and recommends to the Board a comprehensive remuneration framework for the Board and Key Management Personnel and the specific remuneration packages for each Director as well as for the key management personnel. The RC considers all aspects of remuneration, including Directors' fees, salaries, allowances, bonuses, share-based incentives, benefits-in-kind and termination terms, to ensure they are fair. No Director is involved in deciding his or her own remuneration.

Remuneration Consultants
No remuneration consultant was engaged by the Company for FY2025. The Remuneration Committee will consider whether to engage external remuneration consultants as part of its annual review cycle from FY2026, and will ensure that any consultant appointed is independent of the Group and its Directors.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

The Company adopts a remuneration structure which is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and to incentivise key management personnel to successfully manage the Company for the long term.

Remuneration Framework for Non-Executive Directors

Non-Executive Directors receive Directors' fees that are appropriate to their level of contribution, taking into account effort, time spent and responsibilities. Directors' fees are recommended by the RC and endorsed by the Board for approval by shareholders at the AGM. As the Non-Executive Directors were appointed on 8 December 2025, their FY2025 remuneration covers only the period from appointment to 31 December 2025. The fee structure for Non-Executive Directors, as established in connection with the Company's listing, is as follows:

Component	Annual Fee (S$)
Board Director (basic retainer)	S$20,000
Chair of the Board (additional fee)	S$40,000
Lead Independent Director (additional fee)	S$5,000
AC Chair (additional fee)	S$7,500
NC / RC Chair (additional fee)	S$2,500
AC / NC / RC Member (additional fee)	S$2,500

The non-executive Directors were appointed on 8 December 2025. Their Board remuneration for FY2025 will be pro-rated based on the remuneration structure to be approved by the Shareholders at the upcoming Annual General Meeting.

The Non-Executive Directors' remuneration does not include any performance-related elements. The Company will seek shareholders' approval at the forthcoming AGM for Directors' fees for FY2026.

Executive Director and CEO Remuneration

The remuneration of the Executive Director and CEO, Mr Thomas Laboulle, comprises a base salary, variable performance-related components, and share-based incentives. A significant proportion of his remuneration is structured to link rewards to corporate and individual performance, aligned with the interests of shareholders and the long-term success of the Group.

The Remuneration Committee is responsible for reviewing and recommending the CEO's total compensation package, including the variable performance-related component, which takes into account the Group's overall financial performance, strategic execution, operational efficiency and progress against medium-term objectives. The CEO's performance bonus for FY2025 and his total compensation package for FY2026 and beyond are currently under review by the Remuneration Committee. The Committee's recommendations will be presented to the Board for approval. The CEO's remuneration is determined by the Board on the recommendation of the RC, in accordance with Article 91 of the Company's Constitution, and disclosed to Shareholders in compliance with the Catalist Rules. From FY2026, the Remuneration Committee will disclose the performance criteria and framework used in determining the CEO's variable remuneration.

Share Incentive Plans

The Company has adopted the Toku Employee Share Option Scheme ("Toku ESOS") and the Toku Performance Share Plan ("Toku PSP"). These plans are designed to align the interests of Directors, Key Management Personnel and employees with the interests of shareholders. Awards under the Toku PSP are principally performance-based, incorporating stretched targets aimed at delivering long-term shareholder value. Further details of the Share Plans are set out in the Directors' Statement in this Annual Report.

The Pre-IPO ESOS (comprising the Toku Pre-IPO Employee Share Option Plan and the Toku Pre-IPO Special ESOP Incentive Plan (as described in the Offer Document)) was terminated with effect from 8 December 2025 as part of the Capital Restructuring Exercise in preparation for the Company's listing. In connection with the termination of the Pre-IPO ESOS, the Company entered into Options Cancellation Agreements with the participants of the Pre-IPO ESOS, such that all outstanding share options under it were cancelled. A total of 13,689,350 Shares (post-subdivision) were awarded as Pre-Listing PSP Shares and 40,474,300 new ordinary Shares (post-subdivision) were issued to option holders pursuant to the Options Cancellation Agreements. The Pre-Listing PSP Shares vested on 9 December 2025 and are subject to a retention period of 12 months from the Listing Date. The total share-based payment charge recognised in the consolidated statement of profit or loss for FY2025 was US$2,962,479, comprising accelerated charges arising from the termination and settlement of the Pre-IPO ESOS. Further details are set out in Note 24 to the Financial Statements and in the Directors' Statement.

The Toku ESOS and Toku PSP were approved by the Shareholders on 8 December 2025. As at 31 December 2025 and as at the date of this Annual Report, no options have been granted under the Toku ESOS and except for the Pre-Listing PSP Shares, no awards have been granted under the Toku PSP. There are no employees who received 5% or more of the total shares available under the Toku PSP since the commencement of the Toku PSP till the end of the financial year. The aggregate number of Shares available under the Share Plans is subject to a limit of 15% of the total issued Shares (excluding treasury shares and subsidiary holdings) on the date preceding the date of grant, in accordance with the rules of the respective plans (excluding the Pre-Listing PSP Shares, which do not count towards this limit). The Company did not have any outstanding options, treasury shares or subsidiary holdings as at 31 December 2025.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration.

Directors' and CEO Remuneration

In compliance with Catalist Rule 1204(10D), which requires the disclosure of exact remuneration for each individual Director and the CEO for annual reports for financial years ending on or after 31 December 2024, the remuneration of each Director and the CEO for FY2025 is set out below. It should be noted that the Non-Executive Directors were appointed on 8 December 2025 and accordingly their remuneration reflects only the period from their appointment to 31 December 2025. The CEO's remuneration reflects the full financial year, as he served as a director throughout FY2025 (initially on the pre-listing Board of the Company prior to the conversion from Pte. Ltd. to Ltd.).

	Base Salary (SGD)	Variable (SGD)	Pension Contributions (SGD)	Share options/ awards (SGD)	Directors' Fee (SGD)	Total (SGD)
Mrs Lim Hwee Hua	-	-	-	-	4,274	4,274
					100%	100%
Mr Thomas Laboulle	259,812	57,944	-	495,396	Nil	813,152
	32%	7%		61%		100%
Ms Pebble Sia	-	-	-	-	2,301	2,301
					100%	100%
Mr Bhavik Doshi	-	-	-	-	2,301	2,301
					100%	100%
Mr Vincent Stevens	-	-	-	-	1,808	1,808
					100%	100%

* The newly appointed directors' pro-rated remunerations for FY2025 are subject to final approval at the Annual General Meeting.

Key Management Personnel Remuneration

The Company has only three Executive Officers, who are C-level but not Directors or the CEO. These comprise all of the Key Management Personnel for the purpose of this Annual Report. The remuneration of the Key Management Personnel for FY2025 is disclosed below:

	Base Salary (SGD)	Variable (SGD)	Pension Contributions (SGD)	Share options/ awards (SGD)	Total (SGD)
Mr Christian Wong	256,317	20,439	20,400	265,731	562,887
	46%	4%	4%	47%	100%
Mr Ethan Ruff	263,933	-	-	156,628	420,561
	63%			37%	100%
Mr Girish Dharmaraj	244,317	26,820	20,400	152,421	443,958
	55%	6%	5%	34%	100%

Related Employees

Mrs Lim Hwee Hua is the spouse of Mr Lim Andy, a Substantial Shareholder. Mrs Lim Hwee Hua's entire remuneration for FY 2025 is as disclosed above under "Directors and CEO Remuneration". There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, the CEO or a Substantial Shareholder.

In FY2025, there were no termination, retirement or post-employment benefits granted to Directors, the CEO or Key Management Personnel.

C. ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Board determines the nature and extent of the significant risks which the Group is willing to take in achieving its strategic objectives. The Group's principal risks include customer concentration risk, market and competitive risks, regulatory and compliance risks across multiple jurisdictions, technology and cybersecurity risks, and foreign currency risks. These are discussed in greater detail in the Risk Management section of this Annual Report.

Board's Opinion on Internal Controls

While the Board was constituted on 8 December 2025 and the Company was not listed during FY2025, the Board is required to comment on the adequacy and effectiveness of the Group's internal controls and risk management systems for the financial year under review. In forming its opinion, the Board has considered the work performed by the external auditors (Forvis Mazars LLP) and the internal auditors (Baker Tilly) in connection with the Company's IPO and the audit of the FY2025 financial statements, as well as the risk management and internal controls framework established in preparation for listing.

The Board has received assurance from the CEO and the CFO that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the Group's risk management and internal control systems are adequate and effective.

The Board also notes that:

(a) both external and internal audits have been carried out by the EA and IA respectively, and significant matters highlighted to the AC and key management personnel were appropriately addressed;

(b) management and the ISMS evaluate and monitor material risks and report to the AC on a regular basis;

(c) discussions were held between the AC and auditors in the absence of management, to review and address any potential concerns; and

(d) the Group has an established enterprise risk management framework to identify, manage and mitigate significant risks.

Based on the above, the Board is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2025.

For an overview of risk factors associated with the Groups' business and an explanation of the Groups' risk management framework and security posture, please refer to the Risk Management, Security and Compliance section.

Although the Board acknowledges that it is responsible for the overall internal control framework, it recognises that no system of internal controls can perfectly prevent all errors and irregularities. The Group's risk management and internal control systems are designed to mitigate and reduce, rather than eliminate, the risk of failing to achieve business objectives, and can provide reasonable—but not absolute—assurance against material misstatements or losses, and other non-systemic risk events such as human error, accidents or deliberate wrongdoing. The Board is satisfied that the Group's systems for identifying and managing relevant and material business risks provide reasonable assurance of the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, and compliance with applicable laws, regulations and industry best practices.

The Audit Committee concurs with the Board's assessment.

Internal Audit

The Group's internal audit function is outsourced to Baker Tilly, an independent professional firm. Baker Tilly was appointed as part of the Company's preparation for listing, and the internal auditors report primarily to the AC. The AC is satisfied that the internal audit function is independent, effective and adequately resourced. The internal auditors have unfettered access to all of the Group's documents, records, properties and personnel, including the AC.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an Audit Committee which discharges its duties objectively.

AC Composition

The AC comprises Mr Bhavik Doshi (Chair), Ms Pebble Sia and Mr Vincent Stevens. All members are non-executive and independent. At least two members, including the AC Chair, have recent and relevant accounting or related financial management expertise. No former partner or director of the Company's existing auditing firm is a member of the AC.

Role and Responsibilities of the AC

The principal roles and responsibilities of the AC under its terms of reference include:

(a) review significant financial reporting issues and judgments, with the CFO and the external auditors, so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, before their submission to the Board for approval;
(b) review and report to the Board, at least annually, on the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems;
(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
(d) consider the appointment or re-appointment or replacement of the external auditors, the level of their remuneration (including their cost effectiveness and nature, extent and costs of non-audit services performed by them), their independence and objectivity, terms of engagement and matters relating to resignation or dismissal of the external auditors;
(e) review the adequacy, effectiveness, independence, scope and results of the external audit and the Group's internal audit function, including ensuring that the internal audit function is independent, effective and adequately resourced, is staffed with persons with the relevant qualifications and experience, and generally has appropriate standing within the Company, and decide on the appointment, termination and remuneration of the head of the internal audit function; and
(f) ensure the Company publicly discloses and clearly communicates to the Group's employees the existence of a whistle-blowing policy through which they may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to review and ensure that policies and arrangements are and continue to be in place for the independent investigations of such matter and for appropriate follow-up.

AC Activities

The AC was constituted on 8 December 2025. As the Company was not listed during FY2025, no formal AC meetings were held during the financial year. The inaugural AC meeting took place in on 16 February 2026 following the Company's listing, with the external auditors from Forvis Mazars LLP in attendance alongside Management. At and following that meeting, the AC carried out the following activities in respect of FY2025:

(a) reviewed the Group's FY2025 financial statements and financial results announcements;
(b) reviewed the adequacy and effectiveness of the Group's internal controls and risk management systems;
(c) reviewed the internal and external audit plans and findings;
(d) reviewed interested person transactions;
(e) reviewed the independence of the external auditors; and
(f) reviewed the whistleblowing policy and procedures.

As at the date of this Annual Report, the AC has not yet met separately with the external auditors or the internal auditors without the presence of Management. The AC intends to hold such meetings during FY2026 as part of its regular meeting cadence, and will report accordingly in the FY2026 Annual Report.

Internal Auditor

In accordance with Provision 10.4 of the Singapore Code of Corporate Governance 2018, the AC is responsible for the appointment, termination, remuneration, and performance assessment of the internal auditor. The primary reporting line of the internal audit function is to the AC. The internal audit function has unfettered access to all the Company's documents, records, properties, and personnel, including the AC, and is accorded appropriate standing within the Company.

The Company has engaged Baker Tilly Consultancy (Singapore) Pte. Ltd. ("Baker Tilly") as its internal auditor since 8 February 2026 to assist the AC in independently evaluating and improving the effectiveness of the system of internal controls. The outsourced internal audit function provides independent and objective reports on the organisation's key internal controls to the AC. Baker Tilly conducts its work in accordance with the International Standards for the Professional Practice of Internal Auditing (the IIA Standards) as set out in the International Professional Practices Framework issued by the Institute of Internal Auditors. The AC reviews the adequacy and effectiveness of the internal audit function on an annual basis.

External Auditors

The Group's external auditors are Forvis Mazars LLP. The AC has reviewed all non-audit services provided by the external auditors during FY2025 and is satisfied that such services do not affect the independence of the auditors. The AC notes that non-audit fees for FY2025 exceeded audit fees, primarily due to one-off services rendered in connection with the Company's listing on SGX Catalist in January 2026. These services are non-recurring in nature and the AC is satisfied that they did not compromise the objectivity or independence of the external auditors. The Company complies with Catalist Rules 712 and 715 in relation to auditing firms.

Partner-in-charge: Ooi Chee Keong, appointed on 9 February 2026 and has served for less than 1 year as at the date of this Annual Report (inaugural year).

Fees paid/payable by the Company and its subsidiaries, to Forvis Mazars LLP in FY2025 were as follows:

Non-Audit fees	S$210,000
Audit fees	S$140,000
Total fees	S$350,000

List of subsidiaries and their auditing firms:

- Activeo Pte Ltd and Activeo CDS Pte Ltd are audited by Forvis Mazars LLP, in Singapore.
- Activeo Sdn Bhd and Toku Sdn Bhd are audited by Aeron Lee & Co, in Malaysia.
- Toku International Ltd is audited by Sam Cheng CPA Limited, in Hong Kong.
- Toku Limited Liability Company is audited by TLC Auditing Company Limited, in Vietnam.

Whistleblowing Policy

The Company established a whistleblowing policy in preparation for its listing, which provides employees and external parties who have dealings with the Group with well-defined, accessible and trusted channels to report suspected fraud, corruption, misconduct or other improprieties relating to the Company and its officers. The key features of the policy are as follows:

(a) An independent function has been designated to investigate whistleblowing reports made in good faith.
(b) The identity of the whistleblower is kept confidential.
(c) The Company is committed to ensuring protection of the whistleblower against detrimental or unfair treatment. The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern.
(d) The AC is responsible for oversight and monitoring of the whistleblowing process. Whistleblowing reports can be made to the AC Chair, and all reported cases are reviewed by the AC at its meetings.

The whistleblowing policy is communicated to all employees.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company.

Shareholders are entitled to attend the Company's general meetings and are afforded the opportunity to participate effectively in, and vote at, such meetings. An independent polling agent is appointed by the Company to conduct the poll and to explain the rules, including the voting procedures, governing the general meetings of shareholders.

The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote on the shareholder's behalf at general meetings. Pursuant to the multiple-proxies regime introduced under the Companies (Amendment) Act 2014, indirect investors who hold the Company's shares through a nominee company, custodian bank or Central Provident Fund ("CPF") agent bank may attend and vote at general meetings. Relevant intermediaries, such as banks and capital markets services licence holders which provide custodial services, may appoint more than two proxies , but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

As the Company was not listed during FY2025, no general meeting of shareholders was held as a listed company during the financial year under review. The forthcoming AGM, scheduled for 27 April 2026, will be the Company's first AGM as a listed entity. A polling agent and independent scrutineer are appointed to handle and brief the voting procedures, and to count and validate the votes cast at the general meeting, respectively, to ensure that the poll process is properly carried out. Resolutions requiring shareholders' approval are tabled separately for adoption at the Company's general meetings, unless they are closely related and more appropriately tabled together. Where resolutions are bundled, the reasons for such bundling and the material implications thereof are clearly disclosed in the relevant circulars issued to shareholders. All Directors are expected to attend general meetings, and the external auditors will also be present to address shareholders' queries relating to the conduct of the audit and the preparation and content of the independent auditor's report.

The Company's Constitution does not currently provide for absentia voting at general meetings of shareholders. Shareholders who are unable to attend in person may appoint up to two proxies (or, in the case of relevant intermediaries, more than two proxies) to attend and vote on their behalf. The Board is of the view that this proxy mechanism is consistent with the intent of Principle 11 in enabling shareholder participation, and will keep the matter under review as technology and market practice evolve.

The Company will publish the minutes of general meetings on SGXNet and its corporate website within one month after the general meeting. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Key Management.

Dividend Policy

The Company does not have a formal dividend policy. The form, frequency and amount of any future dividends will depend on factors including the Group's earnings, financial position, capital requirements, cash flow, general business conditions and other factors as the Board deems appropriate. No dividends were declared or paid for FY2025.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The Company has established an investor relations policy in connection with its listing, which provides for regular, effective and fair communication with shareholders. A dedicated point of contact for shareholder communications to be sent to the Company, is investor.relations@toku.co. Since listing on 22 January 2026, the Company has disseminated information via SGXNet announcements, the Company's corporate website (https://toku.co) and through direct engagement with investors and analysts. Shareholders may contact the Company through the investor relations details published on the website.

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders. The Company's key stakeholder groups include shareholders and investors, customers, employees, regulators and business partners. The Company maintains a current corporate website at https://toku.co to communicate and engage with stakeholders. As the Company was listed on Catalist on 22 January 2026, it is in the process of developing a formalised stakeholder engagement framework. The Company is currently refining its identification of material stakeholder groups and the key areas of focus for managing those relationships. This process will be developed in conjunction with the Company's sustainability reporting preparations, and fuller disclosure of the Company's stakeholder engagement strategy and activities will be provided in the FY2026 Annual Report and accompanying Sustainability Report.

E. ADDITIONAL SGX CATALIST DISCLOSURES

DEALINGS IN SECURITIES

The Company has adopted an internal compliance code to provide guidance to its Directors and officers with regard to dealings in the Company's securities. The Company, its Directors and officers are prohibited from dealing in the Company's securities during the period commencing one month before the announcement of the Company's half and full year financial statements and two weeks before the announcement of the Company's quarterly financial statements (if applicable). Directors and officers are also reminded not to deal in the Company's securities on the basis of short-term considerations or while in possession of price-sensitive information.

The Company will also send a circular prior to the commencement of each of the aforementioned to the Directors, officers, relevant employees and associates, reminding them of their obligation to comply with Rule 1204(19) of the Catalist Rules. The internal compliance code became operative from the listing date of 22 January 2026.

INTERESTED PERSON TRANSACTIONS

The Company established procedures to monitor and review interested person transactions ("IPTs") in preparation for its listing, to ensure that all IPTs are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. As the Company was not listed during FY2025, the Catalist Rules governing IPTs (Chapter 9) did not apply during the financial year under review. For the purpose of good corporate governance, transactions with interested persons in FY2025 have been disclosed for completeness. The key procedural safeguards adopted by the Company, as disclosed in the Offer Document, include:

(a) For purchases from interested persons: comparison against at least two quotes from unrelated third parties to ensure competitive pricing.
(b) For sales to interested persons: comparison against at least two comparable completed transactions with unrelated third parties at equivalent or higher rates.
(c) All IPTs above S$100,000 require approval by a Director who is not an interested person in the relevant transaction.
(d) IPTs equal to or exceeding 5.0% of the Group's latest audited net tangible assets ("Category 1" IPTs) require independent shareholders' approval, while IPTs of 3.0% to less than 5.0% of the Group's latest audited net tangible assets ("Category 2" IPTs) require prior approval of the Audit Committee.

The Audit Committee reviews all IPTs at least on a half-yearly basis, and any member of the Audit Committee with an interest in an IPT is required to abstain from deliberations and approval in respect of that transaction. Details of IPTs for FY2025 are as follows:

During FY2025, the Group incurred interest expenses of approximately US$185,339 in respect of shareholder loans provided by Tembusu Partners Pte. Ltd., a substantial shareholder of the Company. These loans were entered into prior to the Company's listing and were subsequently fully repaid using proceeds from the initial public offering.

The Audit Committee reviewed the terms of the shareholder loans and interest expenses and is satisfied that they were entered into on normal commercial terms and were not prejudicial to the interests of the Company and its minority shareholders.

Name of Interested Person	Nature of Relationship	Aggregate Value (FY2025)
Tembusu Partners Pte. Ltd.	Substantial shareholder	US$185,339*

*Interest expense on shareholder loans

Save as disclosed above, there were no interested person transactions (as defined under Chapter 9 of the Catalist Rules) entered into by the Group during FY2025.

MATERIAL CONTRACTS

The Offer Document sets-out the details of certain material contracts of the Company and its subsidiaries, which related to corporate activities undertaken prior to the listing of the Company on the SGX-ST, viz:

(a) Convertible Loan Agreement between the Company and Delivery Hero Ventures GmbH;
(b) Conversion of Loan Agreement, in relation to the Convertible Loan Agreement between the Company and Delivery Hero Ventures GmbH;
(c) Termination and Conversion Agreement, in relation to the termination of then-existing shareholders' agreement of Toku Pte Ltd and conversion of all then-existing preference shares to ordinary shares, signed by all the shareholders of Toku Pte Ltd;
(d) Options Cancellation Agreement for Thomas Patrick M. Laboulle; and
(e) Options Cancellation Agreement for Mrs Hwee Hua Lim.

As these material contracts all have expired and related to complex pre-listing corporate activities of Toku Pte. Ltd., we have not included detailed explanations of the same in this Annual Report. Full explanations of each of these contracts and their significance may be reviewed in the Company's Offer Document dated 14 January 2026.

The following additional material contracts, which involve the interests of the chief executive officer, a director or controlling shareholder and which were either still subsisting at the end of FY2025 or entered into since the end of the previous financial year, are disclosed in accordance with Rule 1207(8) of the SGX-ST Listing Rules:

- A shareholder loan agreement dated 26 April 2024 entered into between the Company and Tembusu Partners Pte. Ltd. (at the time, a substantial shareholder of the Company) pursuant to which Tembusu Partners Pte. Ltd. granted the Company a loan of principal amount of S$2,040,000.

  The interest rate on the shareholder loan was 15% per annum, with interest accruing on the outstanding principal monthly. The loan was structured for interest and principal to be paid down over a term of 38 months. The shareholder loan was secured by a charge on the assets of the Company, excluding certain accounts with HSBC. The shareholder loan was repaid in full following the Company's IPO, in line with the contemplated use of proceeds as set-out under the "Use of Proceeds" section of the Company's Offer Document dated 14 January 2026.

Save as disclosed above, there were no other material contracts of the Company or its subsidiaries involving the interests of the CEO, any Director or controlling shareholder, either still subsisting at the end of FY2025 or entered into since the end of the previous financial year.

NON-SPONSOR FEES

Non-sponsor fees of S$450,296 were paid or are payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd., for FY2025. These fees were incurred in connection with the Company's listing on the Catalist Board of the SGX-ST.

USE OF IPO PROCEEDS

The Company was listed on the Catalist on 22 January 2026, raising gross proceeds of S$16.25 million from its initial public offering. Although the IPO took place after the end of FY2025, the Company is required to report on the utilisation of IPO proceeds in its annual report in accordance with Catalist Rule 1204(22). As at the date of this report, the utilisation of IPO proceeds is set out below:

Use	Allocated (S$'000)	Utilised (S$'000)	Balance (S$'000)
Platform & Technology	3,863	–	3,863
Cash Reserve	1,996	–	1,996
Strategic M&A & Corporate	4,551	–	4,551
Shareholder Loan Repayment	3,324	2,955	369
Listing Expenses	2,515	1,162	1,353
Total	**16,249**	**4,117**	**12,132**

The above utilisation is in accordance with the stated use and percentage allocations in the Company's Offer Document. The undisbursed balance is held in interest-bearing bank accounts. The Company will continue to make periodic announcements via SGXNet on the utilisation of proceeds.

Directors' Interests in Shares

Catalist Rule 1204(7) requires a statement, as at the 21st day after the end of the financial year, of the direct and deemed interests of each Director in the Company's shares and convertible securities. For ease of reference, the table below sets out the direct and deemed interests of each Director in the Company's shares and convertible securities as at 1 January 2025 and 31 December 2025.

Name of director and company in which interest are held	Direct interest		Deemed interest	
	As at 1 January 2025 or date of appointment	As at 31 December 2025	As at 1 January 2025 or date of appointment	As at 31 December 2025
The Company				
Series A Preference shares				
Laboulle Thomas Patrick M.	24,106*	-	-	-
Ordinary shares				
Laboulle Thomas Patrick M.	329,184*	29,083,200	-	-
Tan Hwee Hua @ Lim Hwee Hua**	-	78,250	40,286,700	40,286,700

There were no changes in the Directors' interests in the Company's shares and convertible securities between 31 December 2025 and 21 January 2026, being the 21st day after the end of FY2025 and one day before the Company's listing on Catalist; accordingly, their interests on that date were the same as those shown as at 31 December 2025 in the table above.

* In December 2025, the Company's Series A Preference shares were converted into Ordinary shares and subsequently subdivided by a factor of 50. If the conversion and subdivision of shares had occurred on 1 January 2025, Mr Thomas would have held 1,205,300 ordinary shares in lieu of 24,106 Series A Preference shares and another 16,459,200 subdivided ordinary shares in lieu of 329,184 ordinary shares, presented above, for a total of 17,664,500 ordinary shares as of 1 January 2025.

** By virtue of the provisions of Section 164 of the Act, as of 8 December 2025 (date of appointment as Chairman) and as of 31 December 2025 Mrs Lim Hwee Hua is deemed interested in 12,253,850 ordinary shares owned by her spouse, Mr Andy Lim, and 28,032,850 ordinary shares owned by Tembusu Partners Pte Ltd.

AUDIT AND NON-AUDIT FEES

Fees paid/payable by the Company and its subsidiaries, to Forvis Mazars LLP in FY2025 were as follows:

Non-Audit fees	S$210,000
Audit fees	S$140,000
Total fees	S$350,000

AUDIT PARTNER

Partner-in-charge: Ooi Chee Keong, appointed on 9 February 2026 and in charge for less than 1 year (first year of engagement).

EMPLOYEE SHARE SCHEMES

The Company adopted the Toku ESOS and Toku PSP on 8 December 2025, as approved by shareholders in connection with the Company's listing. The key terms are described in the Company's Offer Document and in the Directors' Statement section of this Annual Report. All options previously granted under the Pre-IPO ESOS were cancelled as described in the Offer Document.

As of 31 December 2025, no options have been granted under the Toku ESOS and except for the Pre-Listing PSP Shares, no awards have been granted under the Toku PSP.

SUSTAINABILITY REPORTING

The Company was admitted to the Catalist on 22 January 2026. As a newly listed issuer, the Company may issue its first sustainability report only in respect of its first full financial year after listing (FY2026), in accordance with Catalist Rule 711A. As the Company was not listed during FY2025, sustainability reporting obligations did not apply during the financial year under review. The Company's first sustainability report will cover the financial periods from 1 January 2025 to 31 December 2025 and from 1 January 2026 to 31 December 2026 and will be published after the Company's financial year ending 31 December 2026.

TOKU LTD. AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The directors present their statement to the members together with the audited financial statements of Toku Ltd. (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2025 and the statement of financial position of the Company as at 31 December 2025.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

a. the consolidated financial statements of the Group and statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date, in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and

b. at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Tan Hwee Hua @ Lim Hwee Hua	(Appointed on 08 December 2025)
Laboulle Thomas Patrick M.	(Re-appointed on 08 December 2025)
Pebble Sia Huei-Chieh	(Appointed on 08 December 2025)
Doshi Bhavik Umesh	(Appointed on 08 December 2025)
Stevens Vincent Francois	(Appointed on 08 December 2025)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed in this statement.

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as disclosed below:

Name of director and company in which interest are held	Direct interest		Deemed interest	
	As at 1 January 2025 or date of appointment	As at 31 December 2025	As at 1 January 2025 or date of appointment	As at 31 December 2025
The Company				
Series A Preference shares				
Laboulle Thomas Patrick M.	24,106*	-	-	-
Ordinary shares				
Laboulle Thomas Patrick M.	329,184*	29,083,200	-	-
Tan Hwee Hua @ Lim Hwee Hua**	-	78,250	805,734	40,286,700

* In December 2025, the Company's Series A Preference shares were converted into Ordinary shares and subsequently subdivided by a factor of 50. If the conversion and subdivision of shares had occurred on 1 January 2025, Mr Laboulle would have held 1,205,300 ordinary shares in lieu of 24,106 Series A Preference shares and another 16,459,200 subdivided ordinary shares in lieu of 329,184 ordinary shares, presented above, for a total of 17,664,500 ordinary shares as of 1 January 2025.

** By virtue of the provisions of Section 164 of the Act, as of 8 December 2025 (date of appointment as Chair of the Board) and as of 31 December 2025, Mrs Lim Hwee Hua is deemed interested in 245,077 ordinary shares (before the subdivision of shares) and 12,253,850 ordinary shares owned by her spouse, Mr Andy Lim, and 560,657 ordinary shares (before the subdivision of shares) and 28,032,850 ordinary shares owned by Tembusu Partners Pte Ltd. respectively.

5. SHARE OPTIONS

An employee Share Option plan known as "Toku Employee Share Ownership Plan 2021" ("The Plan") was adopted on 28 April 2021. The Plan is for all eligible employees, directors and consultants ("grantee") of the Group and is to motivate them to greater dedication, loyalty and higher standards of performance. The Plan is administered by the ESOP Committee which was appointed by the Board of Directors.

As of 31 December 2024, the maximum aggregate number of Reserved Employee Shares which may be subject to option under The Plan was 1,043,338 shares. The vehicle for the Share Grant is a SPV designated by the Company for such purpose. The Plan contemplates that the SPV Shares and Reserved Employee Shares are granted on a matched back-to-back basis. Accordingly, the SPV shall only issue up to a maximum of 1,043,338 shares.

The Plan was terminated with effect from 8 December 2025 and no further options will be granted thereunder.

In connection with the termination of The Plan, the Company and Toku SPV Pte. Ltd. entered into separate options cancellation agreements dated 8 December 2025 with option holders under The Plan (collectively, the "Options Cancellation Agreements"), pursuant to which all outstanding options granted under The Plan were cancelled, and 273,787 free shares (which, for the avoidance of doubt, is prior to the sub-division of capital under the Capital Restructuring Exercise, and after such subdivision, is 13,689,350 Shares) awarded under the Toku Performance Share Plan (the "Pre-Listing PSP Shares") and 809,486 new ordinary shares of the Company at issue prices which range from US$0.01 per share to US$8.9448 per share (which, for the avoidance of doubt, is prior to the sub-division of capital under the Capital Restructuring Exercise, and after such subdivision, is 40,474,300 Shares) were issued together.

5. SHARE OPTIONS (CONTINUED)

No performance conditions were specified in respect of the awards of the Pre-Listing PSP Shares, and the awards vested on 9 December 2025 (the "Relevant Vesting Date"). The Pre-Listing PSP Shares are subject to a retention period commencing on (and including) the Relevant Vesting Date until 12 months after the listing date

Share-based Incentive Plans

In connection with the Company's listing on Catalist, the Shareholders approved the adoption of two share-based incentive plans on 8 December 2025: the Toku Employee Share Option Scheme (the "Toku ESOS") and the Toku Performance Share Plan (the "Toku PSP") (collectively, the "Share Plans"). The Toku ESOS and Toku PSP are administered by are administrated by the Remuneration Committee of the Company.

Objectives of the Share Plans

The Share Plans are share incentive schemes. The Share Plans are proposed on the basis that it is important to retain employees and directors whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding employees and executive and non-executive directors of the Group who have contributed to the growth of the Group. The Share Plans will give participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

a. to motivate the participant to optimise his performance standards and efficiency and to maintain a high level of contribution to the Group;
b. to retain key executives and executive and non-executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;
c. to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;
d. to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders;
e. to align the interests of employees with the interests of the Shareholders; and
f. to give recognition to the contributions made or to be made by Group Non-Executive Directors to the success of the Group.

The purpose of adopting the Toku PSP in addition to the Toku ESOS is to give the Company greater flexibility to align the interests of the employees, especially key executives, with interests of Shareholders.

Awards granted under the Toku PSP will be principally performance-based, incorporating an element of stretched targets for senior executives and significantly stretched targets for key senior management aimed at delivering long-term shareholder value.

The Toku PSP uses methods fairly common among major local and multinational companies to incentivise and motivate senior executives and key senior management to achieve predetermined targets which create and enhance economic value for the shareholders. The Company believes that the Toku PSP will be an effective tool in motivating senior executives and key senior management to work towards stretched goals.

The Toku PSP contemplates the award of fully paid shares when and after pre-determined performance or service conditions are accomplished.

A participant's award under the Toku PSP will be determined at the sole discretion of the Remuneration Committee. In considering an award to be granted to a participant who is an employee, the Remuneration Committee will take into consideration, inter alia, the participant's rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and the extent of effort and difficult with which the performance condition(s) may be achieved within the performance period.

Awards granted under the Toku PSP are principally performance-based with performance targets to be set over a performance period and may vary from one performance period to another performance period and from one grant to another grant. Performance targets set by the Remuneration Committee are intended to be based on the overall performance of the Group. Such performance targets and performance periods will be set according to the specific rank and roles of each participant, and may differ from participant to participant. The performance targets are stretched targets aimed at sustaining long-term growth.

Under the Toku PSP, participants are encouraged to continue serving the Group beyond the achievement date of the pre-determined performance targets. The Remuneration Committee has the discretion to impose a further vesting period after the performance period to encourage the participant to continue serving the Group for a further period of time.

6. AUDIT COMMITTEE

The Audit Committee ("AC") of the Company comprises three independent and non-executive directors. The members of the AC at the date of this statement are:

Mr Doshi Bhavik Umesh (Chairman)
Ms Pebble Sia Huei-Chieh
Mr Stevens Vincent Francois

Following the listing of the Company on the Catalist Board of the SGX-ST on 22 January 2026 and as at the date of this statement, the AC has convened one meeting. The AC has also met with external auditors, without the presence of the Company's management.

The AC carried out its functions in accordance with Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the AC:

a. reviewed the audit plan and results of the external audit, the independence and objectivity of the external auditors, including, where applicable, the review of the nature and extent of non-audit services provided by the external auditors to the Group;
b. reviewed the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;
c. reviewed the Group's annual financial statements and the external auditors' report on the annual financial statements of the Group and of the Company before their submission to the board of directors;
d. reviewed the annual announcement as well as the related press releases on the results of the Group and financial position of the Group and of the Company;
e. reviewed and assessed the adequacy of the Group's risk management processes;
f. reviewed and checked the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;
g. reviewed interested person transactions in accordance with SGX listing rules;
h. co-operation and assistance given by management to the Group's external auditors;
i. reviewed the nomination of external auditors and gave approval of their compensation; and
j. submitted of report of actions and minutes of the audit committee to the board of directors with any recommendations as the audit committee deems appropriate.

The AC has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the AC.

6. **AUDIT COMMITTEE (CONTINUED)**

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Forvis Mazars LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

7. AUDITORS

The auditors, Forvis Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

Tan Hwee Hua @ Lim Hwee Hua
Non-Independent and Non-Executive Chairperson

Laboulle Thomas Patrick M.
Executive Director and CEO

Singapore

9 April 2026

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the financial statements of Toku Ltd. (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and of the Company as at 31 December 2025, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (the "ACRA code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of goodwill
Refer to Note 11 to the financial statements

Key audit matter	Our audit response
As at 31 December 2025, the Group reported goodwill arising from the acquisition of subsidiaries with a carrying amount of US$4,443,070, which represented 28% of the Group's total assets. Irrespective of whether there is any indication of impairment, the management is required to perform an impairment assessment of goodwill, at least annually. Management determines the recoverable amount of the cash-generating-units ("CGUs") to which goodwill is allocated to, using the value-in-use method, estimated using discounted cash flow projections. Given the significance of the goodwill balance and the degree of judgments involved in the determination of recoverable amounts, we have identified this matter to be a key audit matter.	Our audit procedures include, and are not limited to, the following: • Obtained an understanding of the Group's process in assessing the goodwill for impairment; • Together with our in-house valuation specialist, we evaluated the reasonableness of management's estimate of expected future cash flows and challenged management's key assumptions and inputs applied in the value-in-use models, with comparison to recent performance, trend analysis and market expectations; and • Performed sensitivity analysis on the recoverable amount, taking into account reasonably possible changes in the key assumptions.

Report on the Audit of the Consolidated Financial Statements (Continued)

Key Audit Matters (Continued)

Impairment assessment of goodwill
Refer to Note 11 to the financial statements

Key audit matter	Our audit response
As at 31 December 2025, the carrying amount of the Group's intangible assets was US$2,865,133 which represented 18% of the Group' total assets. In accordance with SFRS(I) 1-36 Impairment of Assets: • intangible assets with indefinite useful lives must be tested for impairment annually, and whenever there is an indication that the asset may be impaired. • for intangible assets with finite useful lives, an entity shall assess at each reporting date whether there is any indication that an asset may impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. In determining the recoverable amount, management is required to estimate the expected future cash flows from each asset or cash generating unit and apply an appropriate discount rate. Given the significance of the carrying amount and the degree of judgement involved in management's impairment assessments, we have identified this matter to be a key audit matter.	Our audit procedures include, but are not limited to, the following: • Reviewed and evaluated management's impairment assessment in accordance with SFRS(I) 1-36; • Assessed independence and competence of management's expert (external valuer) for the impairment assessment of intangible assets; • Assessed the reasonableness of key inputs and assumptions used by management based on our knowledge of the business; • Together with our internal valuation specialist, we evaluated the reasonableness of key inputs and assumptions used by management in the preparation of the expected future cash flow with comparison to recent performance, trend analysis, market expectations, and historical accuracy of the plans and forecasts; • Performed sensitivity analysis on the recoverable amount, taking into account reasonably possible changes in the key assumptions; and • Reviewed the completeness and the appropriateness of the disclosures presented in the financial statements.

Other Matter

The financial statements of the Group and the Company for the financial year ended 31 December 2024 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 12 September 2025.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary entities incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ooi Chee Keong.

FORVIS MAZARS LLP
Public Accountants and
Chartered Accountants

Singapore
9 April 2026

	Note	2025 US$	2024 US$
Revenue	4	34,755,416	31,788,258
Cost of sales		(26,323,954)	(23,087,037)
Gross profit		8,431,462	8,701,221
Other income	5	70,411	47,339
Selling and marketing expenses		(5,536,207)	(5,351,429)
General and administration expenses		(10,190,734)	(6,678,013)
Research and development expenses		(1,434,420)	(1,245,409)
Loss on fair value change of liabilities at FVPL		(409,387)	-
Other expenses		(44,431)	(6,427)
Total operating expenses		(17,615,179)	(13,281,278)
Operating loss		(9,113,306)	(4,532,718)
Finance costs, net	6	(766,748)	(741,650)
Loss before income tax	7	(9,880,054)	(5,274,368)
Income tax credit	8	800,000	17,861
Loss for the year		(9,080,054)	(5,256,507)
Other comprehensive income/(loss):			
Components of other comprehensive income/(loss) that will be reclassified to profit or loss, net of taxation			
Currency translation difference		36,368	(41,816)
Total other comprehensive income/(loss), net of taxation		36,368	(41,816)
Total comprehensive loss for the financial year, attributable to owners of the Company		(9,043,686)	(5,298,323)
Loss per share attributable to owners of the Company (cents)			
Basic and diluted	9	(0.03)	(0.02)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

	Note	Group 2025 US$	Group 2024 US$
ASSETS			
Non-current assets			
Plant and equipment	10	123,071	195,779
Goodwill on acquisition	11	4,443,070	4,443,070
Intangible assets	13	2,865,133	1,763,064
Deferred tax assets	14	800,000	-
Other receivables	15	-	9,829
Other assets	16	37,449	35,577
Total non-current assets		8,268,723	6,447,319
Current assets			
Trade and other receivables	15	4,256,587	5,449,243
Contract assets	17	637,756	811,419
Other assets	16	750,603	913,469
Prepayments		272,895	234,663
Cash and bank balances	18	1,952,464	1,234,168
Total current assets		7,870,305	8,642,962
Total assets		16,139,028	15,090,281
LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	19	1,333,905	2,077,823
Trade and other payables	20	7,914,275	8,277,472
Financial liabilities at FVPL	21	7,078,214	-
Contract liabilities	17	1,841,520	2,137,375
Total current liabilities		18,167,914	12,492,670
Non-current liabilities			
Borrowings	19	2,649,536	1,803,493
Contract liabilities	17	253,430	130,870
Total non-current liabilities		2,902,966	1,934,363
Capital and reserves			
Share capital	22	21,372,882	16,783,083
Share application	23	-	1,701,525
ESOP reserves	24	-	819,606
Translation reserves	25	271	(36,097)
Accumulated losses		(26,305,005)	(18,604,869)
Total equity		(4,931,852)	663,248
Total liabilities and equity		16,139,028	15,090,281

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

	Note	Company 2025 US$	Company 2024 US$
ASSETS			
Non-current assets			
Plant and equipment	10	108,523	164,441
Investment in subsidiaries	12	4,196,007	4,195,929
Intangible assets	13	2,865,133	1,763,064
Deferred tax assets	14	800,000	-
Other assets	16	9,620	-
Total non-current assets		7,979,283	6,123,434
Current assets			
Trade and other receivables	15	2,719,200	3,604,676
Contract assets	17	335,714	532,009
Other assets	16	12,826	39,607
Prepayments		244,641	212,873
Cash and bank balances	18	1,444,565	762,141
Total current assets		4,756,946	5,151,306
Total assets		12,736,229	11,274,740
LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	19	1,333,905	2,077,823
Trade and other payables	20	8,298,633	8,413,407
Financial liabilities at FVPL	21	7,078,214	-
Contract liabilities	17	14,395	28,145
Total current liabilities		16,725,147	10,519,375
Non-current liabilities			
Borrowings	19	2,649,536	1,803,493
Total non-current liabilities		2,649,536	1,803,493
Capital and reserves			
Share capital	22	21,372,882	16,783,083
Share application	23	-	1,701,525
ESOP reserves	24	-	819,607
Accumulated losses		(28,011,336)	(20,352,343)
Total equity		(6,638,454)	(1,048,128)
Total liabilities and equity		12,736,229	11,274,740

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

Group	Share capital US$	Equity notes US$	Share application US$	ESOP reserves US$	Translation reserves US$	Accumulated losses US$	Total equity US$
Balance as at 1 January 2024	13,333,097	950,000	11,085	453,038	5,719	(13,348,362)	1,404,577
Issuance of shares	2,499,986	-	-	-	-	-	2,499,986
Conversion into share capital	950,000	(950,000)	-	-	-	-	-
Issuance of share application	-	-	1,690,440	-	-	-	1,690,440
Share-based payment	-	-	-	366,568	-	-	366,568
Total comprehensive loss for the year	-	-	-	-	(41,816)	(5,256,507)	(5,298,323)
Balance as at 31 December 2024	16,783,083	-	1,701,525	819,606	(36,097)	(18,604,869)	663,248
Issuance of shares	485,837	-	-	-	-	-	485,837
Conversion into share capital	1,701,525	-	(1,701,525)	-	-	-	-
Share-based payment	2,402,437	-	-	560,312	-	-	2,962,749
Reclassification of ESOP reserves to accumulated losses	-	-	-	(1,379,918)	-	1,379,918	-
Total comprehensive loss for the year	-	-	-	-	36,368	(9,080,054)	(9,043,686)
Balance as at 31 December 2025	21,372,882	-	-	-	271	(26,305,005)	(4,931,852)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

	Note	2025 US$	2024 US$
Operating activities			
Loss before income tax	4	(9,880,054)	(5,274,368)
Adjustments for:			
Depreciation of plant and equipment	7	122,270	169,834
Amortisation of intangible assets	7	44,431	-
Write off of disposal of plant and equipment	7	244	-
Loss on fair value changes of financial liabilities at FVPL	7	409,387	-
Interest expenses	6	780,802	753,223
Interest income	6	(14,054)	(11,573)
Share-based payment expenses	7	2,962,479	366,568
Unrealised currency translation gain		(20,335)	(49,235)
Operating cash flows before movements in working capital		(5,594,830)	(4,045,551)
Changes in working capital:			
Inventories		-	1,615
Trade and other receivables		1,202,485	(2,582,896)
Contract assets		173,663	325,478
Other assets		160,994	529,410
Prepayments		(38,232)	(28,649)
Trade and other payables		108,612	2,359,038
Contract liabilities		(173,295)	(350,302)
Cash used in operations		(4,160,603)	(3,791,857)
Income tax refund		-	17,861
Net cash used in operating activities		(4,160,603)	(3,773,996)
Investing activities			
Interest received		14,054	11,573
Repayment of deferred consideration due to acquisition		(565,574)	(1,214,399)
Addition of plant and equipment	10	(48,017)	(29,231)
Addition of intangible assets	13	(1,146,500)	(1,008,660)
Net cash used in investing activities		(1,746,037)	(2,240,717)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

	Note	2025 US$	2024 US$
Financing activities			
Issuance of shares		85,837	2,499,986
Issuance of share application		-	1,690,440
Issuance of convertible loans		7,068,827	-
Redemption/(Placement) of long-term fixed deposits		440,125	(440,125)
Proceeds from borrowings		2,522,140	4,576,323
Repayment of borrowings		(2,420,015)	(2,256,304)
Interest paid on borrowings		(687,037)	(422,994)
Net cash generated from financing activities		7,009,877	5,647,326
Net change in cash and cash equivalents		1,103,237	(367,387)
Cash and cash equivalents at beginning of the financial year		794,043	1,154,010
Net effect of exchange rate changes in the balance of cash held in foreign currencies		55,184	7,420
Cash and cash equivalents at end of financial year	18	1,952,464	794,043

Reconciliation of liabilities arising from financing activities:

			Non-cash movement	
	As at 1 January 2025 US$	Financing cash flows US$	Interest US$	As at 31 December 2025 US$
Liabilities				
Third party loan	-	1,491,093	220,559	1,711,652
Bank borrowings	874,872	(905,583)	30,711	-
Shareholder loans	3,006,444	(1,170,422)	435,767	2,271,789

			Non-cash movement	
	As at 1 January 2024 US$	Financing cash flows US$	Interest US$	As at 31 December 2024 US$
Liabilities				
Bank borrowings	-	838,084	36,788	874,872
Shareholder loans	1,561,297	1,058,941	386,206	3,006,444

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

1. General

Toku Ltd. (the "Company") (Registration Number 201734881W) is listed on the Catalist of the Singapore Exchange Securities Trading Limited and incorporated and domiciled in Singapore with its principal place of business and registered office at 61 Robinson Road, #08-02, Singapore 068893.

The Company's principal activities are to carry out telecommunications activities and provision of voice over internet protocol services.

The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements.

The financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2025 were authorised for issue by the Board of Directors on 9 April 2026.

2. Summary of material accounting policies

2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") including related Interpretations of SFRS(I)s ("SFRS(I) INTs") and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in United States dollar ("US$") which is also the functional currency of the Company, unless otherwise indicated.

Going Concern

As of 31 December 2025, the Group and Company were in a capital deficiency position of US$4,931,852 and US$6,638,454, respectively, and in a net current liability position of US$10,297,609 and US$11,968,201, respectively. The Group reported a net loss and total comprehensive loss of US$9,080,054 and US$9,043,686, respectively, along with net operating cash outflow of US$4,160,603 for the financial year then ended. These factors indicate the existence of a material uncertainty which may cast significant doubt on the Group's and Company's ability to continue as going concerns.

To support the appropriateness of preparing the financial statements on a going concern basis, which includes the management's consideration of the adequacy of funds to meet the Group's and Company's obligations, working capital and capital commitment needs, management prepared a 24-months consolidated cash flow forecast from 1 January 2026 ("Cash Flow Forecast").

In preparing the Cash Flow Forecast, the management has taken the following subsequent events occurred that materially improved the Group's capital structure, working capital position, and net asset position:

a. Conversion of redeemable convertible loans

On 13 January 2026, the redeemable convertible loans amounting to US$6,668,827 were converted into 51,126,205 new ordinary shares. This resulted in the derecognition of the FVPL liability of US$7,078,214 from current liabilities and a corresponding increase in the Group's equity, thereby significantly improve both the negative working capital position and capital structure of the Group.

b. IPO listing and capital injection

On 22 January 2026, the Company was successfully listed on the Catalist of the SGX-ST. A total of

2. Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

Going Concern (Continued)

65,000,000 new ordinary shares were issued at an offer price of SGD0.25 per share, raising gross proceeds of SGD16,250,000 (approximately US$12.1 million). The IPO proceeds significantly strengthened the Group's cash position, working capital, and net asset position.

c. Repayment of shareholder and third party loans

On 28 January 2026, the Company settled outstanding shareholders' loans amounting to SGD2,954,630 in full, using the proceeds from the IPO proceeds, thereby eliminating these borrowings and the associated monthly interest expenses.

On 9 April 2026, the Company settled an outstanding third party loan amounting to USD1,566,858 in full, using the proceeds from the IPO proceeds, thereby eliminating this borrowing and the associated monthly interest expenses.

Based on the above events, the Directors of the Company are of the view that the Group and the Company will have sufficient cash resources to satisfy its working capital requirements, and the Group and the Company to continue in operational existence for the foreseeable future and to discharge their liabilities in the normal course of business, as and when then fall due. The Directors are of the opinion that the preparation of the financial statements on a going concern basis remains appropriate.

2.2 Adoption of new and amended standards and interpretations

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2025. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies, and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.

SFRS(I) and SFRS(I) INT issued but not yet effective

At the date of authorisation of these statements, the following SFRS(I) and SFRS(I) INT that are relevant to the Group were issued but not yet effective:

2. Summary of material accounting policies (Continued)

2.2 Adoption of new and amended standards and interpretations (Continued)

SFRS(I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: *Lack of Exchangeability*	1 January 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Various	Annual improvements to SFRS(I)s - Volume 11	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: *Contracts Referencing Nature-dependent Electricity*	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 1-19	Subsidiaries without public accountability: Disclosures	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or *Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards, with the exception of SFRS(I) 18 Presentation and Disclosure in Financial Statements, will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

SFRS(I) 18, effective for annual periods beginning on or after 1 January 2027, replaces SFRS(I) 1-1 Presentation of Financial Statements and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

2. Summary of material accounting policies (Continued)

2.3 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

2. Summary of material accounting policies (Continued)

2.4 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 Income Taxes and SFRS(I) 1-19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 Share-based Payment; and

2. Summary of material accounting policies (Continued)

2.4 Business combinations (Continued)

- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

2.5 Revenue recognition

Revenue is recognised when or as the Group satisfies a performance obligation by transferring control of a promised good or service to the customer. It is measured based on the amount of the transaction price allocated to the satisfied performance obligation, and are net of goods and services tax, rebates, discounts and sales within the Group.

Usage revenue

Usage revenue is generated primarily through its voice and messaging Application Programming Interface (API), wholesale carrier services, and network interconnection offerings. Usage revenue is recognised over time as the services are performed. Usage revenue from service contracts are recognised ratably over the contract periods as control over the services passes to the customers as services are provided. Usage revenue is also recognised based on usage (e.g. minutes of traffic/ number of messages sent).

2. Summary of material accounting policies (Continued)

2.5 Revenue recognition (Continued)

Licensing and subscription (one-off) and hardware sales

Revenues from sale of perpetual software licences and the related hardware are recognised at point in time when control passes to the customer, generally upon delivery.

Licensing and subscription

Revenue from licensing and subscription pertain to SaaS subscriptions for cloud services and API-based access to Toku's enterprise CX platform. Revenue is recognised over time, typically on a straight-line basis throughout the subscription and licensing period, as customers continuously receive access to the platform and its updates.

Professional services

Professional services include system integration and managing services tailored for complex enterprise environments. Professional service revenue is recognised over time, typically following the percentage-of-completion method. This approach requires management to exercise judgment in assessing whether a service engagement qualifies for progressive revenue recognition, based on the nature and milestones of the implementation.

Maintenance and support

Revenue from client training, support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. Support revenue is recognised ratably on a straight-line basis over the period in which the services are rendered.

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.7 Defined contributions plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

2.8 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

2.9 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

2. Summary of material accounting policies (Continued)

2.9 Income tax (Continued)

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities except for the investment properties where investment properties measured at fair value are presented to be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

2. Summary of material accounting policies (Continued)

2.10 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

	Useful lives
Computer Equipment	3 years
Operation Network Equipment	3 - 5 years
Office Equipment	3 years
Development Software	5 years

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of plant and equipment is recognised in profit or loss.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

2.11 Intangible assets

Acquired intangible asset

Acquired intangible asset is initially measured at cost. The cost of intangible asset acquired in a business combination is initially measured at their fair value at the acquisition date. Subsequent to initial recognition, the intangible asset are reported at cost less accumulated amortisation and accumulated impairment losses.

Acquired intangible assets have indefinite useful life.

2. Summary of material accounting policies (Continued)

2.11 Intangible assets (Continued)

Intangible asset with indefinite useful life is not amortised, but tested for impairment annually, and whenever there is an indication that the intangible asset may be impaired. The indefinite useful life of an intangible asset is reviewed at the end of each financial year and where events and circumstances do not continue to support the indefinite useful life assessment for that asset, a change from indefinite to finite useful life is accounted for as a change in accounting estimate and adjusted prospectively.

The intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal, with any gain or loss arising from the derecognition of an intangible asset, being the difference between the net disposal proceeds and the carrying amount of the asset, recognised in profit or loss.

Internally generated intangible asset

Expenditure from the research phase of an internal project to create an intangible asset is expensed in profit or loss when it is incurred. Where the research phase cannot be distinguished from the development phase of an internal project, the Group treats the expenditure on that project as if it were incurred in the research phase only.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised, if, any only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible assets; and
- the ability to measure reliably the expenditure attributable to the intangible asset during the development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Costs directly attributable to the development of platform and module software are capitalised as intangible asset only when technical feasibility of the software is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such cost includes payroll-related costs of employees directly involved in the development of the software. These costs are amortised using the straight-line method over their estimated useful lives of 3 years. Research costs are recognised as expense when incurred.

2. Summary of material accounting policies (Continued)

2.11 Intangible assets (Continued)

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

The amortisation charge is recognised in profit or loss and is assessed for impairment when there is an indication that the intangible asset may be impaired. The estimated amortisation period and amortisation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

2.12 Impairment of non-financial assets excluding goodwill

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2. Summary of material accounting policies (Continued)

2.13 Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the acquiree over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

2.14 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

Initial recognition and measurement

All financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 Revenue from Contracts with Customers in Note 2.5.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL"). The classification at initial recognition depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

2. Summary of material accounting policies (Continued)

2.14 Financial instruments (Continued)

Financial assets

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial assets at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Financial assets at FVTPL

A financial asset is subsequently measured at FVTPL if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVTOCI, or is irrevocably elected at initial recognition to be designated FVTPL if, by designating the financial asset as FVTPL, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in profit or loss.

2. Summary of material accounting policies (Continued)

2.14 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for Expected Credit Losses ("ECL") on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables and contract assets, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 27.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

2. Summary of material accounting policies (Continued)

2.14 Financial instruments (Continued)

Financial liabilities and equity instruments

Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable and any dividends are discretionary, or is redeemable but only at the Company's option. Dividends on preference share capital classified as equity are recognised as distributions within equity in the period in which they are declared.

Initial recognition and measurement

All financial liabilities are recognised on trade date – the date on which the Group commits to purchase or sell the asset. All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Redeemable convertible loans

Redeemable convertible loans are treated as hybrid instruments, consisting of a liability component and embedded derivative component(s). The redeemable convertible loans are designated as financial instruments that are carried at fair value through profit or loss in its entirety and therefore the embedded derivative are not recognised separately.

The redeemable convertible loans are recognised initially at the fair value which is based on the issuance proceeds. Subsequently, the redeemable convertible loans are carried at fair value with fair value changes being recognised in profit or loss on each reporting date.

Other financial liabilities

Trade and other payables

2. Summary of material accounting policies (Continued)

2.14 Financial instruments (Continued)

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.6 above). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis, comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.16 Cash and cash balances

Cash and cash equivalents comprise cash on hand and deposits, bank overdrafts and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.17 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 Leases. For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

2. Summary of material accounting policies (Continued)

2.17 Leases (Continued)

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset has been reduced to zero.

The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

At the lease commencement date, the Group assess and classify each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

2. Summary of material accounting policies (Continued)

2.17 Leases (Continued)

Operating Leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.18 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event where it is probable that the obligation will result in an outflow of economic benefits that can be reasonable estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

A provision is recognised for onerous contracts when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it and is measured at the lower of the cost of fulfilling it and any expected cost of terminating it. In determining the cost of fulfilling the contract, the Group includes both the incremental costs and an allocation of others costs that relate directly to fulfilling contracts. Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets used in fulfilling the contract.

2.19 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

Non-monetary government grant is recognised at nominal amount.

2. Summary of material accounting policies (Continued)

2.20 Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments (excluding the effect of non market-based vesting conditions) at the date of grant. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 24. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest and adjusted for the effect of non-market-based vesting conditions. At the end of each financial year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised over the financial year and the remaining vesting period with a corresponding adjustment to the equity-settled share options reserve.

Where the grant of equity instruments is cancelled or settled during the vesting period, other than a grant cancelled by forfeiture when the vesting conditions are not satisfied, the Group recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. Where the employee leaves the Group before the options vest, the options are forfeited.

The transfer of the balance in the share option reserve to share capital or treasury shares upon exercise of the option and the transfer of the balance in the share option reserve to accumulated profits upon expiry of the option are not mandatory and may be kept as a separate reserve upon expiry or exercise of the option.

If new equity instruments are granted to the employees and, on the date when those new equity instruments are granted, the entity identifies the new equity instruments granted as replacement equity instruments for the cancelled equity instruments, the Group accounts for the granting of replacement equity instruments in the same way as a modification of the original grant of equity instruments. The incremental fair value granted is the difference between the fair value of the replacement equity instruments and the net fair value of the cancelled equity instruments, at the date the replacement equity instruments are granted. The net fair value of the cancelled equity instruments are their fair value, immediately before the cancellation, less the amount of any payment made to the employees on cancellation of the equity instruments that are accounted for as a deduction from equity. If the Group does not identify any new equity instruments granted as replacement equity instruments for the cancelled equity instruments, the Group accounts for those new equity instruments as a new grant of equity instruments.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. The management, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the group of executive directors and chief executive officer who make strategic decisions.

2.22 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2. Summary of material accounting policies (Continued)

2.22 Foreign currency transactions and translation (Continued)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

Exchange differences arising from foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3. Critical accounting judgements and key sources of estimation uncertainty

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

Capitalisation of internally generated intangible assets

The Group follows the guidance of SFRS(I) 1-38 Intangible Assets in determining the amount and nature of development expenditure to be capitalised as intangible assets. This determination requires significant judgement. The Group assesses, among other factors, if the product or process is technically feasible and if the Group has sufficient technical, financial and other resources to use or market the product or process. In addition, the Group also applies its judgement to assess the probability of expected future economic benefits that are attributable to the use of this capitalised development expenditure that will flow to the Group. The carrying amount of internally generated intangible assets as at 31 December 2025 was US$2,110,729 (2024: US$1,008,660) (Note 13).

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investment are impaired. Where applicable, the Company's assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 Impairment of Assets by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investment in subsidiaries as at 31 December 2025 was US$ 4,196,007 (2024: US$ 4,195,929) (Note 12).

Impairment of goodwill

The Group tests goodwill for impairment at least on an annual basis. Determining whether goodwill is impaired requires an estimation of the recoverable amount being the higher of fair value and the value-in-use of the cash-generating units (CGU) to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. No impairment loss was recognised during the financial year. The carrying amount of goodwill as at 31 December 2025 was US$4,443,070 (2024: US$4,443,070) (Note 11).

Provision for income taxes

The Group has exposure to income taxes in a jurisdiction of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made. The carrying amounts of the Group's current tax payable as at 31 December 2025 was US$ Nil (2024: US$ Nil).

Share-based payment

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transaction requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Group estimates the number of equity instruments expected to vest and adjusts this estimate for the impact of non-market-based vesting conditions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 24.

Expected credit losses of trade receivables, other receivables and deposits

Expected credit losses ("ECL") on trade receivables, other receivables and deposits are probability- weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

In accordance with SFRS(I) 9, the Group determines the allowance for Expected Credit Losses ("ECL") on trade receivables by assessing the lifetime ECL. This assessment takes into consideration the Group's historical default probabilities, which are adjusted for forward-looking factors and the specific economic environment relevant to the respective group of the debtors. Other receivables and deposits are generally measured at an amount equal to 12-months ECL. However, if the credit quality deteriorates and the credit risk associated to the other receivables and deposits significantly increases after their initial recognition, the ECL is assessed based on lifetime ECL.

The carrying amount of the trade receivables, other receivables and deposits at the reporting date are disclosed in Note 15 to the financial statements.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

Valuation of other assets

Other assets of the Group represent capitalised costs incurred to fulfil contracts. These costs relate directly to specific contracts or anticipated contracts that the Group has identified, generate or enhance resources to be used in fulfilling future performance obligations, and are expected to be recovered. These costs are amortised consistently with the recognition pattern of revenue for the related contract.

In assessing the impairment of other assets, judgements are used to estimate the remaining amount of consideration that the Group is expected to receive and the costs that relate directly to providing the services. Management has assessed that the remaining amount of consideration less cost to complete is expected to be higher than the carrying amount of other current assets, accordingly, no impairment is required.

The carrying amounts of other assets are disclosed in Note 16 to the financial statements.

Fair value of financial liabilities at FVPL

Redeemable convertible loans are measured at fair value at initial recognition and designated to be measured subsequently at fair value through profit or loss. The key inputs contributing to the estimation uncertainty include the Group's share price volatility impact the valuation of the entire financial instruments, implied bond yield rates applied to future cash flows and uncertainties regarding the Group's financial performance. The Group have applied option pricing model with Backsolve method to estimate the fair values of the loans with conversion and redemption options. The carrying amount of the Group's financial liabilities at FVPL as at 31 December 2025 was US$7,078,214 (2024: US$ Nil) (Note 21).

Impairment assessment of intangible assets

The Group determines whether there is any indication may be impaired at least on an annual basis. Irrespective of whether there is any indication of impairment, the Group also performed impairment assessment annually for intangible assets with an indefinite useful life or intangible assets not yet available for use by comparing its carrying value with its recoverable amount. This requires an estimation of the probable future economic benefits that are expected to be generated by the Group.

The estimates of the recoverable amounts of the CGUs are determined based on the higher of value-in-use and fair value less costs to sell calculations. The Group's assessments are based on the estimation of the fair value less costs to sell and value-in-use of the assets defined in SFRS(I) 1-36 Impairment of Assets ("SFRS(I)1-36") by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Group has considered the key inputs, including the terminal growth rate, discount rate and growth rate. The discounted cash flows are derived from the budget prepared by the management and approved by the Board of Directors.

The carrying value of the Group's intangible assets as at 31 December 2025 is US$2,865,133 (2024: US$1,763,064). Further details of the key assumptions applied in the impairment assessment of intangible assets are disclosed in Note 13.

Deferred tax assets

Deferred tax assets are recognised for the carry forward of unused tax losses, unused tax credits and temporary differences to the extent that it is probable that taxable profit will be available in the foreseeable future. In making this judgment, management takes into consideration factors such as the likely timing of utilisation and level of future taxable profits together with the long-term business strategy and tax planning opportunities. The carrying amount of deferred tax assets at the end of the reporting period is set out in Note 14 to the financial statements.

4. Revenue

	Group	
	2025 US$	2024 US$
Recognised at a point in time		
Licensing and subscriptions (one-off)	1,029	24,271
Hardware sales	209,496	220,870
	210,525	245,141
Recognised over time		
Usage	23,914,733	19,770,964
Licensing and subscriptions	5,622,741	5,566,223
Professional services	2,448,060	3,292,487
Maintenance & support	2,559,357	2,913,443
	34,544,891	31,543,117
Total revenue	34,755,416	31,788,258

a. *Disaggregation of revenue*

The disaggregation of Group's revenue from contracts with customers is as follows:

	Group	
	2025 US$	2024 US$
Geographical markets [a]		
Singapore	20,222,399	21,176,853
Hong Kong	6,531,868	1,993,035
Other countries	8,001,149	8,618,370
	34,755,416	31,788,258

(a) The disaggregation is based on the location of customers from which revenue was generated.

Transaction price allocated to the remaining unsatisfied or partially satisfied performance obligations and expected to be realised in the following financial years are as follows:

	Group	
	2025 US$	2024 US$
Within one year	3,917,074	2,868,914
After one year within five years	1,587,025	1,286,096
	5,504,099	4,155,010

The Group has applied the practical expedient permitted under SFRS(I) 15 to not disclose the above information for those performance obligations which are part of contracts that have an original expected duration of one year or less. In addition, variable consideration that is constrained has not been included in the above financial information.

5. Other Income

	Group	
	2025	**2024**
	US$	**US$**
Sundry income	57,401	47,339
Government grants	13,010	-
	70,411	47,339

6. Finance costs, net

	Group	
	2025	**2024**
	US$	**US$**
Interest income	(14,054)	(11,573)
Interest expenses from amount due to former Shareholders of Activeo SEA	70,328	-
Unwinding interest of deferred purchase consideration	-	314,342
Interest expenses on borrowings	687,037	422,994
Others	23,437	15,887
	766,748	741,650

7. Loss before income tax

The Group's loss before income tax is arrived at after charging the following:

	Group	
	2025	**2024**
	US$	**US$**
Audit fee paid to auditor of the Group	107,200	23,284
Initial Public Offering ("IPO") listing expenses	2,292,860	-
Infrastructure and licence costs	2,057,983	1,992,155
Write off of disposal of plant and equipment	244	-
Loss on fair value changes of financial liabilities at FVPL	409,387	-
Foreign currency exchange loss/(gain), net	200,402	(31,854)
Short term lease of office premises	134,979	453,404
Depreciation of plant and equipment	122,270	169,834
Amortisation of intangible assets	44,431	-
Directors' remuneration other than fees:		
- Directors of the Group	244,166	401,753
Staff costs (excluding directors' remuneration)	7,737,803	8,258,741
Costs of defined contribution plans included in staff costs	534,553	551,656
Share-based payment expenses	2,962,479	366,568

8. Income tax credit

	Group	
	2025 US$	2024 US$
Income tax		
- Over provision in respect of prior years	-	(17,861)
Deferred tax		
- Recognition of previously unrecognised deferred tax assets	(800,000)	-
	(800,000)	(17,861)

The Company is incorporated in Singapore and accordingly is subject to income tax rate of 17% (2024: 17%). Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. There were no changes in the enterprise income tax of the different applicable jurisdictions in the current year from the last year.

Reconciliation of effective tax rate

	Group	
	2025 US$	2024 US$
Loss before income tax	(9,880,054)	(5,274,368)
Tax expense at tax rate of 17%	(1,679,609)	(896,643)
Income not subjected to tax	(263)	-
Expenses not deductible for tax purposes	146,251	28,872
Deferred tax assets recognised	(800,000)	-
Deferred tax assets not recognised	1,533,621	867,771
Over provision in respect of prior years	-	(17,861)
	(800,000)	(17,861)

9. Basic and diluted loss per shares

The calculation of the basis and diluted loss per share attributed to the ordinary equity holders of the Company is based on the following data:

	Group	
	2025 US$	2024 US$
Loss attributable to the owners of the Company	(9,043,686)	(5,298,323)
Weighted average number of shares during the year		
- Before sub-division of capital	5,337,888	5,062,553
- Post sub-division of capital	266,894,400	253,127,650*
Basic and diluted loss per share (US$ cents):		
- Before sub-division of capital	(1.69)	(1.05)
- Post sub-division of capital	(0.03)	(0.02)*

* For comparative purposes

9. Basic and diluted loss per shares (Continued)

There were no potential dilutive ordinary shares arise from the convertible loans, preference shares, share application and share options. The diluted loss per share for the financial years ended 31 December 2025 and 2024 was the same as the basic loss per share.

10. Plant and equipment

Group	Computer Equipment US$	Operation Network Equipment US$	Office Equipment US$	Developed Software US$	Total US$
Cost					
At 1 January 2024	239,693	452,509	22,223	89,705	804,130
Additions	28,724	238	269	-	29,231
Translation difference	(1,439)	-	(644)	-	(2,083)
At 31 December 2024	266,978	452,747	21,848	89,705	831,278
Additions	48,017	-	-	-	48,017
Write off	(44,598)	(52,363)	(6,524)	-	(103,485)
Translation difference	5,079	-	1,180	-	6,259
At 31 December 2025	275,476	400,384	16,504	89,705	782,069
Accumulated depreciation:					
At 1 January 2024	145,137	271,272	10,796	40,361	467,566
Depreciation	59,133	86,663	6,108	17,930	169,834
Translation difference	(1,311)	-	(590)	-	(1,901)
At 31 December 2024	202,959	357,935	16,314	58,291	635,499
Depreciation	43,470	57,296	3,871	17,633	122,270
Write off	(44,355)	(52,363)	(6,523)	-	(103,241)
Translation difference	3,572	-	898	-	4,470
At 31 December 2025	205,646	362,868	14,560	75,924	658,998
Carrying amount:					
At 31 December 2025	69,830	37,516	1,944	13,781	123,071
At 31 December 2024	64,019	94,812	5,534	31,414	195,779

10. Plant and equipment (Continued)

Company	Computer Equipment US$	Operation Network Equipment US$	Office Equipment US$	Developed Software US$	Total US$
Cost					
At 1 January 2024	171,914	452,509	2,111	89,705	716,239
Additions	17,068	238	-	-	17,306
At 31 December 2024	188,982	452,747	2,111	89,705	733,545
Additions	46,668	-	-	-	46,668
Disposals	(27,882)	(52,363)	-	-	(80,245)
At 31 December 2025	207,768	400,384	2,111	89,705	699,968
Accumulated depreciation:					
At 1 January 2024	106,934	271,272	1,691	40,361	420,258
Depreciation	43,865	86,663	388	17,930	148,846
At 31 December 2024	150,799	357,935	2,079	58,291	569,104
Depreciation	27,625	57,296	32	17,633	102,586
Disposals	(27,882)	(52,363)	-	-	(80,245)
At 31 December 2025	150,542	362,868	2,111	75,924	591,445
Carrying amount:					
At 31 December 2025	57,226	37,516	-	13,781	108,523
At 31 December 2024	38,183	94,812	32	31,414	164,441

11. Goodwill on acquisition

	Group	
	2025 US$	2024 US$
At the beginning and end of financial year	4,443,070	4,443,070

Goodwill of US$4,443,070 arising from the acquisition is attributable to expected synergies from combining operations, which enable the Group to offer end-to-end enterprise capabilities, completing its transition from a connectivity provider to a full-stack CX platform, which has not been recognised separately as it does not meet the criteria for recognition as an intangible asset under SFRS(I) 1-38 Intangible assets. None of the goodwill is expected to be deductible for tax purposes.

Goodwill acquired in a business combination is allocated to the Cash-Generating Unit ("CGU") that is expected to benefit from the business combination. The aggregate carrying amount of goodwill allocated to the CGU as follows:

11. Goodwill on acquisition (Continued)

	Group	
	2025 US$	2024 US$
Activeo Pte. Ltd. and its subsidiaries ("Activeo SEA")	4,443,070	4,443,070

Impairment test for goodwill

The Group tests cash-generating unit for impairment annually, or more frequently when there is an indication for impairment.

In assessing whether an impairment is required, the carrying amount of the CGU is compared with its recoverable amount. The recoverable amount of CGU was determined based on Value-In-Use method ("VIU").

The impairment assessment process involves significant management judgement and estimation in preparing a 5-years cash flow projections. Key inputs and assumptions, including discount rate, revenue growth rate, terminal growth rate, and considerations of past performance, market conditions and future economic conditions, are considered as part of the valuation process. Management assessed that no impairment loss is required for the goodwill, as the recoverable amount exceeds the carrying amount of the CGU.

Key assumptions used for VIU calculations

	Group	
	2025 %	2024 %
Terminal growth rate	2.0	2.0
Discount rate	13.9	14.6
Revenue growth rate	5.1 to 12.7	-8.0 to 10.0

(a) Terminal growth rates used to extrapolate cash flows beyond the five-year period
(b) Pre-tax discount rates applied to the pre-tax cash flow projections
(c) Revenue growth rates used to project revenue for the five-year period

Sensitivity to changes in assumptions

The Group believes that any reasonably possible changes in the above key assumptions are not likely to cause the recoverable amount of the CGU to be materially lower than the related carrying amount.

12. Investment in subsidiaries

	Company	
	2025 US$	2024 US$
Unquoted equity investments, at cost		
Beginning of financial year	4,195,929	4,195,929
Addition	78	-
End of financial year	4,196,007	4,195,929

12. Investment in subsidiaries (Continued)

Impairment assessment in investment in subsidiaries

As at 31 December 2025 and 2024, the Company carried out a review on the recoverable amount of its investments in certain subsidiaries having identified for indicators of impairment on investment in subsidiaries based on the existing performance of the subsidiaries.

The Group has measured the recoverable amount of the investment in subsidiaries based on a value-in-use calculation using 5-years cash flows projections approved by the Board of Directors. Key assumptions on which management has based its cash flow projections for the respective periods are as follows:

Discount rate: The discount rate of 13.9% (2024: 14.6%) is based on the Weighted Average Cost of Capital (the "WACC"), adjusted for the specific circumstances of the investment in subsidiaries and based on management's experience, and re-grossed to arrive at the pre-tax rate.

Growth rates: The projected revenue growth rates used are based on the historical financial data for the past 3 years, adjusted for the specific circumstances of the investment in subsidiaries and based on management's experience, and do not exceed the long-term average growth rate for the corresponding industry of the investment in subsidiaries. The growth rates used during the projection periods range from 5.1% to 12.7% (2024: -8% to 10%).

There was no allowance made on investment in subsidiaries for the year ended 31 December 2025 and 2024.

12. Investment in subsidiaries (Continued)

The details of the subsidiaries are as follows:

Name	Principal activities	Country of incorporation and operation	Percentage of equity held in the group	
			2025 %	2026 %
Held directly by the Company				
Toku Sdn Bhd [1]	Telecommunication voice and message services	Malaysia	100	100
Toku LLC [6]	Telecommunication voice and message services	Republic of Korea	100	100
Toku Limited Liability Company [2]	Telecommunication voice and message services	Socialist Republic of Vietnam	100	100
Toku International Limited [3]	Telecommunication voice and message services	Hong Kong Special Administrative Region of the People's Republic of China	100	100
Makimoto Technology Pte. Ltd.[4] [5]	Development of software and application	Republic of Singapore	100	-
Activeo Pte. Ltd.[4]	Consulting, software and system integration services	Republic of Singapore	100	100
Held through Activeo Pte. Ltd.				
Activeo CDS Pte Ltd.[4]	Consulting, software and system integration services	Republic of Singapore	100	100
Activeo Sdn. Bhd. [1] [7]	Consulting, software and system integration services	Malaysia	100	100

[1] Audited by Aeron Lee & Co

[2] Audited by TLC Auditing Company Limited

[3] Audited by Sam Cheng CPA Limited

[4] Audited by Forvis Mazars LLP in Singapore

[5] Newly incorporated during the year

[6] Exempted from statutory audits

[7] Audited by Forvis Mazars LLP in Singapore for group reporting purpose

13. Intangible assets

	Group	
	2025 US$	2024 US$
Cost:		
At beginning of financial year	1,763,064	754,404
Additions	1,146,500	1,008,660
At end of financial year	2,909,564	1,763,064
Amortisation:		
At beginning of financial year	-	-
Additions	(44,431)	-
At end of financial year	(44,431)	-
Carrying amount:		
At 31 December	2,865,133	1,763,064

	Company	
	2025 US$	2024 US$
Cost:		
At beginning of financial year	1,763,064	754,404
Additions	1,146,500	1,008,660
At end of financial year	2,909,564	1,763,064
Amortisation:		
At beginning of financial year	-	-
Additions	(44,431)	-
At end of financial year	(44,431)	-
Carrying amount:		
At 31 December	2,865,133	1,763,064

13. Intangible assets (Continued)

Group and Company	Level 3 numbers US$	Platform and module development (internally generated intangible assets) US$	Total US$
Cost			
At 1 January 2023	754,404	-	754,404
Additions	-	-	-
At 31 December 2023	754,404	-	754,404
Additions	-	1,008,660	1,008,660
At 31 December 2024	754,404	1,008,660	1,763,064
Additions	-	1,146,500	1,146,500
At 31 December 2025	754,404	2,155,160	2,909,564
Accumulated amortisation			
At 1 January 2024 and 2025	-	-	-
Charge for the year	-	(44,431)	(44,431)
At 31 December 2025	-	(44,431)	(44,431)
Net carrying value			
31 December 2025	754,404	2,110,729	2,865,133
31 December 2024	754,404	1,008,660	1,763,064
31 December 2023	754,404	-	754,404

The Group's Level 3 cloud numbers in Singapore are regulated by the Information Media Development Authority ("IMDA") and are specifically designated for IP-based telephony (IPT) or Voice over Internet Protocol (VoIP) services. A substantial portion has been allocated to customers via subscription basis arrangements, generating recurring revenue. These numbers are considered to have indefinite useful lives.

Platform and module development represent the Group's investment in its proprietary 360 CX Platform, including the development of AI-powered modules such as Toku Transcribe, Toku Summarise, Conversation Analytics, and Sentiment Analysis. Capitalised development costs of US$1,146,500 were added during FY2025 (FY2024: US$1,008,660), reflecting continued investment in expanding the platform's capabilities across new languages and industry verticals. Amortisation of US$44,431 commenced during the year in respect of modules that were completed and placed into production.

13. Intangible assets (Continued)

Impairment test for intangible assets

For the purpose of impairment testing, intangible assets have been allocated to the Group's Cash-Generating Units ("CGUs") as follows:

	Group and Company	
	2025 US$	2024 US$
Level 3 numbers	754,404	754,404
Platform and module development	2,110,729	1,008,660
	2,865,133	1,763,064

The recoverable amounts of level 3 numbers and platform and module development have been determined based on Value-In-Use and Fair Value less Costs to sell, respectively using 5-years cash flow projections based on financial budgets approved by management.

The calculations of value-in-use and fair value less costs to sell for the respective CGUs are most sensitive to the following assumptions:

	Level 3 Numbers		Platform and module developement	
	2025	2024	2025	2024
Growth rates [1]	2.0%	2.0%	18.8% – 40.6%	18.8% – 40.6%
Discount rate [2]	18.4%	18.4%	24.1%	24.1%
Terminal growth rate [3]	2.0%	2.0%	2.0%	2.0%

[1] Annual growth rates used to extrapolate cash flows are based on past performance and the market development adjusted for the specific circumstances of the CGUs and based on management's experience.

[2] The discount rate applied is based on the Weighted Average Cost of Capital (the "WACC"), adjusted for the specific circumstances of the CGUs, and based on management's experience, and re-grossed to arrive at the pre-tax rate.

[3] Terminal growth rates used to extrapolate cash flows beyond the five-year period.

Based on annual impairment assessments, no impairment has been identified for these assets.

Sensitivity to changes in assumptions

The Group believes that any reasonably possible changes in the above key assumptions are not likely to cause the recoverable amounts of the CGUs to be materially lower than the related carrying amount

14. Deferred tax assets

	Group and Company	
	2025 US$	2024 US$
Deferred tax assets		
- Tax losses	800,000	-

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

As at reporting date, the Group did not recognise any deferred income taxes for unutilised tax losses of US$24,002,272 (2024: US$19,686,855) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by the subsidiaries with unrecognised tax losses in their country of incorporation. The unutilised tax losses does not have expiry date under current tax legislation except for the unutilised losses of US$411,110 (2024: US$74,221) arising from the subsidiary in Malaysia which is available for carry up to 6 years from the year of loss and will begin to expire in 2029.

15. Trade and other receivables

	Group	
	2025 US$	2024 US$
Trade receivables		
- Third parties	3,611,135	4,812,054
Other receivables		
- Other receivables	-	40,389
- Deposits	511,026	579,807
	511,026	620,196
GST receivables	134,426	26,822
Total	4,256,587	5,459,072
Current	4,256,587	5,449,243
Non-current	-	9,829
Total	4,256,587	5,459,072

15. Trade and other receivables (Continued)

	Company	
	2025	**2024**
	US$	**US$**
Trade receivables		
- Third parties	2,324,975	3,258,873
Other receivables		
- Related companies	93,523	51,639
- Other receivables	-	40,389
- Deposits	166,276	226,953
	259,799	318,981
GST receivables	134,426	26,822
Total	2,719,200	3,604,676

Trade receivables are unsecured, non-interest bearing and generally on 0 to 60 (2024: 0 to 60) days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Group's deposits amounting to US$339,667 (2024: US$454,724) was pledged to the bank for performance guarantees issued to customers.

The other receivables are unsecured, interest-free, and are repayable on demand.

The Group's trade and other receivables that are not denominated in the functional currencies of the respective entities are as follows:

	Group	
	2025	**2024**
	US$	**US$**
SGD	1,926,006	1,778,638
EUR	33,348	228,855
MYR	4,694	-

	Company	
	2025	**2024**
	US$	**US$**
SGD	162,418	403,892
EUR	33,348	228,855

16. Other assets

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Other assets	788,052	949,046	12,826	39,607
Current assets	750,603	913,469	12,826	39,607
Non-current assets	37,449	35,577	9,620	-
	788,052	949,046	22,446	39,607

Other assets relate to direct costs incurred for revenue contracts in progress as at 31 December 2025. The Group expects the capitalised costs to be fully recovered, hence no impairment loss has been recognised. The Group's and Company's other current assets amounting to US$913,469 and US$39,607 (2024: US$1,448,618 and US$6,967) has been recognised in the profit or loss during the year.

17. Contract assets and contract liabilities

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Contract assets	637,756	811,419	335,714	532,009

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Contract liabilities				
-Current	1,841,520	2,137,375	14,395	28,145
-Non-current	253,430	130,870	-	-
	2,094,950	2,268,245	14,395	28,145

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date. Contract assets are transferred to receivables when the rights become unconditional.

17. Contract assets and contract liabilities (Continued)

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers. Contract liabilities are recognised as revenue as the Group performs under the contract.

(a) Movement in contract assets are explained as follows:

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Balance at beginning of the year	811,419	1,136,897	532,009	518,017
Contract assets reclassified to trade receivables that was included in the contract asset balance at the beginning of the year	(811,419)	(1,136,897)	(532,009)	(518,017)
Increases due to revenue recognised to date but has not been invoiced to the customer at financial year end	637,756	811,419	335,714	532,009
Balance at end of the year	637,756	811,419	335,714	532,009

17. Contract assets and contract liabilities (Continued)

(b) Movement in contract liabilities are explained as follows:

	Group		Company	
	2025 **US$**	**2024** **US$**	**2025** **US$**	**2024** **US$**
Balance at beginning of the year	(2,268,245)	(2,618,547)	(28,145)	(1,617)
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	2,268,245	2,577,101	28,145	1,617
Increases due to cash received, excluding amounts recognised as revenue during the year	(2,094,950)	(2,226,799)	(14,395)	(28,145)
Balance at end of the year	(2,094,950)	(2,268,245)	(14,395)	(28,145)

18. Cash and bank balances

	Group	
	2025 **US$**	**2024** **US$**
Cash on hand	90	13
Cash at banks	1,952,374	794,030
Fixed deposits	-	440,125
	1,952,464	1,234,168
Less: Fixed deposits with tenures more than 3 months	-	(440,125)
Cash and cash equivalents in the consolidated cash flow statement	1,952,464	794,043

	Company	
	2025 **US$**	**2024** **US$**
Cash at banks	1,444,565	322,016
Fixed deposits	-	440,125
	1,444,565	762,141
Less: Fixed deposits with tenures more than 3 months	-	(440,125)
Cash and cash equivalents in the consolidated cash flow statement	1,444,565	322,016

18. Cash and bank balances (Continued)

Fixed deposits are for a tenure of approximately 365 days (2024: 365 days) and which have been pledged to banks to secure credit facilities granted to the Group. In 2024, the fixed deposits for the Group bore interest at 3.0% per annum.

The Group's cash and bank balances that are not denominated in the functional currencies of the respective entities are as follows:

	Group	
	2025 US$	2024 US$
SGD	726,125	946,615
EUR	27,943	636
KRW	41,234	59,669
MYR	48,642	42,840
TWD	16,901	-

	Company	
	2025 US$	2024 US$
SGD	360,016	687,295
EUR	27,943	636
TWD	16,901	-

19. Borrowings

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Secured				
Bank borrowings	-	874,872	-	874,872
Shareholders loans	1,130,511	1,430,958	1,130,511	1,430,958
Third party	1,711,651	-	1,711,651	-
	2,842,162	2,305,830	2,842,162	2,305,830
Unsecured				
Shareholders loans	1,141,279	1,575,486	1,141,279	1,575,486
	1,141,279	1,575,486	1,141,279	1,575,486
Total interest-bearing liabilities	3,983,441	3,881,316	3,983,441	3,881,316
Current	1,333,905	2,077,823	1,333,905	2,077,823
Non-current	2,649,536	1,803,493	2,649,536	1,803,493
	3,983,441	3,881,316	3,983,441	3,881,316

19. Borrowings (Continued)

Terms and debt repayment schedule of borrowings

	Currency	Nominal Interest rate	Year of maturity	Guarantee and Security	31 December 2025	31 December 2024
					US$	US$
Unsecured shareholder loan 1	USD	12.50%	2026	Non-guaranteed and unsecured	1,000,000	1,000,000
Unsecured shareholder loan 2	SGD	12.50%	2026	Non-guaranteed and unsecured	141,278	426,955
Unsecured shareholder loan 3	SGD	12.00%	2025	Non-guaranteed and unsecured	-	148,531
Secured shareholder loan 1	SGD	15.00%	2026	Non-guaranteed and secured on Group's assets, except for a bank's current and deposit accounts	943,796	1,194,989
Secured shareholder loan 2	SGD	15.00%	2026	Non-guaranteed and secured on Group's assets, except for a bank's current and deposit accounts	186,715	235,969
Secured bank loan 1	SGD	SORA + 4%	2025	Non-guaranteed and secured on the Company's current and deposit accounts with the bank	-	874,872
Secured third party loan 1	USD	18.00%	2028	Secured on Group's assets, except for a bank's current and deposit accounts	1,711,652	-
					3,983,441	3,881,316

20. Trade and other payables

	Group	
	2025 US$	2024 US$
Trade payables		
- Third parties	2,742,630	3,307,578
	2,742,630	3,307,578
Other payables		
- Third parties	755,649	387,876
- Amount due to former shareholders of Activeo SEA	488,739	1,054,313
- Accruals	3,820,422	3,408,824
	5,064,810	4,851,013
Deposit received	1,200	2,058
GST payables	105,635	116,823
Total	7,914,275	8,277,472

	Company	
	2025 US$	2024 US$
Trade payables		
- Third parties	1,998,399	2,707,681
	1,998,399	2,707,681
Other payables		
- Third parties	755,649	294,675
- Amount due to former shareholders of Activeo SEA	488,739	1,054,313
- Amount due to related parties	1,705,675	1,316,633
- Accruals	3,348,971	3,038,047
	6,299,034	5,703,668
Deposit received	1,200	2,058
Total	8,298,633	8,413,407

Trade payables are unsecured, non-interest bearing and normally settled between 30 to 90 (2024: 30 to 90) days' credit terms.

Amount due to former shareholders of subsidiaries arose from the deferred purchase consideration of the acquisition of Activeo Pte. Ltd. and its subsidiaries ("Activeo SEA"). On 7 May 2025, the remaining balance was restructured, and the repayment term was extended to December 2026, with interest rates of 12% per annum and secured by pledge of the share certificates of the investment of the subsidiaries.

Other than those disclosed above, other payables are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

20. Trade and other payables (Continued)

The Group's trade and other payables that are not denominated in the functional currencies of the respective entities are as follows:

	Group	
	2025	**2024**
	US$	**US$**
SGD	1,759,414	1,374,728
EUR	32,615	98,954
GBP	9,111	18,680
MYR	11,381	2,733

	Company	
	2025	**2024**
	US$	**US$**
SGD	1,297,198	846,324
EUR	15,599	58,366
GBP	9,111	19,463
MYR	11,381	4,116

21. Financial liabilities at FVPL

	Group and Company	
	2025	**2024**
	US$	**US$**
Current		
Financial liabilities at FVPL	7,078,214	-

	Group and Company	
	2025	**2024**
	US$	**US$**
Beginning of the financial year	-	-
Initial recognition at date of issuance of convertible loans	7,068,827	-
Conversion of loans into ordinary shares	(400,000)	
Loss on fair value changes	409,387	-
End of the financial year	7,078,214	-

21. Financial liabilities at FVPL (Continued)

On 7 January 2025, the Group obtained a convertible loan from one of its shareholders, for a principal amount of US$400,000 which bore a fixed interest rate of 5% per annum and repayable 24 months from the date of disbursement. Under the terms of the convertible loan, the principal amount of US$400,000 to the Company shall be automatically converted into such number of Preference Shares determined by dividing the loan amount by the conversion price of US$7.1239 per Preference Share upon the occurrence of a qualified equity financing round (where the Company raises not less than US$2,000,000 at a price per share of not less than US$7.1239).

On 8 December 2025, the Company and the loan grantor entered into a conversion of loan agreement pursuant to which the Company and the loan grantor agreed to fully convert the loan into 56,149 ordinary shares of the Company at the issue price of US$7.1239 per share (in lieu of converting the loan into Preference Shares as contemplated by the convertible loan agreement). These 56,149 ordinary shares were then subdivided into 2,807,450 ordinary shares on the same day.

Between 14 August 2025 and 29 October 2025, the Group obtained separate redeemable convertible loan agreements with certain of its shareholders and various individual investors amounting to US$6,668,827 which bear a fixed interest rate of 10% per annum and repayable 24 months from the respective agreement dates. These redeemable convertible loans are convertible into shares in the event of an Initial Public Offering ("IPO") at agreed tiered discounts on the IPO price. These were fair valued at US$7,078,214 as of 31 December 2025. On 13 January 2026, these were converted into 51,126,205 new ordinary shares.

22. Share Capital

	Group and Company	
	2025 US$	2024 US$
Ordinary shares	21,372,882	2,911,467
Series A preferred shares	-	13,871,616
	21,372,882	16,783,083

	Ordinary Shares			
	2025		2024	
	Number of shares	US$	Number of shares	US$
Issued and fully paid up:				
Balance at beginning of year	5,062,554	2,911,467	5,062,554	2,911,467
Issue of share capital pre-split	1,225,174	3,089,799	-	-
Conversion from preference to ordinary shares	2,770,573	15,371,616	-	-
Balance pre-split	9,058,301	21,372,882	5,062,554	2,911,467
Share split	443,856,749	-	-	-
Balance at end of year	452,915,050	21,372,882	5,062,554	2,911,467

22. Share capital (Continued)

	Series A Preference Shares			
	2025		2024	
	Number of shares	US$	Number of shares	US$
Issued and fully paid up:				
Balance at beginning of year	2,588,591	13,871,616	2,191,094	10,421,630
Issue of share capital	181,982	1,500,000	397,497	3,449,986
Conversion from preference to ordinary shares	(2,770,573)	(15,371,616)	-	-
Balance at end of year	-	-	2,588,591	13,871,616

22. Share capital (Continued)

In 2024, the Company issued 279,491 Series A Preferred shares at US$8.9448 each, as fully paid up, for a total value of US$2,499,986.

In 2024, the Company issued 118,006 Series A Preferred shares at US$8.0503 each, as fully paid up, to the equity notes holders arising from the conversion of equity notes into shares of the Company.

In 2025, the Company issued 181,982 Series A Preferred shares at an average price of US$8.2426 each, as fully paid up, for a total value of US$1,500,000.

In 2025, the Company also issued 56,149 Ordinary shares at US$7.1239, as fully paid up on conversion of a convertible loan amounting to US$400,000. The Company issued 1,168,925 shares at subscription prices ranging from US$0.0100 to US$8.9448 per share, at an average of US$2.3011 per share, as fully paid up, for a total fair value of US$2,689,799.

In December 2025, in addition to the conversion of the 2,770,573 Series A Preferred shares into 2,770,573 new Ordinary shares, a total of 9,058,301 Ordinary shares were sub-divided by a factor of 50 to 1 into 452,915,050 Ordinary shares.

Options exercised

In 2025, 46,463 (2024: 6,060) option for shares were exercised but not allotted at year end. These shares were paid for in full at exercise prices ranging from US$0.01 to US$0.9952 per share.

Preference shares

The non-redeemable Series A preference shares are convertible only at the option of the issuer into fully-paid ordinary shares of the Company at the conversion of 1 to 1 ordinary share for each preference share.

As at 31 December 2024, a maximum of 2,588,591 Series A preference shares were issuable upon full conversion at the option of the Company of all preference shares. In December 2025, all preference shares were converted into ordinary shares and ceased to exist.

Series A Preferred shareholders shall vote together with the Ordinary shareholders on an as-converted basis subject to the consent of the shareholders of at least 50% of shares outstanding on an as-converted basis, including the consent of the Lead Investor, shall be required to take any action in respect of the certain matters involving restructuring, merger and changes of capital, dividend, ESOP, Constitution and intellectual properties.

The Lead Investor shall have the right to appoint one member of the Board of Directors which is comprised of three members.

The preference shares rank:

1. Pari passu without any preference or priority among themselves; and
2. In priority over the ordinary shares a) in respect of payment of the preference dividend; and b) in the event of a winding-up of or return of capital by the Company, payment of any preference dividend that as accrued to holders of preference shares and is unpaid.

22. Share capital (Continued)

2,770,573 Series A preference Shares ("Preference Shares") were held by a number of Preference Shareholders. Under the terms of the Previous Constitution, each Preference Share shall at any time at the option of its holder, be converted into ordinary shares of the Company on a one-for-one basis.

On 8 December 2025, the Company entered into a termination and conversion agreement (the "Termination and Conversion Agreement"), pursuant to which (among other things) each Preference Shareholder exercised its conversion right in respect of all of its Preference Shares. Consequently, 2,770,573 Preference Shares were converted into 2,770,573 Ordinary shares of the Company.

23. Share application

	Group and Company	
	2025	**2024**
	US$	**US$**
Balance at the beginning of year	1,701,525	11,085
Funds received during the year	-	1,690,440
Shares issued during the year	(1,701,525)	-
Balance at the end of year	-	1,701,525

	Group and Company	
	2025	**2024**
	US$	**US$**
Presented as:		
Shared application		
Approved in principle in equity	-	1,701,525

The Employee Investment Program (EIP) allows employees to buy Toku ordinary shares at US$8.9448 or the latest fund round share price for up to US$50,000 by employee for a maximum of US$1,000,000 for the Group until the next AGM. The Board has the discretion to restrict or allow any employee to invest in excess of US$50,000 until the next AGM. The EIP plan was approved in the 2024 AGM by the shareholders Toku Ltd.

In 2024, the Company received US$190,440 from certain employees for application of new shares as part of the Employee Investment Programme and ESOP plan. The share prices range from US$0.01 to US$8.9448 per share. The shares were yet to be allotted as at 31 December 2024. Subsequently, these shares were allotted in 2025. The EIP plan was terminated in 2025.

In 2024, the Company issued 111,796 Series A Preferred Shares at US$8.9448 each and 70,186 Series A Preferred Shares of US$7.1239 each as fully paid up, for a total value of US$1,500,000, and yet to be allotted of shares as at 31 December 2024. Subsequently, these shares were allotted in 2025.

24. ESOP reserves

An employee share option plan known as "Toku Employee Share Ownership Plan 2021" ("The Plan") was adopted on 28 April 2021. The Plan is for all eligible employees, directors and consultants ("grantee") of the Group and is to motivate them to greater dedication, loyalty and higher standards of performance. The Plan is administered by the ESOP Committee which was appointed by the Board of Directors.

As of 31 December 2024, the maximum aggregate number of Reserved Employee Shares which may be subject to option under The Plan was 1,043,338 shares. The vehicle for the Share Grant is a SPV designated by the Company for such purpose. The Plan contemplates that the SPV Shares and Reserved Employee Shares are granted on a matched back-to-back basis. Accordingly, the SPV shall only issue up to a maximum of 1,043,338 shares.

The Plan was terminated with effect from 8 December 2025 and no further options will be granted thereunder.

In connection with the termination of The Plan, the Company and Toku SPV Pte. Ltd. entered into separate options cancellation agreements dated 8 December 2025 with option holders under The Plan (collectively, the "Options Cancellation Agreements"), pursuant to which all outstanding options granted under The Plan were cancelled, and 273,787 free shares (which, for the avoidance of doubt, is prior to the sub-division of capital under the Capital Restructuring Exercise, and after such subdivision, is 13,689,350 Shares) awarded under the Toku Performance Share Plan (the "Pre-Listing PSP Shares") and 809,486 new ordinary shares of the Company at issue prices which range from US$0.01 per share to US$8.9448 per share (which, for the avoidance of doubt, is prior to the sub-division of capital under the Capital Restructuring Exercise, and after such subdivision, is 40,474,300 Shares) were issued together.

No performance conditions were specified in respect of the awards of the Pre-Listing PSP Shares, and the awards vested on 9 December 2025 (the "Relevant Vesting Date"). The Pre-Listing PSP Shares are subject to a retention period commencing on (and including) the Relevant Vesting Date until 12 months after the listing date.

Share-based Incentive Plans

In view of the listing of the Company on Catalist, the Company has adopted two share-based incentive plans, namely the Toku Employee Share Option Scheme (the "Toku ESOS") and the Toku Performance Share Plan (the "Toku PSP" and together with the Toku ESOS, the "Share Plans"), both of which were approved by the Shareholders on 8 December 2025.

Objectives of the Share Plans

The Share Plans are share incentive schemes. The Share Plans are on the basis that it is important to retain employees and directors whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding employees and executive and non-executive directors of the Group who have contributed to the growth of the Group. The Share Plans will give participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

(a) to motivate the participant to optimise his performance standards and efficiency and to maintain a high level of contribution to the Group;

(b) to retain key executives and executive and non-executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;

(c) to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;

(d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders;

(e) to align the interests of employees with the interests of the Shareholders; and

(f) to give recognition to the contributions made or to be made by Group Non-Executive Directors to the success of the Group.

24. ESOP reserves (Continued)

The purpose of adopting the Toku PSP in addition to the Toku ESOS is to give us greater flexibility to align the interests of the employees, especially key executives, with interests of Shareholders.

Toku Employee Share Option Scheme

On 8 December 2025, the Shareholders approved an employee share option scheme known as the Toku Employee Share Option Scheme.

A summary of the rules of the Toku ESOS is set out as follows:

1. Eligibility

The following persons, unless they are also Controlling Shareholders of the Company or associates of such Controlling Shareholders, shall be eligible to participate in the Toku ESOS at the absolute discretion of the Remuneration Committee:

(a) Group Employees who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Remuneration Committee from time to time; and

(b) Group Non-Executive Directors who, in the opinion of the Remuneration Committee, have contributed or will contribute to the success of the Group.

2. Scheme Administration

The Toku ESOS shall be administered by the Remuneration Committee with powers to determine, inter alia, the following:

(a) persons to be granted options;

(b) number of options to be granted; and

(c) modifications to the Toku ESOS.

A member of the Remuneration Committee who is also a participant of the Toku ESOS must not be involved in its deliberation in respect of options granted or to be granted to him.

3. Size and Duration of the Toku ESOS

The total number of Shares over which the Remuneration Committee may grant new options on any date, when added to:

(a) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered, pursuant to share options already granted under the Toku ESOS;

(b) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, and Shares released and/or to be released in the form of cash in lieu of Shares, pursuant to awards granted under the Toku PSP after the listing date; and

(c) the total number of Shares subject to any other share option or share schemes of the Company (which, for the avoidance of doubt, excludes the Pre-Listing PSP Shares), shall not exceed 15% of the total number of issued Shares (excluding Shares held by the Company as treasury shares and subsidiary holdings (as defined in the Catalist Rules)) on the date preceding the date of grant of the relevant new option. To avoid any doubt, for the purpose of calculating this 15% limit, the total number of issued Shares shall include all Pre-Listing PSP Shares which are already issued and in existence as of the listing date.

As of 31 December 2025, no grants had been made from the share plans approved on 8 December 2025.

24. ESOP reserves (Continued)

Details of the share options outstanding during the financial year are as follows:

	Group and Company			
	2025		2024	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
		US$		US$
Outstanding at the beginning of the financial year	690,321	(0.08)	601,771	0.02
Granted during the financial year	260,328	0.10	231,428	0.10
Exercised during the year	(46,463)	(0.10)	(6,060)	(0.34)
Forfeited/cancelled during the financial year	(904,186)	(0.31)	(136,818)	(0.36)
Outstanding at the end of the financial year	-		690,321	(0.08)
Exercisable at the end of the financial year	-		576,702	0.20

During the financial year, the Group recognised the share-based payment expenses amounting to US$2,962,479 (2024: US$366,568) under the Plan and upon its termination.

24. ESOP reserves (Continued)

Share options outstanding at the end of the financial year have the following expiry dates and exercise prices:

Date of grant of options	Expiry date of options	Exercise Price	No. of share options outstanding	
		US$	2025	2024
28 May 2021	31 May 2031	0.99	329,118	329,118
1 May 2022	31 May 2032	0.01	99,546	102,852
19 May 2023	31 May 2033	0.08	33,260	34,638
18 July 2023	31 July 2033	3.56	5,000	5,000
16 October 2023	31 October 2033	7.12	7,018	7,018
5 March 2024	31 March 2034	0.01	70,949	79,658
6 December 2024	31 December 2034	0.01	112,877	114,706
16 December 2024	31 December 2034	1.00	11,742	17,331
26 February 2025	28 February 2035	0.01	167,999	-
31 March 2025	31 March 2035	8.94	1,677	-
30 June 2025	30 June 2035	0.01	26,397	-

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on Option Pricing Model Backsolve method. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

24. ESOP reserves (Continued)

Fair value of share options granted during the year ended 31 December 2025 and assumptions used:

Grantees of options	Employees, directors and consultants of the Group										
Date of grant of options	28/5/2021	01/05/2022	19/05/2023	18/07/2023	16/10/2023	05/03/2024	06/12/2024	16/12/2024	26/2/2025	31/3/2025	30/6/2025
Fair value at measurement date	US$1.028	US$0.910	US$0.643	US$0.151	US$3.845	US$2.381	US$2.376	US$0.328	US$1.7547	US$0.0049	US$2.8563
Share price	US$0.9914	US$3.5619	US$7.1239	US$7.1239	US$7.1239	US$8.9448	US$8.9448	US$8.9448	US$1.7633	US$2.8559	US$2.8662
Exercise price	US$0.9953	US$0.0100	US$0.0100	US$3.5600	US$7.1239	US$0.0100	US$0.0100	US$8.9448	US$0.0100	US$8.9448	US$0.0100
Expected volatility	53.23%	55.30%	62.54%	62.36%	62.18%	56.17%	121.59%	123.25%	47.15%	45.93%	49.52%
Expected option life	4.47 years	3.54 years	2.49 years	2.32 years	2.08 years	1.70 years	0.94 year	0.91 year	0.72 year	0.62 year	0.38 year
Risk-free interest rate	0.79%	2.21%	3.12%	3.40%	3.65%	3.31%	2.78%	2.79%	2.83%	2.63%	2.02%

The expected volatility is based on the historical volatility of comparable companies (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share option grants. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

25. Translation reserves

The currency translation reserves comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the Group, as well as from the translation of foreign currency loans which form part of the Group's net investments in foreign operations.

26. Significant related party transactions

In addition to information shown elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the financial year:

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Expenses				
Interest expenses to shareholders	435,767	386,206	382,511	386,206

Key management remuneration

The key management remuneration includes fees, salary, bonus, commission and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Group, and where the Group did not incur any costs, the value of the benefit. The key management remuneration is as follows:

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Directors of the Group				
Short-term employee benefit	244,166	401,753	244,166	401,753
Share-based payment expenses	379,225	17,185	379,225	17,185
Key Management Personnel				
Short-term employee benefits	622,991	780,103	622,991	780,103
Post-employment benefits	26,610	21,974	26,610	21,974
Share-based payment expenses	439,992	58,643	439,992	58,643

27. Financial instruments and financial risks

The Group's activities expose it to credit risk, market risks (including foreign currency risk and interest rate risk) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

27. Financial instruments and financial risks (Continued)

There have been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk arises mainly from bank balances, trade and other receivables. Bank balances are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies and the Group does not expect the impairment loss from bank balances to be material, if any.

To assess and manage its credit risk, the Group categorises the aforementioned financial assets and contract assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, default of interest due for more than 30 days, but not later than when the financial asset is more than 90 days past due as per SFRS(I) 9's presumption.

The Group has not rebutted the presumption included in SFRS(I) 9 that there has been a significant increase in credit risk since initial recognition when financial assets are more than 30 days past due.

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk [Note 1]	12-months ECL
2	Non-significant increase in credit risks since initial recognition and financial asset is ≤ 30 days past due	12-months ECL
3	Significant increase in credit risk since initial recognition [Note 2] or financial asset is > 30 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired [Note 3]	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount [Note 4]	Written off

27. Financial instruments and financial risks (Continued)

Credit risk (Continued)

Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information. Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on independently obtained information (e.g. expert reports, analyst's reports etc) and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Note 3. Credit-impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for the financial asset because of financial difficulties.

27. Financial instruments and financial risks (Continued)

Credit risk (Continued)

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group and Company do not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

As at the end of the financial year, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Consolidated statement of financial position.

Trade receivables (Note 15) and contract assets (Note 17)

The Group and Company uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for trade receivables and contract assets, where the loss allowance is equal to lifetime ECL.

The contract assets relate mainly to unbilled revenue and have substantially the same risk characteristics as trade receivables for the same type of contracts. Therefore, the Group and Company concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the credit loss rates of the contract assets.

The ECL for trade receivables and contract assets are estimated using an allowance matrix by reference to the historical credit loss experience of the customers for the last 3 years prior to the respective reporting dates for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the financial assets. In considering the impact of the economic environment on the ECL rates, the Group and Company assesses, for example, the growth rates of the major industries which its customers operate in.

Trade receivables and contract assets are written off when there is evidence to indicate that the customer is in severe financial difficulty such as being under liquidation or bankruptcy and there is no reasonable expectations for recovering the outstanding balances.

27. Financial instruments and financial risks (Continued)

Credit risk (Continued)

Trade receivables (Note 15) and contract assets (Note 17) (Continued)

The loss allowance for trade receivables, and contract assets are determined as follows:

	Trade receivables and contract assets						
Group	**Contract assets**	**Not past due**	**Past due 1 to 30 days**	**Past due 31 to 60 days**	**Past due 61 to 90 days**	**Past due more than 90 days**	**Total**
31 December 2025							
Expected credit loss rates	0%	0%	0%	0%	0%	0%	
Total gross carrying amount	637,756	2,549,896	584,807	104,973	203,993	167,466	4,248,891
Allowance for expected credit losses, net	-	-	-	-	-	-	-
31 December 2024							
Expected credit loss rates	0%	0%	0%	0%	0%	0%	
Total gross carrying amount	811,419	3,581,059	1,079,514	133,970	13,541	3,970	5,623,473
Allowance for expected credit losses, net	-	-	-	-	-	-	-

27. Financial instruments and financial risks (Continued)

Credit risk (Continued)

The loss allowance for trade receivables, and contract assets are determined as follows:

	Trade receivables and contract assets						
Company	**Contract assets**	**Not past due**	**Past due 1 to 30 days**	**Past due 31 to 60 days**	**Past due 61 to 90 days**	**Past due more than 90 days**	**Total**
31 December 2025							
Expected credit loss rates	0%	0%	0%	0%	0%	0%	0%
Total gross carrying amount	335,714	1,794,462	178,991	101,773	82,284	167,465	2,660,689
Allowance for expected credit losses, net	-	-	-	-	-	-	-
31 December 2024							
Expected credit loss rates	0%	0%	0%	0%	0%	0%	0%
Total gross carrying amount	532,009	2,418,587	775,539	64,747	-	-	3,790,882
Allowance for expected credit losses, net	-	-	-	-	-	-	-

27. Financial instruments and financial risks (Continued)

Credit risk (Continued)

Other receivables and deposits (Note 15)

The Group and Company assessed the loss allowance of the other receivables and deposits on a 12-month ECL basis consequent to their assessment and conclusion that there is no significant credit risk on these receivables. In its assessment of the credit risk of other receivables, the Group and Company considered amongst other factors, the financial position of other receivables as of 31 December 2025 and 2024, the past financial performance and cashflow trends, adjusted for the outlook of the industry and economy in which the other receivables operate in. Accordingly, the Group and Company determined that the ECL for other receivables and deposits are insignificant.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Group is exposed to foreign currency risk on certain income, expenses, monetary assets, mainly cash and cash equivalents, and liabilities that are denominated in currencies other than the functional currencies of the respective entities in the Group. As at the reporting date, the Group do not have significant foreign currency risk exposure except for the financial assets and liabilities denominated in Singapore dollar and Euro.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at the end of the financial year are as follows:

	Assets		Liabilities	
	2025 US$	2024 US$	2025 US$	2024 US$
Group				
Singapore dollar	2,652,131	2,725,253	3,031,204	4,250,301
Euro	61,291	229,491	32,615	98,954

	Assets		Liabilities	
	2025 US$	2024 US$	2025 US$	2024 US$
Company				
Singapore dollar	522,434	1,088,917	2,568,988	3,721,897
Euro	61,291	229,491	15,599	58,366

The Group has a number of investments in foreign operations, whose net assets are exposed to foreign exchange translation risk.

Foreign currency sensitivity analysis

The following table details the sensitivity to a 3% (2024: 3%) increase or decrease in the relevant foreign currencies against the functional currency of each Group entity. 3% (2024: 3%) is the sensitivity rate representing management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 3% (2024 :3%) change in foreign currency rates.

27. Financial instruments and financial risks (Continued)

Market risk (Continued)

Foreign currency sensitivity analysis (Continued)

If the relevant foreign currencies strengthens by 3% (2024: 3%) against the functional currency of each Group entity, profit or loss will increase or (decrease) by:

	Singapore Dollar Impact		Euro Impact	
	2025 US$	2024 US$	2025 US$	2024 US$
Group				
Profit and loss	(11,372)	(45,751)	860	3,916

	Singapore Dollar Impact		Euro Impact	
	2025 US$	2024 US$	2025 US$	2024 US$
Company				
Profit and loss	(61,397)	(78,989)	1,371	5,134

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk relates to interest bearing liabilities.

The Group's policy is to maintain an efficient and optimal interest cost structure using a combination of fixed and variable rate debts, and long and short-term borrowings.

The Group's interest rate risk arises primarily from the floating rate borrowings with financial institutions.

The interest rates and terms of repayment of the Group's floating rate borrowings are disclosed as follows:

Group and Company	Principal US$	Interest rate range
2024		
Borrowings from financial institutions	874,872	SORA + 4%

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest-bearing financial liabilities at the end of the financial year and the stipulated change taking place at the beginning of the year and held constant throughout the financial year in the case of instruments that have floating rates. A 100-basis point increase or decrease is used and represents management's assessment of the possible change in interest rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the profit for the financial year ended 31 December 2025 of the Group and Company would decrease/increase by $Nil (2024: $8,749).

27. Financial instruments and financial risks (Continued)

Liquidity risk

Liquidity risk refers to the risk in which the Group encounters difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The following table details the Group's remaining contractual maturity for its non-derivative financial instruments. The table has been drawn up based on contractual undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or (pay). The table includes both interest and principal cash flows.

Group	Within 1 year US$	Within 2 to 5 years US$	Total US$
Undiscounted financial assets			
Cash and cash equivalents	1,952,464	-	1,952,464
Trade and other receivables (excluding prepayments and GST receivables)	4,122,161	-	4,122,161
As at 31 December 2025	6,074,625	-	6,074,625
Cash and cash equivalents	1,234,168	-	1,234,168
Trade and other receivables (excluding prepayments and GST receivables)	5,422,421	9,829	5,432,250
As at 31 December 2024	6,656,589	9,829	6,666,418
Undiscounted financial liabilities			
Borrowings	1,862,993	3,112,237	4,975,230
Trade and other payables (excluding GST payable)	7,808,640	-	7,808,640
As at 31 December 2025	9,671,633	3,112,237	12,783,870
Borrowings	2,430,706	2,032,525	4,463,231
Trade and other payables (excluding GST payable)	8,160,649	-	8,160,649
As at 31 December 2024	10,591,355	2,032,525	12,623,880
Total undiscounted net financial liabilities			
As at 31 December 2025	(3,597,008)	(3,112,237)	(6,709,245)
As at 31 December 2024	(3,934,766)	(2,022,696)	(5,957,462)

27. Financial instruments and financial risks (Continued)

Liquidity risk (Continued)

Company	Within 1 year US$	Within 2 to 5 years US$	Total US$
Undiscounted financial assets			
Cash and cash equivalents	1,444,565	-	1,444,565
Trade and other receivables (excluding prepayments and GST receivables)	2,584,774	-	2,584,774
As at 31 December 2025	4,029,339	-	4,029,339
Cash and cash equivalents	762,141	-	762,141
Trade and other receivables (excluding prepayments and GST receivables)	3,577,854	-	3,577,854
As at 31 December 2024	4,339,995	-	4,339,995
Undiscounted financial liabilities			
Borrowings	1,862,993	3,112,237	4,975,230
Trade and other payables (excluding GST payable)	8,298,633	-	8,298,633
As at 31 December 2025	10,161,626	3,112,237	13,273,863
Borrowings	2,430,706	2,032,525	4,463,231
Trade and other payables (excluding GST payable)	8,413,407	-	8,413,407
As at 31 December 2024	10,844,113	2,032,525	12,876,638
Total undiscounted net financial liabilities			
As at 31 December 2025	(6,132,287)	(3,112,237)	(9,244,524)
As at 31 December 2024	(6,504,118)	(2,032,525)	(8,536,643)

27. Financial instruments and financial risks (Continued)

Liquidity risk (Continued)

Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position and as follows:instruments. The table has been drawn up based on contractual undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or (pay). The table includes both interest and principal cash flows.

	Group	
	2025	**2024**
	US$	**US$**
Financial liabilities at FVPL		
Financial liabilities at FVPL	7,078,214	-
Financial assets at amortised cost		
Trade and other receivables (excluding prepayments and GST receivable)	4,122,161	5,432,250
Cash and cash equivalents	1,952,464	1,234,168
Other current and non-current assets	788,052	949,046
	6,862,677	7,615,464
Financial liabilities at amortised cost		
Borrowings	3,983,441	3,881,316
Trade and other payables (excluding GST payable)	7,808,640	8,160,649
	11,792,081	12,041,965

	Company	
	2025	**2024**
	US$	**US$**
Financial liabilities at FVPL		
Financial liabilities at FVPL	7,078,214	-
Financial assets at amortised cost		
Trade and other receivables (excluding prepayments and GST receivable)	2,584,774	3,577,854
Cash and cash equivalents	1,444,565	762,141
Other current and non-current assets	22,446	39,607
	4,051,785	4,379,602
Financial liabilities at amortised cost		
Borrowings	3,983,441	3,881,316
Trade and other payables (excluding GST payable)	8,298,633	8,413,407
	12,282,074	12,294,723

28. Capital management policies and objectives

The Group's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain a capital structure to support its business and maximise shareholder value.

During the year, the Company increased its paid-up capital by US$4,589,799 (2024: US$3,449,986).

The Group monitors its capital using a gearing ratio, which is total debt divided by equity attributable to owners of the Group. Debts are interest bearing borrowings.

	Group		Company	
	2025 US$	2024 US$	2025 US$	2024 US$
Borrowings	3,983,441	3,881,316	3,983,441	3,881,316
Total debt	3,983,441	3,881,316	3,983,441	3,881,316
Equity attributable to owners of the Company	(4,931,852)	663,248	(6,638,454)	(1,048,128)
Gearing Ratio (times)	*	5.85	*	*

* *Not meaningful*

29. Fair value of assets and liabilities

(a) Fair value measurements

The fair values of applicable assets and liabilities, are determined and categorised using a fair value hierarchy as follows:

(a) Level 1 - the fair values of assets and liabilities with standard terms and conditions and which trade in active markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).

(b) Level 2 - in the absence of quoted market prices, the fair values of the assets and liabilities are determined using the other observable, either directly or indirectly, inputs such as quoted prices for similar assets/liabilities in active markets or included within Level 1, quoted prices for identical or similar assets/liabilities in non-active markets.

(c) Level 3 - in the absence of quoted market prices included within Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

29. Fair value of assets and liabilities (Continued)

(b) Liabilities measured at fair value

	Note	Group and Company US$
Recurring fair value measurement		
2025		
Financial liabilities		
Financial liabilities at FVPL	21	7,078,214

(c) Level 3 fair value measurements

(i) Summary of the quantitative information about the significant unobservable input used in the level 3 fair value measurements

Description	Fair value at 31 December 2025	Valuation technique	Significant unobservable input	Range of unobservable inputs
Financial liabilities at fair value through profit or loss:				
Financial liabilities				
Financial liabilities at FVPL	7,078,214	Option Pricing Model with Backsolve method	Volatility (annually)	38.0%
			Weighted average cost of capital ("WACC")	19.0%
			Discount for lack of marketability	8.6%
			Risk-free rate	1.3%

Relationship of unobservable input to fair value

Financial liabilities at FVPL

An increase/decrease in risk free interest rate would result in a decrease/increase in fair value of the liabilities.

(ii) Valuation policies and procedures

Management assessed the necessary, the Group would engage experts to perform significant financial reporting valuations. The Group's financial controller is responsible for selecting and engaging such external experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance.

The financial controller will perform the analysis and the results of the external valuations are then reported to the Chief Executive Officer, Audit Committee and the Board of Directors for approval.

29. Fair value of assets and liabilities (Continued)

(c) Level 3 fair value measurements (Continued)

(iii) Transfer between fair value hierarchy

There were no transfers between level 1, 2 and 3 during the financial year.

Except as disclosed in respective notes, the carrying amount of trade and other receivables (Note 15), cash and bank balances (Note 18), other current assets (Note 16), trade and other payables (Note 20), and borrowings (Note 19) are approximate to their respective fair values due to the relative short-term maturity of these financial instruments.

The carrying amounts of non-current receivables (Note 15), other non-current assets (Note 16) and borrowings (Note 19) are reasonable approximation of fair values as the consideration of time value of money is not material. It is the Group's policy that where assessed necessary by the local management, the Group would engage experts to perform significant financial reporting valuations. The management is responsible for selecting and engaging such external experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance.

Management reviews and analyses the valuation results, which are subsequently presented to the Audit Committee, and the Board of Directors for review and approval.

30. Segment information

The Group is principally engaged in providing telecommunications activities and provision of voice over internet protocol services to customers. All services provided are of a similar nature and subject to similar risks and returns. During the financial years ended 31 December 2025, the Group operated its business as a single business operating segment, which is also its reportable segment. An operating segment is defined as a component of an entity for which discrete financial information is available and whose results of operations are regularly reviewed by the chief operating decision maker. During the financial years ended 31 December 2025, the Group's chief operating decision maker is the management committee of the holding company, Toku Ltd., who reviews results of operations to make decisions about allocating resources and assessing performance based on the consolidated financial information. The Group's non-current assets are mainly derived and located in Singapore.

Information about major customers

Revenue of approximately US$5,443,138 and US$4,481,396 was derived from two major customers (2024: US$4,955,170 and US$4,946,740 was derived from two major customers), each accounting for 10% or more of the Group's total revenue for the year ended 31 December 2025. These revenues are attributable to the Group's single operating segment.

Major Customers	FY2025		FY2024	
	US$	%	US$	%
Customer A	3,447	0.01	4,955,170	15.6
Customer B	4,481,396	12.89	4,946,740	15.6
Customer C	5,443,138	15.66	2,329	0.01

31. Subsequent events

On 13 January 2026, the redeemable convertible loans amounting to USD6,668,827 were converted into 51,126,205 new shares.

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 22 January 2026. The Company offered 65,000,000 new shares at SGD0.25 per share for a total of SGD16,250,000 which were fully subscribed and paid in full and in cash.

On 28 January 2026, the Company settled shareholders' loans in full amounting to SGD2,954,630 from the IPO proceeds received.

On 9 April 2026, the Company settled a loan from a third party in full amounting to USD1,566,858 from the IPO proceeds received.

TOKU LTD.
STATISTICS OF SHAREHOLDINGS AS AT 27 MARCH 2026

(As per CDP record)

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	305	30.62	300,100	0.05
1,001 - 10,000	314	31.53	1,377,300	0.24
10,001 - 1,000,000	340	34.14	32,504,150	5.70
1,000,001 AND ABOVE	37	3.71	536,059,705	94.01
TOTAL	**996**	**100.00**	**570,241,255**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	194,956,850	34.19
2	TEMBUSU GROWTH FUND II LTD.	41,543,650	7.29
3	LABOULLE THOMAS PATRICK M.	29,083,200	5.10
4	TEMBUSU PARTNERS PTE. LTD.	28,032,850	4.92
5	TOKU SPV PTE. LTD.	25,858,650	4.53
6	FRONTCAP ASIA S.A.R.L	23,249,200	4.08
7	PHILLIP SECURITIES PTE LTD	19,785,526	3.47
8	ALPHA TOKU PTE. LTD.	14,847,550	2.60
9	LIM ANDY	12,253,850	2.15
10	BETATRON II (BVI) LIMITED	12,154,550	2.13
11	CHRISTIAN KENFOR WONG	11,631,550	2.04
12	VOS KOEN BERNARD	11,477,400	2.01
13	UOB KAY HIAN PRIVATE LIMITED	10,239,800	1.80
14	ASDEW ACQUISITIONS PTE LTD	9,252,461	1.62
15	THE INNOVATION AND TECHNOLOGY VENTURE FUND CORPORATION	9,099,100	1.60
16	CITIBANK NOMINEES SINGAPORE PTE LTD	8,808,600	1.54
17	HAN SENG JUAN	8,002,461	1.40
18	ICH SYNERGROWTH FUND	8,000,000	1.40
19	POH BOON KHER, MELVIN (FU WENKE, MELVIN)	7,692,307	1.35
20	RUFF ETHAN STORM	5,882,750	1.03
	TOTAL	**491,852,305**	**86.25**

STATISTICS OF SHAREHOLDINGS AS AT 27 MARCH 2026

DISTRIBUTION OF SHAREHOLDINGS

CLASS OF SHARES	NO. OF SHARES	%
Ordinary	570,241,255	100.0
Treasury	Nil	0.00
Total Issued Shares	570,241,255	100.0
Subsidiary Holdings	Nil	0.0

Voting Rights On a poll : One vote for each ordinary share

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 27 MARCH 2026

(As recorded in the Register of Substantial Shareholders)

NAMES OF SUBSTANTIAL SHAREHOLDERS	DIRECT INTEREST	%	DEEMED INTEREST	%
Delivery Hero Ventures GmbH	76,099,250	13.35	-	-
Delivery Hero SE [1]	-	-	76,099,250	13.35
Neptune Invest Asia Pte. Ltd.	57,010,450	10.00	-	-
Neptune Invest SAS [2]	-	-	57,010,450	10.00
Mr Maxime Poupel [2]	-	-	57,010,450	10.00
Tembusu Growth Fund II Ltd. (in voluntary liquidation)	41,543,650	7.29	-	-
Mr Lim Andy [3]	12,253,850	2.15	28,211,100	4.95
Mrs Tan Hwee Hua @ Lim Hwee Hua [4]	178,250	0.03	40,286,700	7.06
Mr Laboulle Thomas Patrick M.	29,083,200	5.10	-	-

Note:

[1] Delivery Hero Ventures GmbH is a wholly-owned subsidiary of Delivery Hero SE. Accordingly, for the purposes of section 4(5) of the Securities and Futures Act 2001 ("SFA"), Delivery Hero SE has a deemed interest in the shares held by Delivery Hero Ventures GmbH.

[2] Neptune Invest Asia Pte. Ltd. is a wholly-owned subsidiary of Neptune Invest SAS. Mr Maxime Poupel has 100% interest of Neptune Invest SAS. Accordingly, for the purposes of SFA, each of Neptune Invest SAS and Mr Maxime Poupel has a deemed interest in the shares held by Neptune Invest Asia Pte. Ltd.

[3] Mr Lim Andy and his spouse, Mrs Tan Hwee Hua @ Lim Hwee Hua collectively have an interest in approximately 82.78% of Tembusu Partners Pte. Ltd.'s shares ("Tembusu Partners"). Accordingly, for the purposes of SFA, Mr Lim Andy has a deemed interest in (i) 178,250 shares held by his spouse, Mrs Tan Hwee Hua @ Lim Hwee Hua, and (ii) 28,032,850 shares held by Tembusu Partners.

[4] Mrs Tan Hwee Hua @ Lim Hwee Hua and her spouse, Mr Lim Andy collectively have an interest in Tembusu Partners's shares. Accordingly, for the purposes of SFA, Mrs Tan Hwee Hua @ Lim Hwee Hua has a deemed interest in (i) 12,253,850 shares held by her spouse, Mr Lim Andy, and (ii) 28,032,850 shares held by Tembusu Partners Pte. Ltd.

Note: The above percentages are calculated based on the Company's issued share capital (excluding treasury shares) of 570,241,255 as at 27 March 2026.

SHAREHOLDING HELD IN HANDS OF PUBLIC

As at 27 March 2026, 57.18% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited.

TOKU LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 201734881W)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "**AGM**") of Toku Ltd. (the "**Company**") will be held at Warehouse on River Promenade, 5 Jiak Kim Street, Singapore 169425 on Monday, 27 April 2026 at 9.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2025 together with the Independent Auditor's Report thereon.
(Resolution 1)

2. To re-elect the following Directors of the Company, who will be retiring by rotation under Article 94 of the Constitution of the Company and who, being eligible, offer themselves for re-election:

   (i) Ms Tan Hwee Hua @ Lim Hwee Hua *[See Explanatory Note 1]* **(Resolution 2)**
   (ii) Mr Laboulle Thomas Patrick M. *[See Explanatory Note 2]* **(Resolution 3)**
   (iii) Ms Pebble Sia Huei-Chieh *[See Explanatory Note 3]* **(Resolution 4)**
   (iv) Mr Doshi Bhavik Umesh *[See Explanatory Note 4]* **(Resolution 5)**
   (v) Mr Stevens Vincent Francois *[See Explanatory Note 5]* **(Resolution 6)**

3. To approve the payment of Directors' fees of S$10,684 for the financial year ended 31 December 2025.
[See Explanatory Note 6] **(Resolution 7)**

4. To approve the payment of Directors' fees of S$162,500 for the financial year ending 31 December 2026, payable quarterly in arrears.
[See Explanatory Note 7] **(Resolution 8)**

5. To re-appoint Forvis Mazars LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
(Resolution 9)

6. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without any modifications, the following resolutions as Ordinary Resolutions:

7. **Authority to issue shares**

   That pursuant to Section 161 of the Companies Act 1967 (the "**Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**"), the Directors be authorised and empowered to:

   (a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from exercising of share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with sub-paragraphs (2)(a) or (2)(b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of this Resolution.

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier; or in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note 8] **(Resolution 10)**

8. **Authority to grant options and issue shares under the Toku Employee Share Option Scheme**

That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

(i) offer and grant options in accordance with the provisions of Toku Employee Share Option Scheme ("**Toku ESOS**"); and

(ii) allot and issue or deliver from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the exercise of options granted under Toku ESOS,

provided that the total number of Shares over which options may be granted under the Toku ESOS on any date, when added to (i) the total number of Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered, pursuant to options already granted under the Toku ESOS, (ii) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, and Shares released and/or to be released in the form of cash in lieu of Shares, pursuant to awards granted under the Toku PSP (as defined below), and (iii) the total number of Shares subject to any other share option or share schemes of the Company, shall not exceed fifteen per centum (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

[See Explanatory Note 9] **(Resolution 11)**

9. **Authority to grant awards and to allot and issue shares under the Toku Performance Share Plan**

That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

(i) grant awards in accordance with the provisions of the Toku Performance Share Plan ("**Toku PSP**"); and

(ii) allot and issue or deliver from time to time such number of fully paid-up Shares as may be required to be issued pursuant to the vesting of awards granted under Toku PSP,

provided that the total number of Shares which may be delivered pursuant to awards granted under the Toku PSP on any date, when added to (i) the total number of Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered, and Shares released and/or to be released in the form of cash in lieu of Shares, pursuant to awards already granted under the Toku PSP, (ii) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, pursuant to options already granted under the Toku ESOS, and (iii) the total number of Shares subject to any other share option or share schemes of the Company, shall not exceed fifteen per centum (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.
[See Explanatory Note 10] **(Resolution 12)**

10. **Proposed Adoption of the Share Buyback Mandate**

(a) That:

for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "**Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued and fully paid-up ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) on-market purchases ("**On-Market Purchases**") transacted on the SGX-ST; and/or

(ii) off-market purchases ("**Off-Market Purchases**") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other provisions of the Act, the Constitution of the Company and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next AGM of the Company is held;

(ii) the date by which the next AGM of the Company is required by law to be held; or

(iii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"**Maximum Limit**" means that number of issued Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered;

"**Relevant Period**" means the period commencing from the date of the passing of this Resolution and expiring on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier; and

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding applicable brokerage, commission, stamp duties, goods and services tax and other related expenses) which shall not exceed:

(i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares,

where "**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days period and the day on which the purchases are made; and

(d) the Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary or expedient to give effect to the transactions contemplated and/or authorised by this Resolution.
[See Explanatory Note 11] **(Resolution 13)**

By Order of the Board

Lee Bee Fong
Secretary
Singapore, 10 April 2026

Explanatory Notes:

1. **Ordinary Resolution 2** is to re-elect Ms Tan Hwee Hua @ Lim Hwee Hua, who will be retiring under Article 94 of the Constitution of the Company. Ms Tan Hwee Hua @ Lim Hwee Hua will, upon re-election as a Director, remain as the Non-Independent and Non-Executive Chairman of the Company. Please refer to the "Information on Directors Seeking Re-election" section of this Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

2. **Ordinary Resolution 3** is to re-elect Mr Laboulle Thomas Patrick M., who will be retiring under Article 94 of the Constitution of the Company. Mr Laboulle Thomas Patrick M. will, upon re-election as a Director, remain as the Executive Director and Chief Executive Officer of the Company and a Member of the Nominating Committee. Please refer to the "Information on Directors Seeking Re-election" section of this Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

3. **Ordinary Resolution 4** is to re-elect Ms Pebble Sia Huei-Chieh, who is currently a Lead Independent Director of the Company and will be retiring pursuant to Article 94 of the Constitution of the Company. Upon re-election, Ms Pebble Sia Huei-Chieh will continue to serve as the Chairman of the Nominating Committee and a Member of the Audit Committee and Remuneration Committee. Please refer to the "Information on Directors Seeking Re-election" section of this Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

   Ms Pebble Sia Huei-Chieh is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

4. **Ordinary Resolution 5** is to re-elect Mr Doshi Bhavik Umesh, who is currently an Independent Director of the Company and will be retiring pursuant to Article 94 of the Constitution of the Company. Upon re-election, Mr Doshi Bhavik Umesh will continue to serve as the Chairman of the Audit Committee and a Member of the Nominating Committee and Remuneration Committee. Please refer to the "Information on Directors Seeking Re-election" section of this Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

   Mr Doshi Bhavik Umesh is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

5. **Ordinary Resolution 6** is to re-elect Mr Stevens Vincent Francois, who is currently an Independent Director of the Company and will be retiring pursuant to Article 94 of the Constitution of the Company. Upon re-election, Mr Stevens Vincent Francois will continue to serve as the Chairman of the Remuneration Committee and a Member of the Audit Committee. Please refer to the "Information on Directors Seeking Re-election" section of this Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

   Mr Stevens Vincent Francois is considered independent for the purposes of Rule 704(7) of the Catalist Rules.

6. **Ordinary Resolution 7** is to approve the Directors' fees of S$10,684 to the Non-Executive Directors of the Company for the financial year ended 31 December 2025. The Directors' fees in respect of the financial year ended 31 December 2025 were pro-rated based on the duration of service of the Non-Executive Directors for the period commencing from 8 December 2025 to 31 December 2025.

7. **Ordinary Resolution 8** is to approve the Directors' fees of S$162,500 to the Non-Executive Directors of the Company for the financial year ending 31 December 2026. Such amount reflects a full financial year from 1 January to 31 December 2026.

8. **Ordinary Resolution 10**, if passed, will empower the Directors of the Company, from the date of the AGM until the conclusion of the next AGM of the Company, the date by which the next AGM of the Company is required by law and the Catalist Rules to be held, or the date on which such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to issue new Shares, make or grant Instruments convertible into new Shares and to issue new Shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) may be issued other than on a pro rata basis to existing shareholders of the Company.

9. **Ordinary Resolution 11**, if passed, will empower the Directors of the Company to offer and grant options, and to allot and issue new Shares in the capital of the Company, under the Toku ESOS, provided that the aggregate number of shares to be allotted and issued pursuant to options granted under the Toku ESOS and awards granted under the Toku PSP shall not exceed fifteen per centum (15%) of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

10. **Ordinary Resolution 12**, if passed, will empower the Directors of the Company to grant awards, and to allot and issue new Shares in the capital of the Company, pursuant to awards granted under the Toku PSP and options granted under the Toku ESOS shall not exceed fifteen per centum (15%) of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

11. **Ordinary Resolution 13**, if passed, will empower the Directors of the Company to purchase or otherwise acquire Shares by way of On-Market Purchases or Off-Market Purchases, on the terms and subject to the conditions set out in the Resolution, up to the Maximum Limit and at the Maximum Price. The information relating to the proposed Share Buyback Mandate, including the rationale, the authority and limitations, the financial effects and other details required under the Catalist Rules, is set out in the Share Buyback Mandate Appendix of the Annual Report FY2025.

Important Information:

1. All members of the Company are invited to attend the AGM physically. There will be no option for members to participate virtually. Printed copies of the Notice of AGM and Proxy Form have been despatched to members. These documents are available on the Company's website at https://toku.co/ and the SGXNet at https://www.sgx.com/securities/company-announcements.

2. Members who wish to submit substantial and relevant questions relating to resolutions as set out in this Notice of AGM in advance of the AGM may do so in the following manner:

   (a) by post to the registered office of the Company at 61 Robinson Road, #08-02, Singapore 068893; or

   (b) by email to investor.relations@toku.co

   in each case, question(s) must be submitted by 5.00 p.m. on Friday, 17 April 2026 (being at least seven (7) calendar days after the date of the Notice of AGM).

   When sending in questions via email or by post, please also provide the following details: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g. via CDP, SRS and/or scrip).

   SRS Investors should approach their SRS Operators to submit their questions based on the abovementioned instructions.

   The Company will endeavour to address all substantial and relevant questions received from Members prior to the AGM by publishing the responses to such questions on the Company's website at https://investors.toku.co/ and the SGXNet at https://www.sgx.com/securities/company-announcements by 5.00 p.m. on Tuesday, 21 April 2026. If substantial and relevant written questions are submitted after the abovementioned cut-off time, they will be addressed during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

3. Members who wish to exercise their voting rights at the AGM may:

   (a) (where such members are individuals) attend and vote at the AGM or (where such members are individuals or corporates) appoint proxies (other than the Chairman of the AGM) to attend and vote at the AGM on their behalf; or

   (b) (where such members are individuals or corporates) appoint the Chairman of the AGM as their proxy to vote on their behalf at the AGM.

4. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.

   A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "**Relevant intermediary**" shall have the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

5. A proxy need not be a member of the Company. A member can appoint the Chairman of the AGM as his/her/its proxy, but this is not mandatory.

6. The instrument appointing a proxy(ies) ("**Proxy Form**"), duly executed, must be submitted to the Company in the following manner:

    (a) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632;

    (b) by email to the Company's Share Registrar at srs.proxy@boardroomlimited.com,

    in each case, by **9.00 a.m. on Friday, 24 April 2026** (being not less than 72 hours before the time appointed for holding the AGM).

7. A member who wishes to submit a Proxy Form can use the printed copy of the Proxy Form which is sent to him/her/it by post. Alternatively, he/she/it may download a copy of the Proxy Form from the SGXNet or the Company's website. After completing and signing the Proxy Form, he should submit it to the Company's Share Registrar, either (i) by post, or (ii) scan and send it electronically via email, to the addresses provided above.

8. SRS Investors who hold the Company's shares through SRS Operators:

    (a) may vote at the AGM if they are appointed as proxies by their respective SRS Operators (as the case may be), and should approach their respective SRS Operators (as the case may be) if they have any queries regarding their appointment as proxies; or

    (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM,

    in which case they should approach their respective SRS Operators (as the case may be) to submit their votes at least seven (7) business days before the AGM (i.e. 9.00 a.m. on Thursday, 16 April 2026), in order to allow sufficient time for their respective SRS Operators to in turn submit a Proxy Form to vote on their behalf by 9.00 a.m. on Friday, 24 April 2026 (being not less than 72 hours before the time appointed for holding the AGM).

9. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

10. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form (such as in the case where the appointor submits more than one Proxy Form). In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the Member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by CDP to the Company.

11. The resolutions put to vote at the AGM shall be decided by way of poll.

12. The Company's Annual Report 2025 has been published and can be accessed on the Company's website at https://investors.toku.co/ and the SGXNet at https://www.sgx.com/securities/company-announcements.

13. A member who wishes to request a printed copy of the Company's Annual Report 2025 may do so by completing and returning the Request Form which is sent to him/her/it, by Friday, 17 April 2026 in the following manner:

    (a) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or

    (b) by email to the Company's Share Registrar at srs.requestform@boardroomlimited.com

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's and its proxy(ies)'s or representative(s)'s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes of meeting and other documents relating to the AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); and (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior express consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes. Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his/her name, his/her presence at the AGM and any questions he may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.

ADDITIONAL INFORMATION ON DIRECTORS STANDING FOR RE-ELECTION

ADDITIONAL INFORMATION REQUIRED PURSUANT TO RULE 720(5) OF THE CATALLIST RULES ON DIRECTORS SEEKING FOR RE-ELECTION

Mrs Tan Hwee Hua @ Lim Hwee Hua, Mr Laboulle Thomas Patrick M., Ms Pebble Sia Huei-Chieh, Mr Doshi Bhavik Umesh and Mr Stevens Vincent Francois are the retiring Directors who are seeking re-election at the forthcoming Annual General Meeting to be convened on 27 April 2026 under Ordinary Resolutions 2, 3, 4, 5 and 6. Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Directors, in accordance with Appendix 7F of the Catalist Rules is set out below.

Name of Director	**Mrs Tan Hwee Hua @ Lim Hwee Hua**	**Mr Laboulle Thomas Patrick M.**	**Ms Pebble Sia Huei-Chieh**	**Mr Doshi Bhavik Umesh**	**Mr Stevens Vincent Francois**
Date of Appointment	8 December 2025	8 December 2025	8 December 2025	8 December 2025	8 December 2025
Date of last re-appointment (if applicable)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Age	67	42	52	43	42
Country of principal residence	Singapore	Singapore	Singapore	Singapore	Belgium

The Board's comments on this appointment *(including rationale, selection criteria, board diversity considerations, and the search and nomination process)*	The Board has considered the Nominating Committee's recommendation and assessments of Mrs Lim Hwee Hua's qualifications and experiences and is satisfied that she will continue to contribute relevant knowledge, skills, and experience to the Board.	The Board has considered the Nominating Committee's recommendation and assessments of Mr Laboulle's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills, and experience to the Board.	The Board has considered the Nominating Committee's recommendation and assessments of Ms Sia's qualifications and experiences and is satisfied that she will continue to contribute relevant knowledge, skills, and experience to the Board.	The Board has considered the Nominating Committee's recommendation and assessments of Mr Doshi's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills, and experience to the Board.	The Board has considered the Nominating Committee's recommendation and assessments of Mr Vincent's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills, and experience to the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive	Non-Executive	Non-Executive	Non-Executive
Job Title *(e.g. Lead ID, AC Chairman, AC Member etc.)*	• Non-Independent and Non-Executive Chairperson	• Executive Director and Chief Executive Officer • Member of the Nominating Committee	• Lead Independent Director • Chairman of the Nominating Committee • Member of the Audit Committee • Member of the Remuneration Committee	• Independent Director • Chairman of the Audit Committee • Member of the Nominating Committee • Member of the Remuneration Committee	• Independent Director • Chairman of the Remuneration Committee • Member of the Audit Committee

Professional qualifications	Master/Bachelor of Arts (Honours) in Mathematics/ Engineering, Cambridge University Master of Business Administration, University of California at Los Angeles	Master, Social and Military Sciences, Royal Military Academy (Belgium) Postgraduate, Business Administration, KU Leuven (Belgium) Postgraduate, Corporate Finance, KU Leuven (Belgium) Executive Master, IT Management, Solvay Brussels School of Economics and Management (Belgium)	Bachelor of Laws (Honours), King's College, University of London, United Kingdom Barrister-at Law, The Honourable Society of the Middle Temple Bar of England and Wales Advocate and Solicitor, Supreme Court of Singapore	B.Sc. in Finance and Actuarial Science, Minor in Mathematics, New York University, Stern School of Business Member, Singapore Institute of Directors	Masters in Engineering, Ghent University Certified International Investment Analyst (CIIA), Association of Certified International Investment Analyst

Working experience and occupation(s) during the past 10 years	2011 – 2024: Jardine Cycle & Carriage Limited, Independent Director 2011 – 2023: Kohlberg Kravis Roberts, Senior Advisor 2011 – present: Tembusu Partners, Co-Chairman 2013 – 2017: Securities Investors Association Singapore, Honorary Chairman 2014 – 2021: United Overseas Bank Limited, Independent Director 2017 – 2024: Asia Pacific Exchange/Clear, Independent Chairman 2019 – 2024: ReSustainability Limited, Non Executive Director 2022 – present: Nippon Paint Holdings, Independent Director 2023 – present: JERA Co, Inc, Independent Director	2012 – 2016: Mundito Singapore Pte Ltd, Management Consultant 2016 – 2018: GlobalRoam Group Ltd., CEO 2018 – Present: Toku Ltd, CEO and Executive Director	2002 – Present: Esquire Law Corporation, Managing Director 2013 – 2023: GDS Global Limited, Independent Director 2015 – 2018: Choo Chiang Holdings Ltd, Independent Director 2017 – present: Singapore Shipping Corporation Limited, Independent Director 2024 – present: SMX (Security Matters) Public Limited Company, Independent Director 2025 to Present: Propnex Limited, Independent Director	2016 – 2017: 20Cube Logistics, Director of Strategy 2017 – Present: One Hill Capital Pte Ltd, Investment Director 2024 – Present: Alpha Integrated REIT Management Pte.Ltd. (fka SabNew Co Pte. Ltd.) – Chairman and Non-Executive Independent Director	2008 – 2017: Delta Partners Group, Senior Principal 2008 – Present: PKS Campus, Board Member 2017 – 2019: Timwe Group, VP Asia 2019 – 2023: FTI Consulting, Senior Managing Director 2023 – Present: Telenet, VP Premium Entertainment 2024 – Present: Streamz, Board Member

Shareholding interest in the listed issuer and its subsidiaries	Direct Interest: 178,250 Deemed Interest: 40,286,700	Direct Interest: 29,083,200 Deemed Interest: Nil	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mrs Lim and Mr Lim Andy, a Substantial Shareholder are spouses	Nil	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil	Nil	Nil

Undertaking (in the format set out in Appendix 7H) under Catalist Rule 704(6) has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes
Other Principal Commitments* Including Directorships					

*Note that Principal Commitments includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

Past (for the last 5 years)	1. Asia Pacific Clear Pte Limited 2. Asia Pacific Exchange Pte Limited 3. BW Group 4. Jardine Cycle & Carriage Limited 5. KaHa Pte Ltd 6. 6. Re Sustainability Limited 7. Summit Power Int'l Pte Ltd 8. SIM People Development Fund Limited 9. United Overseas Bank Ltd	Nil	1. City Gallery Investments Limited 2. GDS Global Limited 3. Jade Mountain Group Limited 4. SMX Circular Economy FZCO 5. Tamariki Pte. Ltd. 6. Volari Investments Limited	1. Clementine Investments Pte. Ltd. 2. Teckwah Industrial Corporation Pte. Ltd.	Nil

Present	1. Cora Environment Group Pte. Ltd. 2. Cora Environment Pte. Ltd. 3. DRR Investment Pte. Ltd. 4. JERA Co. Ltd 5. Nippon Paint Holdings Co., Ltd 6. Tembusu Partners Pte. Ltd. 7. International Valuation Standards Council, Chairman of Board of Trustee 8. National University of Singapore Tembusu College, Rector	Nil	1. Esquire Law Corporation 2. Hexagon Residences Pte. Ltd. 3. Lacho Calad Pte. Ltd. 4. Maria Grachvogel Pte. Ltd. 5. Propnex Limited 6. Singapore Shipping Corporation Limited 7. SMX (Security Matters) Public Limited Company	1. Alpha Integrated REIT Management Pte.Ltd. 2. IECP Pte. Ltd. 3. OHCP Pte. Ltd. 4. One Hill Capital Pte. Ltd. 5. One Hill Investments Pte. Ltd. 6. One Hill Ventures Pte. Ltd. 7. One Hill Alliance Pte. Ltd. 8. GFR Holdings Pte. Ltd. 9. RACP Pte. Ltd.	1. PKS

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given:

	Details	Name of Directors				
		Mrs Tan Hwee Hua @ Lim Hwee Hua	**Mr Laboulle Thomas Patrick M.**	**Ms Pebble Sia Huei-Chieh**	**Mr Doshi Bhavik Umesh**	**Mr Stevens Vincent Francois**
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	No	No	No	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	No
c.	Whether there is any unsatisfied judgment against him/her?	No	No	No	No	No
d.	Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such purpose?	No	No	No	No	No
e.	Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such breach?	No	No	No	No	No

f.	Whether at any time during the last 10 years, judgment has been entered against him/her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No	No	No	No	No
g.	Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No
h.	Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	No
i.	Whether he/she has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No	No	No	No	No
j.	Whether he/she has ever, to his/her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No	No
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No	No

	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	No	No	No	No	No
k.	Whether he/she has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	Yes Mr Laboulle has been a director and the Chief Executive Officer of the Company since the launch of its commercial activities in 2018. There have been incidents from time to time of inadvertent contravention or breach by the Company of the terms of his Services-Based Operations (Individual) ("SBO (Individual)") licences, including: (i) in the case of the Company,	Yes Ms Sia is a non-executive director of Lacho Calad Pte. Ltd. ("Lacho"), a company established for the purposes of investing in early stage technology start-ups. Between February and March 2023, Ms Sia received summonses from the Inland Revenue Authority of Singapore for outstanding financial statements for Years of Assessment	No	No

			contravention/ breach of Conditions 4.1 and 5.2 of Annex 14 (which relate to maintaining complete subscriber registration records), and Condition 27 (which relates to the satisfaction of certain directives pertaining to the implementation of Government Measures to Address Spoofed Calls) of the Company's SBO (Individual) licence, in respect of which IMDA had in each case issued a private warning to the Company following the conclusion of IMDA's investigation. For the avoidance of doubt, aside	2019, 2020 and 2021. Lacho procured the filing of Form C-S in relation to each of the summonses between March and April 2023, and paid the relevant composition fines relating thereto. Ms Sia was granted a discharge amounting to an acquittal in respect of such summonses. Having considered that the necessary documents have been filed and the composition fines have been duly paid, and Ms Sia was granted a discharge amounting to an acquittal in respect of the summons, the Nominating		

			from the private warnings referred to in paragraph (i) above, no fines, penalties or sanctions have been imposed by IMDA and no further action has been, or is expected to be, taken by IMDA in respect of these contraventions and breaches. In all circumstances, Mr Laboulle was not the subject of such investigations or private warnings (as applicable). Having considered that no fines, penalties or sanctions have been imposed by IMDA and no further action has been, or is expected to be, taken by IMDA in respect of these contraventions and breaches, and the individuals were not themselves the subject of such	Committee (other than the abstaining Nominating Committee member, Ms Sia) is of the view that Rule 406(3)(b) of the Catalist Rules is complied with in respect of Ms Sia. There is no change to the information previously disclosed in the Company's Prospectus dated 14 January 2026		

			investigations or private warnings, (i) the Nominating Committee (other than the abstaining Nominating Committee member, Mr Laboulle) is of the view that Rule 406(3)(b) of the Catalist Rules is complied with in respect of Mr Laboulle. There is no change to the information previously disclosed in the Company's Prospectus dated 14 January 2026.			

SHARE BUYBACK MANDATE

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the contents herein or as to the course of action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser immediately.

This Appendix is circulated to the shareholders of Toku Ltd. (the "**Company**") together with the Company's annual report for the financial year ended 31 December 2025 (the "**Annual Report**"). The purpose of this Appendix is to provide the shareholders of the Company ("**Shareholders**") with information pertaining to the proposed adoption of the Share Buyback Mandate (as defined herein) to be tabled at the forthcoming annual general meeting to be held at Warehouse on River Promenade, 5 Jiak Kim Street, Singapore 169425 on Monday, 27 April 2026 at 9.00 a.m (the "**AGM**").

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

This Appendix has been reviewed by the Sponsor. It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

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.

Toku

TOKU LTD.

Company Registration No.: 201734881W

Incorporated in the Republic of Singapore

APPENDIX TO THE ANNUAL REPORT

in relation to

THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

CONTENTS

DEFINITIONS

"AGM"	:	The annual general meeting of the Company to be convened and held at Warehouse on River Promenade, 5 Jiak Kim Street, Singapore 169425 on Monday, 27 April 2026 at 9.00 a.m.
"Average Closing Price"	:	Has the meaning set out in paragraph 2.3.4 of this Appendix
"Awards"	:	Contingent awards of Shares granted under the Toku Performance Share Plan
"Catalist Rules"	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Companies Act"	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
"Company"	:	Toku Ltd.
"Directors"	:	The Board of Directors of the Company (and each of them, a "**Director**")
"FY2025"	:	The financial year ended 31 December 2025
"Group"	:	The Company and its subsidiaries, collectively
"Latest Practicable Date"	:	27 March 2026, being the latest practicable date prior to the finalisation of this Appendix
"LPS"	:	Loss per Share
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Maximum Price"	:	Has the meaning set out in paragraph 2.3.4 of this Appendix
"NAV"	:	Net asset value
"Notice of AGM"	:	Notice of the AGM dated 10 April 2026
"NTA"	:	Net tangible assets; or net assets less intangible assets
"Options"	:	Options to subscribe for new Shares granted under the Toku Employee Share Option Scheme
"Proposal"	:	The proposed adoption of the Share Buyback Mandate

"Purchase Price"	:	Has the meaning set out in paragraph 2.11.1 of this Appendix
"Relevant Period"	:	The period commencing from the date of the passing of the resolution approving the proposed adoption of the Share Buyback Mandate and expiring on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier
"Securities Accounts"	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"SFA"		The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Share Buyback Mandate"	:	The general and unconditional share buyback mandate given by Shareholders to authorise the Directors to purchase or acquire Shares by the Company in accordance with the terms set out in this Appendix as well as the rules and regulations set forth in the Companies Act and the Catalist Rules
"Shareholders"	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term "Shareholders" shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
"Share(s)"	:	Ordinary share(s) in the capital of the Company
"Substantial Shareholder"	:	A person who has an interest or interests in one or more voting shares (excluding treasury shares) in the Company; and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares (excluding treasury shares) in the Company
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"Toku Employee Share Option Scheme"	:	The Toku Employee Share Option Scheme adopted by the Company on 8 December 2025, as amended, modified or supplemented from time to time
"Toku Performance Share Plan"	:	The Toku Performance Share Plan adopted by the Company on 8 December 2025, as amended, modified or supplemented from time to time
"%" or "per cent."	:	Per centum
"S$"	:	The lawful currency of Singapore
"U.S.$" or "U.S. cents"	:	The lawful currency of the United States of America

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act. The term "**subsidiary holdings**" is defined in the Catalist Rules to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Catalist Rules or any statutory modification thereof and not otherwise defined in this Appendix shall have the same meaning assigned to it under the Companies Act, the SFA or the Catalist Rules or any statutory modification thereof, as the case may be. Summaries of the provisions of any laws or regulations contained in this Appendix are of such laws or regulations as at the Latest Practicable Date.

Any reference to a time of day in this Appendix is made by reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts listed and the totals thereof are due to rounding.

APPENDIX TO THE ANNUAL REPORT

1 INTRODUCTION

1.1 **Proposal.** The Company refers to Resolution 13 of the Notice of AGM. Resolution 13 is a resolution to be proposed at the AGM for the proposed adoption of the Share Buyback Mandate (the "**Proposal**").

1.2 **Appendix**. The purpose of this Appendix is to provide Shareholders with information relating to the Proposal.

1.3 **Sponsor and SGX-ST**. This Appendix has been reviewed by the Sponsor. It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

1.4 **Legal Adviser.** Allen & Gledhill LLP is the legal adviser to the Company in relation to the Proposal.

2 THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

2.1 **Introduction.** Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Companies Act, the Catalist Rules and such other applicable laws and regulations. Rule 866 of the Catalist Rules provides that a company may purchase its own shares if it has obtained the prior specific approval of shareholders in a general meeting. Accordingly, approval is being sought from the Shareholders at the forthcoming AGM for the adoption of the Share Buyback Mandate.

If approved by the Shareholders at the AGM, the authority conferred by the Share Buyback Mandate will take effect from the date of the AGM and continue in force until the date on which the next annual general meeting is held or required by law to be held, unless prior thereto, purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate have been carried out to the full extent mandated, or the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting.

For the avoidance of doubt, as at Latest Practicable Date, the Company does not have authority to purchase or otherwise acquire its Shares. The Company has not purchased or acquired any of its Shares in the 12 months preceding the Latest Practicable Date.

2.2 **Rationale for the Adoption of the Share Buyback Mandate.** While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it appropriate for the Company to purchase or acquire Shares, the Directors believe that the adoption of the Share Buyback Mandate would give the Company the flexibility to undertake purchases or acquisitions of Shares at any time, subject to market conditions, during the period when the Share Buyback Mandate is in force. The purchases or acquisitions may, depending on market conditions at the relevant time, lead to an enhancement of the net asset value ("NAV") per Share and/or increase in the earnings per Share ("EPS") or loss per Share ("LPS") and would allow the Company to optimally allocate its resources and maximise share value.

In addition, purchases or acquisitions pursuant to the Share Buyback Mandate would continue to provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. It also allows the Directors greater flexibility to exercise control over the Company's share capital structure, dividend policy and cash reserves with a view to increase the EPS and/or enhancing the NAV per Share. Shares purchased by the Company and held in treasury may also be transferred for the purposes of or pursuant to share schemes implemented by the Company. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

2.3 Authority and Limits of the Share Buyback Mandate. The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate, if approved at the AGM, are summarised below:

2.3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company is limited to that number of issued Shares representing not more than 10 per cent. of the total number of issued Shares as at the date of the AGM at which the proposed adoption of the Share Buyback Mandate is approved, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered. Any Shares which are held as treasury shares and subsidiary holdings (as defined in the Catalist Rules[1]) will be disregarded for purposes of computing the 10 per cent. limit.

For illustrative purposes only: on the basis of 570,241,255 Shares in issue as at the Latest Practicable Date and that there are no treasury shares or subsidiary holdings held as at the Latest Practicable Date and assuming that on or prior to the date of the AGM at which the proposed adoption of the Share Buyback Mandate is approved (the "**Approval Date**"):

(a) no further Shares are issued;
(b) no further Shares are purchased or acquired by the Company and no Shares purchased or acquired by the Company are held as treasury shares; and
(c) no Shares are held as subsidiary holdings,

not more than 57,024,125 Shares (representing 10 per cent. of the total number of issued Shares, excluding treasury shares and subsidiary holdings as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

In the event that any of the Options granted pursuant to the Toku Employee Share Option Scheme are exercised or any Awards are granted or released pursuant to the Toku Performance Share Plan during the period between the Latest Practicable Date and the Approval Date, only those new Shares that are allotted and issued by the Approval Date pursuant to the exercise of such Options or grant or release of such Awards will be taken into account for the purposes of determining the total number of Shares as at the Approval Date.

[1] "Subsidiary holdings" is defined in the Catalist Rules to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

2.3.2 ***Duration of Authority***

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the AGM at which the proposed adoption of the Share Buyback Mandate is approved, up to:

(a) the date on which the next annual general meeting of the Company is held;

(b) the date by which the next annual general meeting of the Company is required by law to be held; or

(c) the date on which the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated, whichever is the earliest.

2.3.3 ***Manner of Purchases or Acquisitions of Shares***

Purchases or acquisitions of Shares may be made by way of:

(a) on-market purchases ("**On-Market Purchases**") transacted on the SGX-ST; and/or

(b) off-market purchases ("**Off-Market Purchases**") effected in accordance with any equal access scheme(s) (as defined in Section 76C of the Companies Act) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act.

Under the Companies Act, an Off-Market Purchase effected in accordance with an equal access scheme must satisfy all of the following conditions:

(i) the offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of those persons have a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers are the same except that there must be disregarded:

a. differences in consideration attributable to the fact that the offers r elate to Shares with different accrued dividend entitlements;

b. differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and

c. differences in the offers introduced solely to ensure that each member is left with a whole number of Shares.

In addition, the Catalist Rules provide that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which contains at least the following information:

(1) the terms and conditions of the offer;

(2) the period and procedures for acceptances;

(3) the reasons for the proposed share buyback;

(4) the consequences, if any, of share purchases by the Company that will arise under the Take-over Code or other applicable takeover rules;

(5) whether the share buyback, if made, could affect the listing of the Shares on the SGX-ST;

(6) details of any share buyback made by the Company in the previous 12 months (whether On-Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

(7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 ***Maximum Purchase Price***

The purchase price (excluding applicable brokerage, commission, stamp duties, goods and services tax and other related expenses) to be paid for a Share in the event of any share purchase shall be determined by the Directors, but in any event, shall not exceed the maximum price (the "**Maximum Price**"), which:

(a) in the case of an On-Market Purchase, shall mean 105% of the Average Closing Price (as defined herein); and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, shall mean 120% of the Average Closing Price (as defined herein),

where "**Average Closing Price**" means the average of the closing market prices of the Shares over the last five Market Days on which transactions in the Shares were recorded, immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days period and the day on which the purchases are made.

The Catalist Rules restrict a listed company from purchasing shares by way of On-Market Purchase at a price per share which is more than 5% above the "average closing market price", being the average of the closing market prices of the shares over the last five Market Days on which transactions in the shares were recorded, before the day on which the purchases were made and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days period and the day on which the purchases are made.

Although the Catalist Rules do not prescribe a maximum price in relation to purchases of shares by way of Off-Market Purchase, the Company has set a cap of 120% of the Average Closing Price as the maximum price for a Share to be purchased or acquired by way of Off-Market Purchase.

2.4 **Status of Purchased or Acquired Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to such Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares[2] (please see paragraph 2.5 below for further information regarding treasury shares). Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and are not held as treasury shares.

2.5 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

2.5.1 ***Maximum Holdings***

The number of Shares held as treasury shares[3] cannot at any time exceed 10% of the total number of issued Shares at that time.

2.5.2 ***Voting and Other Rights***

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings, and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, an allotment of shares as fully paid bonus shares in respect of treasury shares is allowed and any such shares so allotted shall be treated, for the purposes of the Companies Act, as if they were purchased by the Company at the time they were allotted, in circumstances in which Section 76H of the Companies Act applied. A subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as that before the subdivision or consolidation.

[1] For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act.

[2] For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act.

2.5.3 ***Disposal and Cancellation***

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):

(a) sell the treasury shares for cash;

(b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;

(c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(d) cancel the treasury shares; or

(e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Please refer to paragraph 2.12 below for the Company's announcement obligations in respect of any sale, transfer, cancellation and/or use of treasury shares.

2.6 **Sources of Funds.** The Company may purchase or acquire its own Shares out of the Company's capital, as well as from its profits, so long as the Company is solvent. For this purpose, the Company is solvent if at the date of payment for the Shares purchased or acquired, the following conditions are satisfied:

2.6.1 there is no ground on which the Company could be found to be unable to pay its debts;

2.6.2 if (i) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or (ii) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

2.6.3 the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition of Shares, become less than the value of its liabilities (including contingent liabilities).

The Company may use internal resources and/or external borrowings to finance purchases or acquisitions of its Shares pursuant to the Share Buyback Mandate. However, in considering the option of external borrowings, the Directors will consider in particular the prevailing gearing level of the Company and the costs of such financing.

The Directors will not exercise the Share Buyback Mandate in a manner and to such extent that the financial position of the Company or the Group would be materially adversely affected.

2.7 **Singapore Take-over Implications.**

2.7.1 ***Provisions under the Take-over Code***

Some of the provisions of the Take-over Code are summarised below:

(a) Under Appendix 2 of the Take-over Code, any increase in the percentage of voting rights held by a shareholder and persons acting in concert with him resulting from a share purchase by a company will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code.

(b) Pursuant to Rule 14 of the Take-over Code, a shareholder and persons acting in concert with the shareholder will incur an obligation to make a mandatory takeover offer if, inter alia, he and persons acting in concert with him increase their voting rights in the company to 30 per cent. or more, or if they, together holding not less than 30 per cent. but not more than 50 per cent. of the company's voting rights, increase their voting rights in the company by more than one per cent. in any period of six months.

(c) Persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the Take-over Code presumes certain persons to be acting in concert, namely, the following:

(i) a company, its parent, its subsidiaries and fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20 per cent. but not more than 50 per cent. of the voting rights of the first-mentioned company;

(ii) a company with any of its directors (together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts);

(iii) a company with any of its pension funds and employee share schemes;

(iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

(v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;

(vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;

(vii) partners; and

(viii) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

(d) The effect of Rule 14 and Appendix 2 of the Take-over Code is that:

(i) unless exempted, directors and persons acting in concert with them will incur an obligation to make a takeover offer if, as a result of the company purchasing or acquiring its own shares, the voting rights of such directors and their concert parties increase to 30 per cent. or more, or if such directors and their concert parties hold between 30 per cent. and 50 per cent. of the voting rights of the company, such voting rights increase by more than one per cent. in any period of six months; and

(ii) a shareholder not acting in concert with the directors will not be required to make a takeover offer if, as a result of the company purchasing or acquiring its own shares, the voting rights of such shareholder would increase to 30 per cent. or more, or if such shareholder holds between 30 per cent. and 50 per cent. of the Company's voting rights, his voting rights increase by more than one per cent. in any period of six months as a result of the company buying back its shares. Such shareholder need not abstain from voting in respect of the resolution approving the adoption of the Share Buyback Mandate.

2.7.2 ***Directors' and Substantial Shareholders' Interest***

Based on the 570,241,255 Shares in issue as at the Latest Practicable Date and that there are no treasury shares or subsidiary holdings held as at the Latest Practicable Date, and assuming that:

(a) there is no change in the total number of issued Shares between the Latest Practicable Date and the date of the AGM;

(b) the Company purchases or acquires 57,024,125 Shares being the maximum 10 per cent. of the total number of issued Shares, excluding treasury shares and subsidiary holdings, as at Latest Practicable Date under the Share Buyback Mandate; and

(c) there is no change in the number of issued Shares held or deemed to be held by the

Directors or the Substantial Shareholders as set out in the table below,

the aggregate interest (direct and deemed) in Shares of the Directors and the Substantial Shareholders as at the date of the AGM and after the purchase or acquisition by the Company of 10 per cent. of the total number of issued Shares, excluding treasury shares and subsidiary holdings, pursuant to the Share Buyback Mandate are as follows:

Name	Direct Interest (Number of Shares)	Deemed Interest (Number of Shares)	Before Purchase / Acquisition (%)[1]	After Purchase / Acquisition and cancellation of the purchased / acquired Shares (%)[1]
Directors				
Mrs Tan Hwee Hua @ Lim Hwee Hua[2]	178,250	40,286,700	7.06	7.85
Mr Thomas Patrick M. Laboulle	29,083,200	-	5.10	5.67
Ms Pebble Sia Huei-Chieh	-	-	-	-
Mr Doshi Bhavik Umesh	-	-	-	-
Mr Vincent Francois Stevens	-	-	-	-
Substantial Shareholders				
Delivery Hero Ventures GmbH	76,099,250	-	13.35	14.83
Delivery Hero SE[3]	-	76,099,250	13.35	14.83
Neptune Invest Asia Pte. Ltd.	57,010,450	-	10.00	11.11
Neptune Invest SAS[4]	-	57,010,450	10.00	11.11
Mr Maxime Poupel[4]	-	57,010,450	10.00	11.11
Tembusu Growth Fund II Ltd. (in voluntary liquidation)	41,543,650	-	7.29	8.09
Mr Lim Andy[5]	12,253,850	28,111,100	4.93	5.48

Notes:

[1] Based on 570,241,255 issued Shares as at the Latest Practicable Date.

[2] Mrs Tan Hwee Hua @ Lim Hwee Hua and her spouse, Mr Lim Andy, collectively have an interest in approximately 82.78% of Tembusu Partners Pte. Ltd.'s ("**TPPL**") shares. Accordingly, for the purposes of the SFA, Mrs Tan Hwee Hua @ Lim Hwee Hua has a deemed interest in (i) 12,253,850 Shares held by her spouse, Mr Lim Andy, and (ii) 28,032,850 Shares held by TPPL.

[3] Delivery Hero Ventures GmbH is a wholly-owned subsidiary of Delivery Hero SE. Accordingly, for the purposes of the SFA, Delivery Hero SE has a deemed interest in the Shares held by Delivery Hero Ventures GmbH.

[4] Neptune Invest Asia Pte. Ltd. is a wholly-owned subsidiary of Neptune Invest SAS. Mr Maxime Poupel has 100% interest in Neptune Invest SAS. Accordingly, for the purposes of the SFA, each of Neptune Invest SAS and Mr Maxime Poupel has a deemed interest in the Shares held by Neptune Invest Asia Pte. Ltd.

[5] Mr Lim Andy and his spouse, Mrs Tan Hwee Hua @ Lim Hwee Hua collectively have an interest in approximately 82.78% of TPPL's shares. Accordingly, for the purposes of the SFA, Mr Lim Andy has a deemed interest in (i) 178,250 Shares held by his spouse, Mrs Tan Hwee Hua @ Lim Hwee Hua, and (ii) 28,032,850 Shares held by TPPL.

As at the Latest Practicable Date, none of the Directors will become obligated to make a mandatory offer in the event the Company purchases the maximum number of 57,024,125 Shares under the Share Buyback Mandate. Based on the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, the Directors are not aware of any Substantial Shareholder (together with persons acting in concert with them) who may become obligated to make a mandatory offer in the event that the Company purchases the maximum number of 57,024,125 Shares under the Share Buyback Mandate.

The Share Buyback Mandate is not intended to assist any Shareholder or its concert parties to obtain or consolidate effective control of the Company. The Directors will decide when, how many and on what terms to repurchase any Shares pursuant to the Share Buyback Mandate in the interests of the Company and its Shareholders as a whole, taking into account various commercial considerations such as the financial effects of the share purchases on the Company.

Notwithstanding the foregoing, Shareholders are advised to consult their professional advisers at the earliest opportunity as to whether an obligation to make a general offer would arise by reason of any share purchases or acquisitions by the Company.

2.8 **Tax Implications.** Shareholders who are in doubt as to their respective tax positions or the tax implications of share repurchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.9 **Effect of the Share Buyback Mandate on the SGX-ST Listing.** Rule 723 of the Catalist Rules requires a listed company to ensure that at least 10 per cent. of any class of its listed securities (excluding preference shares, convertible equity securities and treasury shares) must be held by the public. The term "public" is defined in the Catalist Rules as persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of a company or its subsidiary companies, as well as the associates of such persons.

As at the Latest Practicable Date, approximately 57.18 per cent. of the total number of issued Shares are held by public shareholders. As at the Latest Practicable Date, the Company has no shares held in treasury and no subsidiary holdings. As an illustrative example, if the Company were to purchase its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buyback Mandate and hold the purchased Shares as treasury shares, the number of issued Shares in the hands of the public would be reduced to 269,039,825 Shares, representing approximately 52.42% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10 per cent. limit pursuant to the Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.10 **Details of Share Purchases.** The Company has not purchased or acquired any of its Shares in the 12 months preceding the Latest Practicable Date.

2.11 **Financial Effects.** The financial effects on the Company and the Group arising from share purchases made pursuant to the Share Buyback Mandate will depend on, inter alia, the number of Shares purchased or acquired and the price paid for such Shares.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for FY2025, are based on the assumptions set out below:

2.11.1 ***Purchase or Acquisition out of Capital and/or Profits***

(a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (the "**Purchase Price**") and the amount available for the distribution of cash dividends by the Company will not be reduced;

(b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits by the total amount of the Purchase Price and correspondingly reduce the amount available for the distribution of cash dividends by the Company; or

(c) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the Purchase Price.

2.11.2 ***Number of Shares purchased or acquired***

Based on the number of issued and paid-up Shares as at the Latest Practicable Date and on the assumptions set out in paragraph 2.3.1 above, the purchase or acquisition by the Company of up to the maximum limit of 10 per cent. of its issued Shares will result in the purchase or acquisition of 57,024,125 Shares.

2.11.3 ***Maximum price to be paid for share purchases***

For illustrative purposes only:

In the case of an On-Market Purchase by the Company and assuming that the Company purchases or acquires 57,024,125 Shares at the Maximum Price of S$0.241 per Share (being 105% of the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 57,024,125 Shares is approximately S$13,742,814.13 (or approximately US$10,702,292.76 after translation based on an exchange rate of US$1.00 to S$1.2841 as at 31 December 2025).

In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 57,024,125 Shares at the Maximum Price of S$0.276 per Share (being 120% of the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 57,024,125 Shares is approximately S$15,738,658.50 (or approximately US$12,256,567.63 after translation based on an exchange rate of US$1.00 to S$1.2841 as at 31 December 2025).

For illustrative purposes only, and based on the assumptions set out above, and further assuming that:

(i) the transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buyback Mandate are insignificant and ignored for the purposes of computing the financial effects;
(ii) the On-Market Purchases and Off-Market Purchases are made entirely out of debt capital; and
(iii) in light of the adjustment events leading up to the Group's IPO, the Share Purchases under the Share Buyback Mandate were assumed to be completed at the end of FY2025 on 31 December 2025,

the financial effects of the share purchases pursuant to the Share Buyback Mandate on the audited accounts of the Company and the Group for FY2025 as if the Share Buyback Mandate had been effective on 1 January 2025 are set out below. No illustrations will be shown for the purchases made out of profits as the Company has not recorded any profits as of the Latest Practicable Date.

(a) On-Market Purchases made entirely out of capital and held as treasury shares

	Group		**Company**	
As at 31 December 2025	**Before the Share Purchase U.S.$'000**	**After the Share Purchase U.S.$'000**	**Before the Share Purchase U.S.$'000**	**After the Share Purchase U.S.$'000**
Share capital	21,373	21,373	21,373	21,373
Accumulated losses	(26,305)	(26,305)	(28,011)	(28,011)
Reserves	-	-	-	-
Treasury shares	-	(10,702)	-	(10,702)
Total equity including treasury shares	(4,932)	(15,634)	(6,638)	(17,340)
NTA[1]	(7,797)	(18,499)	(9,504)	(20,206)
Current assets	7,870	7,870	4,757	4,757
Current liabilities	16,168	16,168	16,725	16,725
Total borrowings	3,983	14,685	3,983	14,685
Cash and cash equivalents	1,952	1,952	1,445	1,445
Total number of issued shares ('000)	452,915	395,891	452,915	395,891
Net profit attributable to owners of parent	(9,044)	(9,044)	(7,659)	(7,659)
Financial Ratios				
NTA per Share[2] (U.S. cents)	(0.017)	(0.047)	(0.021)	(0.051)
Gearing ratio[3] (times)	(0.808)	(0.939)	(0.600)	(0.847)
Current ratio[4] (times)	0.487	0.487	0.284	0.284
LPS(5) (U.S. cents)	(0.034)	(0.034)	(0.029)	(0.029)

(b) Off-Market Purchases made entirely out of capital and held as treasury shares

As at 31 December 2025	Group		Company	
	Before the Share Purchase U.S.$'000	After the Share Purchase U.S.$'000	Before the Share Purchase U.S.$'000	After the Share Purchase U.S.$'000
Share capital	21,373	21,373	21,373	21,373
Accumulated losses	(26,305)	(26,305)	(28,011)	(28,011)
Reserves	-	-	-	-
Treasury shares	-	(12,257)	-	(12,257)
Total equity including treasury shares	(4,932)	(17,189)	(6,638)	(18,895)
NTA[1]	(7,797)	(20,054)	(9,504)	(21,761)
Current assets	7,870	7,870	4,757	4,757
Current liabilities	16,168	16,168	16,725	16,725
Total borrowings	3,983	16,240	3,983	16,240
Cash and cash equivalents	1,952	1,952	1,445	1,445
Total number of issued shares ('000)	452,915	395,891	452,915	395,891
Net profit attributable to owners of parent	(9,044)	(9,044)	(7,659)	(7,659)
Financial Ratios				
NTA per Share[2] (U.S. cents)	(0.017)	(0.051)	(0.021)	(0.055)
Gearing ratio[3] (times)	(0.808)	(0.945)	(0.600)	(0.859)
Current ratio[4] (times)	0.487	0.487	0.284	0.284
LPS[5] (U.S. cents)	(0.034)	(0.034)	(0.029)	(0.029)

(c) On-Market Purchases made entirely out of capital and cancelled

	Group		Company	
As at 31 December 2025	Before the Share Purchase U.S.$'000	After the Share Purchase U.S.$'000	Before the Share Purchase U.S.$'000	After the Share Purchase U.S.$'000
Share capital	21,373	10,671	21,373	10,671
Accumulated losses	(26,305)	(26,305)	(28,011)	(28,011)
Reserves	-	-	-	-
Total equity	(4,932)	(15,634)	(6,638)	(17,340)
NTA[1]	(7,797)	(18,499)	(9,504)	(20,206)
Current assets	7,870	7,870	4,757	4,757
Current liabilities	16,168	16,168	16,725	16,725
Total borrowings	3,983	14,685	3,983	14,685
Cash and cash equivalents	1,952	1,952	1,445	1,445
Total number of issued Shares ('000)	452,915	395,891	452,915	395,891
Net profit attributable to owners of parent	(9,044)	(9,044)	(7,659)	(7,659)
Financial Ratios				
NTA per Share[2] (U.S. cents)	(0.017)	(0.047)	(0.021)	(0.051)
Gearing ratio[3] (times)	(1.238)	(1.065)	(1.667)	(1.181)
Current ratio[4] (times)	0.487	0.487	0.284	0.284
LPS[5] (U.S. cents)	(0.034)	(0.034)	(0.029)	(0.029)

(d) Off-Market Purchases made entirely out of capital and cancelled

As at 31 December 2025	Group Before the Share Purchase U.S.$'000	Group After the Share Purchase U.S.$'000	Company Before the Share Purchase U.S.$'000	Company After the Share Purchase U.S.$'000
Share capital	21,373	9,116	21,373	9,116
Accumulated losses	(26,305)	(26,305)	(28,011)	(28,011)
Reserves	-	-	-	-
Total equity	(4,932)	(17,189)	(6,638)	(18,895)
NTA[1]	(7,797)	(20,054)	(9,504)	(21,761)
Current assets	7,870	7,870	4,757	4,757
Current liabilities	16,168	16,168	16,725	16,725
Total borrowings	3,983	16,240	3,983	16,240
Cash and cash equivalents	1,952	1,952	1,445	1,445
Total number of issued Shares ('000)	452,915	395,891	452,915	395,891
Net profit attributable to owners of parent	(9,044)	(9,044)	(7,659)	(7,659)
Financial Ratios				
NTA per Share[2] (U.S. cents)	(0.017)	(0.051)	(0.021)	(0.055)
Gearing ratio[3] (times)	(1.238)	(1.058)	(1.667)	(1.163)
Current ratio[4] (times)	0.487	0.487	0.284	0.284
LPS[5] (U.S. cents)	(0.034)	(0.034)	(0.029)	(0.029)

Notes:

[1] NTA refers to net assets less intangible assets.

[2] NTA per Share has been computed based on NTA divided by the number of Shares in issue (excluding treasury shares).

[3] Gearing ratio represents the ratio of total borrowings to total equity.

[4] Current ratio represents the ratio of current assets to current liabilities.

[5] LPS has been computed based on net losses for FY2025 divided by the weighted average number of 266,894,000 Shares (excluding Treasury Shares).

Shareholders should note that the financial effects illustrated above are based on certain assumptions and purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical audited accounts of the Company and the Group for FY2025 and is not necessarily representative of the future financial performance of the Company or the Group.

Although the Share Buyback Mandate would authorise the Company to purchase 10 per cent. of the total number of issued Shares, the Company may not necessarily purchase or be able to purchase the entire 10 per cent. of the total number of issued Shares, nor to such an extent that would materially and adversely affect the financial position of the Company or the Group.

Share purchases will only be effected after assessing the relative impact of a share purchase taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as share market conditions and the performance of the Shares).

2.12 **Announcement of Share Buyback.** Rule 871 of the Catalist Rules provides that a listed company shall announce any share buyback as follows:

(a) in the case of an On-Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchased shares; and

(b) in the case of an Off-Market Purchase under an equal access scheme, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

The announcement shall be in such form and shall include such details as the SGX-ST may prescribe, such as the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable.

In addition, in accordance with Rule 704(31) of the Catalist Rules, the Company will announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

(i) date of the sale, transfer, cancellation and/or use;

(ii) purpose of such sale, transfer, cancellation and/or use;

(iii) number of treasury shares sold, transferred, cancelled and/or used;

(iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;

(v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

The Company may not undertake any purchases or acquisitions of its Shares prior to the announcement of any price-sensitive information by the Company, until such time as such price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Catalist Rules.

The Company may not effect any purchases or acquisitions of Shares on the SGX-ST during the period commencing one month before the announcement of the Company's financial statements for its half-year or full-year, as the case may be, and ending on the date of announcement of the relevant results.

3 DIRECTORS' RECOMMENDATION

Having considered, amongst others, the terms and the rationale for, and the financial effects of the proposed adoption of the Share Buyback Mandate set out in this Appendix, the Directors are of the opinion that the proposed adoption of the Share Buyback Mandate is in the best interests of the Company and Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 13 of the Notice of AGM, being the ordinary resolution relating to the proposed adoption of the Share Buyback Mandate.

4 RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

5 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the principal place of business of the Company at 61 Robinson Road, #08-02, Singapore 068893, during normal business hours from the date of this Appendix up to the date of the AGM:

(a) the Annual Report of the Company for the financial year ended 31 December 2025, containing this Appendix; and

(b) the Constitution of the Company.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to investor.relations@toku.co to make an appointment in advance. The Company will arrange a date when such Shareholder can come to the registered office to inspect the documents accordingly.