

REPL::ANNUAL GENERAL MEETING::VOLUNTARY

Issuer & Securities

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POWERMATIC DATA SYSTEMS LIMITED

Security

POWERMATIC DATA SYSTEMS LTD - SG1BF0000003 - BCY

Announcement Details

Announcement Title

Annual General Meeting

Date & Time of Broadcast

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Status

Replacement

Announcement Reference

SG250709MEETBODF

Submitted By (Co./ Ind. Name)

Dr Chen Mun

Designation

Chairman

Financial Year End

31/03/2025

Event Narrative

Narrative Type	Narrative Text
Additional Text	Please refer to the attachment for Response to Questions from Shareholders.

Event Dates

Meeting Date and Time

24/07/2025 15:00:00

Response Deadline Date

21/07/2025 15:00:00

Event Venue(s)

Place

Venue(s)	Venue details
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Meeting Venue	Toa Payoh SAFRA Reef Room, Level 3, 293 Toa Payoh Lorong 6, Singapore 319387
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Attachments

[PMD-Response to Shareholders Questions.pdf](#)

Total size =219K MB

Related Announcements

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[09/07/2025 07:47:19](#)

POWERMATIC DATA SYSTEMS LIMITED
(Company Registration No. 198900414E)
(Incorporated in Singapore)

RESPONSE TO QUESTIONS FROM SHAREHOLDERS

The following questions were received from shareholders before the Thirty-Sixth Annual General Meeting to be held on 24 July 2025. The Board of Directors has divided them into three broad categories (Wireless Connectivity Business, Harrison Food Building and Others) and responded to them accordingly.

Wireless Connectivity Business

Questions:

Any new customers onboard, and how much % of their business do they constitute as of FY2024.

Any existing customers who have terminated relationship with us?

What are some of the sales and marketing strategies which the company has implemented to capture new business and penetration?

Based on the pipeline or outlook, when do you think we will be able to see a recovery of our business back to pre-FY2024 Sales figure?

How are the US tariffs on China and Malaysia affecting our sales to the US market?

How is the US' tariff policy affecting the wireless connectivity business so far and how is the company managing any impact in the near term?

As the US trade policy becomes more uncertain and veers towards protectionism, does the Board see the need for the wireless connectivity business to strategically enter and grow in another geographical market (apart from Europe and the US), with the view of ensuring its long-term growth and profitability?

Why did deposits receive increase from \$1,399 mn to \$1,764 mn in 2025?

Do you see customers pulling forward their orders to avoid the US tariffs? How pervasive is this pulling forward of orders?

Wi-fi 7 adoption - It is great to see that there is ample demand from clients for Wi-fi 7 evaluation requests. Based on your experience, how long does it typically take to get from initiation of the evaluation process to significant orders - is this usually several months or rather a couple of years?

Wi-fi 7 competition - Are you encountering significant competition in this field?

Also, I would like to ask about the “sudden” departure of the newly appointed CEO, Jason Tao. We were told that he came with a wealth of experience and was ready to work with the team to unlock new opportunities and bring the company to the next phase of growth. Given his departure, what are the plans by the company for the main WiFi connectivity business and are there plans by the company to appoint another CEO to drive Powermatic ahead.

Responses:

We worked with our customers on a project basis. Prior to launching their projects, they would choose a preferred partner, and under normal circumstances, work with them through the project. Typically, our customers, takes between 6 months and 9 months for testing and compiling our wi-fi driver into their operating system. FY2025, none of our partners terminated our services or delivery of our products. The Group continues to enjoy orders from its existing customers. Our main competitors are from Taiwan.

Although our portfolio comprises customers from various industries, we continue to develop new relationships as an ongoing effort to diversify, mitigating concentration risk. Additionally, we are reaching out to design houses and original design manufacturers.

Between FY2020 and FY2024, these were exceptional periods, many of our customers built up inventories responding to fear of acute components (raw materials) shortages. Our access to key components was a strong proposition to many of our customers. However, as the supply shortages become less apparent and having built up high levels of inventories, downsizing becomes a stronger priority, which affects our shipments and orders book.

The business environment has change – unfortunately for the worse – when the United States announced the imposition of unilateral tariffs. Both of our manufacturing facilities, in China and Malaysia, are affected and China attracting the highest quantum. The likelihood of us absorbing a portion of these tariffs is high. Making our products less competitive and reducing our profit margins. Although revenue from North America market in FY2025 and FY2024 was 19% and 12%, respectively, we are unable assess the impact these tariffs have on our European customers, Europe contributes to close to 50% of our sales.

Despite uncertainties, we will continue pivot on our strengths in radio frequency calibration and firmware integration of wi-fi modules based on Qualcomm chipsets to 3rd parties' platforms. These modules have wide applications including networking appliances, cybersecurity systems, industrial IoT, transportations and Edge AI solutions.

The Group believes that Edge AI (Edge Artificial Intelligence) needs wi-fi 7 AP mode modules and our products and capabilities can carve a role in this exciting area. Edge AI refers to the deployment of AI algorithms directly on devices at the edge of a network, rather than relying on centralized cloud servers. These “edge” devices include cameras, drones, sensors, robots, gateways, or industrial controllers – anything that can process data locally where it's generated.

The increase in deposits (\$1.4 million to \$1.8 million) received is primarily due to a new project order secured from a key customer. The project requires NRE, mould cost and certification, which resulted in higher upfront payments.

The Company's announcement on the SGX-ST dated 19 June 2025 – paragraph 1(b) – “Notwithstanding the recent appointment of the chief executive officer, the Board continues to look to the Executive Chairman (Dr Chen Mun) and Executive Director (Ms Katherine Ang) as well for management accountability. In conjunction with the appointment of the chief executive officer, an executive committee comprising both the executive directors, chief executive officer and key management staff was to be formed. This was to ensure smooth transition and accountability.

Although the cessation of the chief executive officer delays succession planning, it will not result in any change or disruption to the operations of the Group since the Executive Chairman and the Executive Director have remained actively involved in the management of the Group. In the meantime, the Company will continue to look for suitable candidates to effect its succession plans.”

Harrison Food Building

Questions:

May I clarify that the 28% sold is it based on OTP executed? How many units are pending OTP or have deposits collected?

Based on financial report released on 8th Nov, 23% were booked. As of your current report, it's 28% which seems slow. What are the measures that the sales and marketing team is doing to boost up the sales?

Do we have any exclusive with the current real estate agency, and otherwise, are we considering bigger real estate agency (example PropNex) to market instead?

Why did the statement not refer to the Harrison Food Factory project? How many units have been sold? Does the management intend to lease the remaining units?

What is the balance that buyers have to pay to become owners?

Are the outstanding amounts reflected as receivables?

How do we recognise the profit from development properties?

How much profits can be realised from the property development?

What are the main reasons that our Harrison Food Centre properties sales are not moving fast, so far only 28% of the units sold? Is it because we fixed too high prices or too much supplies around this area including the Foodpoint@Taiseng? or because there is not an exclusive agent who committed to get sales done for us?

What can we expect for the sales of the remaining units to be improved in the future? or may the management need to review its selling strategies for better outcomes?

Property development: What is the % of selling price that will be paid to you as deposit upon signing of the SPA?

Harrison road expected proceeds - Is the land of the property planned to be sold as part of the project, and if so - is the land value included in the price estimates (for example the estimate of S\$1300-S\$1700 per square foot mentioned in the past, or in the prices committed by the buyers of the 28% of units)?

Harrison road project timeline

1. Has the main contractor been appointed?
2. What is the current time estimate for TOP?
3. Special dividend distribution - Is there a rough time estimate for the distribution?

Is TOP completion a prerequisite for the distribution? Is there a certain threshold of units sold that constitutes “sales crystallization”, or any other factors that are required prior to distribution?

I note from the AR that 28% of the units of Harrison Food Building have been sold. Can the company provide a breakdown on the sales, in terms of the selling price and the profile of the customers buying these units? Would you be able to provide an estimate of when all the units will be sold; and if not completely sold, what are the plans for the unsold units?

What are the plans of the company for the sales proceeds – would these be returned to the shareholders as previously mentioned or are there other plans such as share buybacks.

Response:

The Harrison Food Building has been marketed as strata title units and gross floor area is 7,345.74 square metres. Owners of the units beside owning each individual unit also has an economic interest in the freehold land.

To-date, the existing buildings have been demolished, and the main contractor has commenced construction. Expected Vacant Possession date will be in December 2028.

The total number of units in the development is 42 production units and 1 ancillary canteen unit. We have sold 12 production units or 28% (based on sale and purchase agreements entered between the Company and buyers). The sale and purchase agreements are based on the format prescribed under the Sale of Commercial Properties Act 1979. Upon executing the sale and purchase agreements, the buyer is obligated to pay 20% of the purchase price by the contracted deadline.

The remaining purchase price is payable over milestones dependent on the stage of construction (eg. 25% upon obtaining temporary occupation permit). Monies received from buyers are accounted for in the balance sheet as "contract liabilities", \$6.6 million as at 31 March 2025.

In the event, buyers do not proceed with subsequent payments by the contracted deadlines, the sale and purchase agreements provide legal avenues for the Company to claim interest for late payment and if required, to repudiate the sale and purchase agreement with remedies including forfeiting 20% of the purchase price.

As there are other developments been marketed in the vicinity, with marketing of the development ongoing, disclosing our transacted price will work against us. We have appointed 3 agencies to manage the sale, SRI, ERA and Huttons. Their appointments were non-exclusive allowing discretion to appoint other agencies if necessary.

In the minutes of the 35th annual general dated 25 July 2024, board members have updated that the feedback from our appointed agents were "encouraging" and sale of the property is dependent on the state of the Singapore economy. Besides our development, recently other food focus developments were launched - Foodpoint@Taiseng and Noel building.

We have increased awareness through listing/advertisement on property related media.

Prior to the issuance of the Temporary Occupation Permit, construction costs incurred are capitalised as development property and the revenue is recognised progressively based on the percentage of completion method, in line with the construction progress.

Upon its completion and receipt of the Temporary Occupation Permit, the cost of construction for unsold units are transferred to inventory. Profit or loss on the sale which is the difference between the sale consideration (after deducting related expenses like agencies commission) and the value of units sold will be recognized in the income statement.

As the units are sold on a strata title basis (individual unit), the value of inventory is proportion to each unit. We intend to lease out the unsold units, which will be transferred from inventory to investment property.

In the circular to shareholders dated 3 January 2024, seeking approval to proceed with the redevelopment, paragraph 2.3 – Rationale for the Proposed Redevelopment – (d) (page 12) – Enhancing Shareholders’ value – possible distribution – “The Board intends to distribute the net profits arising from the sale of units of the Redeveloped Property (if any) to Shareholders by way of distribution including dividends.

Such distributions, if they occur, will be an additional means through which the Company can enhance Shareholders’ value by giving Shareholders the benefit of any profits or gains to be received by the Group through the monetisation of its enhanced asset through the Proposed Redevelopment. For the avoidance of doubt, there is no certainty or assurance that there will be any such net profits available for such intended distributions, and/or that there will not be any changes or adjustments required to the proportion of such net profits to be made available for such intended distributions, including in the event of any changes to the working capital or cash flow requirements of the Group.”

In the same circular, we have highlighted the risk factors associated with the redevelopment and sale of units, paragraph 3.2 (page 16) - Risks factors relating to the Proposed Redevelopment.

Others

Questions:

Please provide a valid email address on your investor relations page

Response:

We thank the shareholder for the feedback and will update our Investor Relations page to include the email address: investor@powermatic.com.sg

By Order of the Board

Dr Chen Mun
Chairman

18 July 2025