



Securities Investors Association (Singapore)
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UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Creative Technology Ltd.

Stock code: C76

Meeting details:

Date: 28 October 2026

Time: 10.30 a.m.

Venue: Connect @ Alexandra Point, The Theatre, 438 Alexandra Road, #02-01 Alexandra Point, Singapore 119958

Q1. Management has stated that the group strengthened its business fundamentals during FY2026 by streamlining its operating model and allocating resources to priority markets, products, and capabilities. These changes reportedly led to clearer priorities and faster decision-making.

The group's revenue and profit/(loss) for the past decade is shown below:

Financial Performance by Year		
Financial Year	Revenue (US\$ million)	Profit/(Loss) (US\$ million)
FY2026	60.9	(0.6)
FY2025	67.4	(10.5)
FY2024	62.8	(10.8)
FY2023	56.2	(16.7)
FY2022	61.3	(11.0)
FY2021	84.5	(7.6)
FY2020	61.2	(17.6)
FY2019	54.9	(3.8)
FY2018	66.1	40.4*
FY2017	69.9	(22.9)

(Source: company annual reports)

Note: FY2018 profit included US\$63.8 million from a litigation settlement. Excluding that, the adjusted loss for the year would be US\$(23.4) million.

It is noted that the FY2026 loss was substantially lower than in recent years. Cash and cash equivalents held by the group amounted to approximately US\$30 million as at 30 June 2026 and the group has no external bank borrowings.

- (i) Priority markets:** What specific markets has management prioritised, and what evidence supports the group's ability to compete profitably in each of them? In particular, what distinctive advantages in technology, distribution, brand or cost structure enable the group to win customers and earn acceptable returns in these markets?
- (ii) Products and capabilities:** Similarly, which specific products and capabilities has management chosen to focus on to drive the group's return to profitability? For each, what evidence does management have of customer demand, willingness to pay and sustainable margins?
- (iii) New strategic direction:** What is materially different about the group's current strategy compared with the approaches pursued over the past decade, and why does the board believe this strategy will deliver a different outcome?"
- (iv) Competitive positioning:** How does the board define Creative's competitive positioning today? What evidence demonstrates that the group can

differentiate its products sufficiently to command attractive margins, rather than being caught between premium brands with stronger market positioning and mass-market competitors with lower costs? What specific customer segments and product categories can Creative realistically win, and why?

Q2. During the year, the group divested its Super X-Fi business, including intellectual property rights and inventory, to Zeica Labs Pte. Ltd. for US\$1 million in cash and a 40% equity stake in Zeica. As at 30 June 2026, US\$300,000 of the cash consideration remained outstanding and was recorded as “other receivables” from an associated company (Note 15).

- (i) What was the group’s cumulative investment in developing and commercialising Super X-Fi, including R&D expenditure, marketing and other associated costs? Has the board conducted a post-mortem to assess whether Super X-Fi achieved its expected commercial returns? If not, what were the reasons, and what specific lessons have been incorporated into the group’s product development and investment decisions?**

CONSOLIDATED INCOME STATEMENT

For the financial year ended 30 June 2026

	Note	Group	
		30 June 2026 US\$'000	30 June 2025 US\$'000
Sales, net		60,922	67,435
Cost of goods sold	4	(41,012)	(48,555)
Gross profit		19,910	18,880
Expenses:			
Selling, general and administrative		(16,727)	(21,064)
Research and development		(4,733)	(9,663)
Total expenses	4	(21,460)	(30,727)
Interest income		352	426
Other income	6	18	34
Other gains	7	1,349	1,106
Other losses	8	(499)	(1)
Interest expense on lease liabilities		(50)	(97)
Loss before income tax	a	(380)	(10,379)

(Source: company annual report)

The group’s R&D expenses more than halved in FY2026, to US\$4.73 million, contributing to the significant reduction in its reported loss.

- (ii) What framework does the board use to determine the group's R&D budget and allocate spending across projects? How much of the FY2026 reduction reflects termination or completion of projects, as opposed to a deliberate reduction in overall product development? What impact will the lower spending have on the product pipeline, time to market and the group's ability to sustain its competitive position?**
- (iii) With significant capital flowing into data centres and artificial intelligence globally, has the group assessed whether its existing intellectual property, audio technologies or engineering capabilities can be commercialised in these markets or any other growing sectors, including through licensing or partnerships? If so, which specific technologies have credible commercial applications, if any?**

Q3. Mr Sim Li Ern will retire pursuant to Regulation 84 of the company's constitution and will be seeking re-election at the annual general meeting on 28 October 2026.

Information on Mr Sim Li Ern, as required under Appendix 7.4.1 of the Listing Manual of the SGX-ST for a director seeking re-election, is set out in the "Additional Information on Directors Seeking Re-election" section of the notice of annual general meeting and the "Board of Directors and Executive Officers" section of the company's FY2026 annual report.

- (i) Can the nominating committee (NC) confirm whether the director, if re-elected, will continue to serve as executive chairman?**

Mr Sim Li Ern was appointed as executive chairman¹ on 6 February 2026, after the former chairman, Dr Tan Jok Tin², stepped down on 15 January 2026. Dr Tan Jok Tin was initially appointed as independent director of the company on 18 September 2024, redesignated as independent chairman on 25 October 2024, and subsequently took on the role of executive chairman on 16 January 2025.

- (ii) Can the NC explain the profile and selection criteria it considers essential for the chairman role? What specific experience, track record and leadership capabilities is the board seeking for the board chairman?**
- (iii) How does the board assess the governance implications of reverting to an executive chairman from having an independent chairman? In the board's view, how does the current board structure preserve an appropriate balance of power between the board and management, particularly in**

¹ <https://links.sgx.com/1.0.0/corporate-announcements/U14S15MYNJYSF04Q/7f151e08487c6e2c506f50c60327f5312f25c5655e4baf43f1a79b4093a10e43>

² <https://links.sgx.com/1.0.0/corporate-announcements/JAIV4UC6IDUXERKL/430d48c5e3fbd794569ec6aca7ecc8daba5c621ac4d3b78efbce29ec5d2dd787>



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setting the board agenda, overseeing strategy and evaluating executive performance?

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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