

Toku Ltd.

(SGX: TKU)

Singapore-based AI-powered customer experience platform

- Singapore-headquartered provider of a cloud-native customer experience platform.** Toku is a Singapore-headquartered provider of a cloud-native customer experience platform that helps enterprises manage customer interactions across channels such as voice, chat and email within a single workflow. The platform is designed to reduce “omnichannel fragmentation” by consolidating customer touchpoints into a unified view for service teams, supporting faster responses, smoother handovers and analytics for service quality monitoring.
- Target high-volume enterprises.** Toku positions itself for high-volume enterprises operating across multiple jurisdictions, where regulatory constraints, data sovereignty requirements, linguistic diversity and infrastructure variability can shape how customer-service systems are deployed. The company highlights deployment flexibility, including cloud-agnostic and hybrid options and in-country processing and hosting where required, as a key fit for regulated environments.
- High net revenue retention.** Toku generates revenue from Usage, Subscriptions and Licensing, Professional Services, Maintenance and Support, and Hardware. Usage remains the largest stream and scales with customer activity, while subscriptions/licensing provide recurring revenue tied to platform access and features. The company reports net revenue retention above 150% for Subscriptions and Licensing, indicating expansion within existing customers in that segment.
- Financial profile and near-term visibility.** Revenue increased from US\$21.57m in FY2022 to US\$31.79m in FY2024, with 1H2025 revenue of US\$16.62m versus US\$15.87m in 1H2024. Gross margin improved to 27.37% in FY2024 before easing to 24.52% in 1H2025. Toku remained loss-making, although 1H2025 net loss narrowed to US\$0.96m from US\$2.79m in 1H2024. As at the Latest Practicable Date, the company disclosed an order book of ~US\$23.44m across Subscriptions and Licensing, Professional Services, and Maintenance and Support, excluding consumption-driven Usage revenue.
- Valuation.** Toku trades at around 3.6x trailing price-to-sales, below the peer average of 4.2x, suggesting a modest discount on a revenue-multiple basis.
- Key risks are liquidity and execution.** Toku is loss-making with tight working capital, so any delay in collections or cost spikes could increase the need for further funding. Margins are also vulnerable because revenue is still usage-heavy and exposed to third-party cost changes and competitive pricing, while reliance on a small number of large enterprise customers heightens renewal risk.

Ticker	TKU
Rating	Not Rated
Price	S\$0.255
52-week range	S\$0.25 – 0.305
Market Cap	S\$145.4M

*As of 29 January 2026

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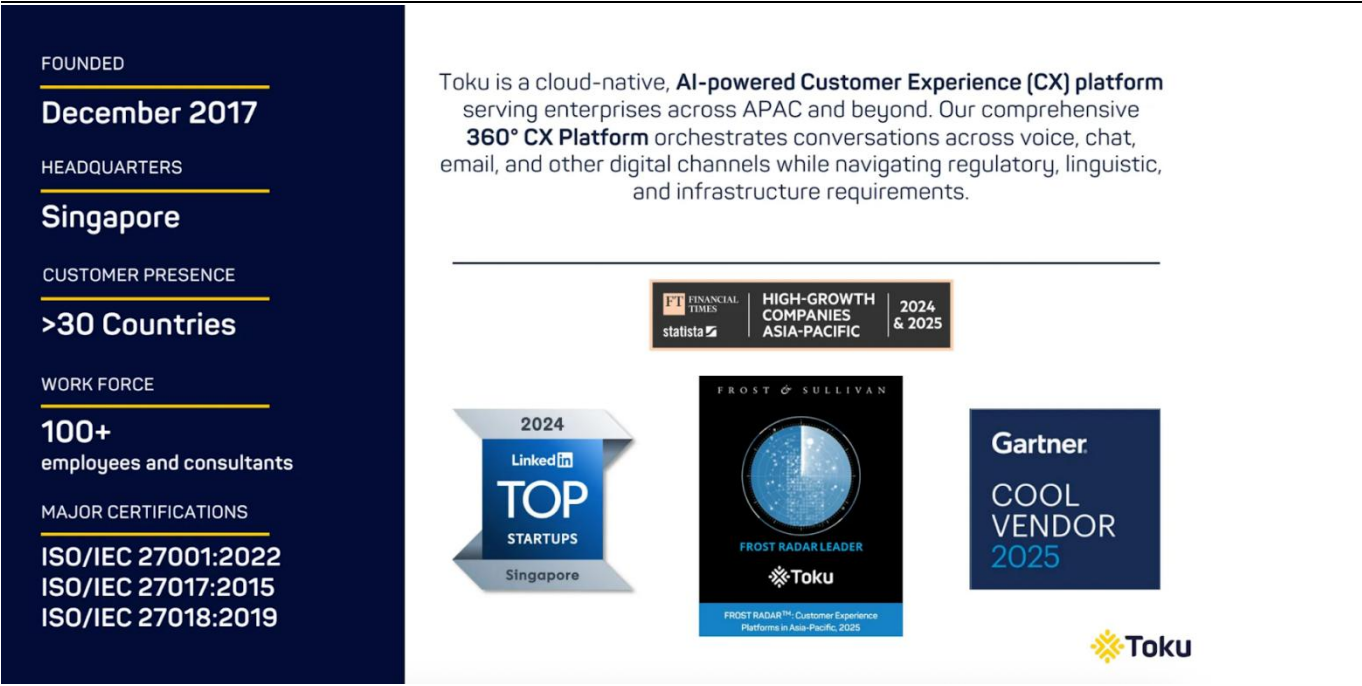
Toku Ltd. (TKU)

Company Overview

Toku is a Singapore-headquartered provider of a cloud-native customer experience (CX) platform that helps enterprises manage customer interactions across multiple channels such as voice, chat and email within a single workflow. It is designed to solve omnichannel fragmentation, where customer conversations and service tools are spread across disconnected systems. By consolidating customer touchpoints into one view, Toku aims to help service teams respond faster, handle channel switches more smoothly, and improve overall service quality.

Founded in December 2017, Toku set out to build a platform for complex and fast-changing markets, where customer service operations often face stricter regulations, diverse languages and uneven connectivity infrastructure. The company began by acquiring and developing its own communications infrastructure, creating a network layer that supports its broader product suite today. That suite includes communication application programming interfaces (APIs) and developer tools, end-to-end engagement solutions, and conversational AI capabilities, which customers can adopt modularly depending on their needs.

Figure 1: Company overview

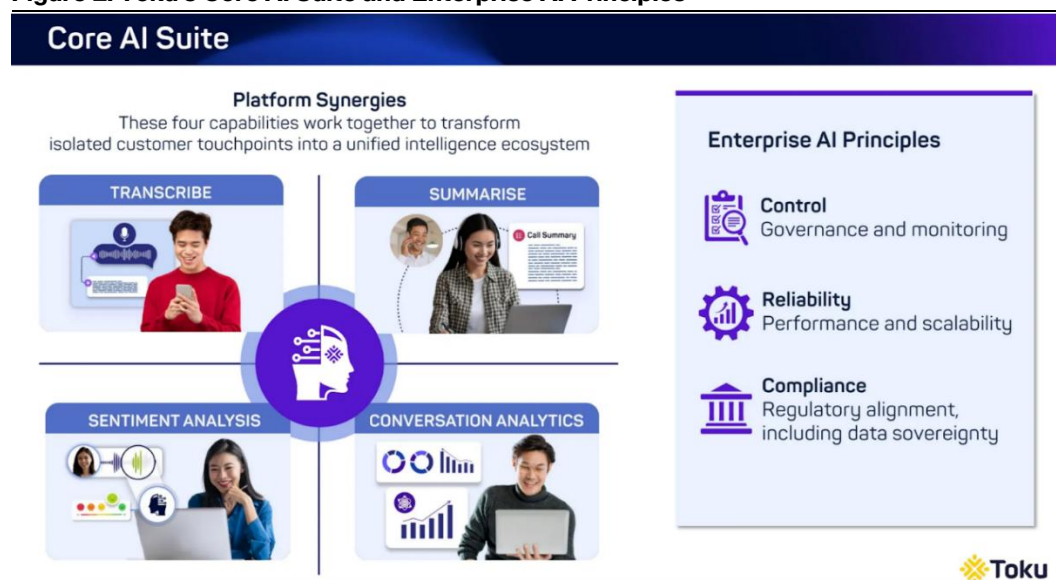


Source: Company Data

Toku differentiates itself from global incumbents by combining telecommunications expertise with localised artificial intelligence (AI) and a delivery model built around compliance requirements. Its cloud-agnostic architecture and hybrid deployment options allow enterprises to choose how and where systems run, including in-country data processing and hosting when required. This flexibility is intended to help customers meet data sovereignty and regulatory obligations without sacrificing performance or reliability.

Toku embeds AI features across the platform to support both agents and supervisors that can help during and after customer interactions. These include call transcription, conversation summarisation, sentiment analysis, and conversation analytics, with a particular focus on handling multiple languages, regional accents and code-switching scenarios that are common in many markets. Deployments are supported by professional services to help enterprises implement, integrate and scale the platform effectively.

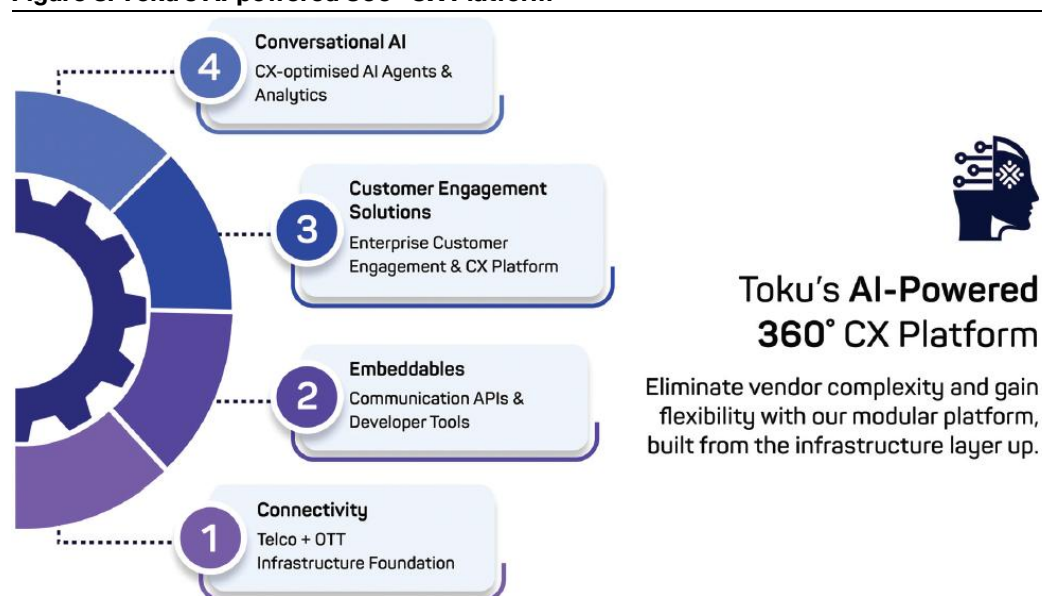
Figure 2: Toku's Core AI Suite and Enterprise AI Principles



Source: Company Data

Toku serves major enterprises and government agencies, supporting end-customers with operations across multiple markets, in more than 30 countries. More recently, it has expanded into Latin America through a strategic partnership with a leading food delivery platform, which it presents as a step toward scaling beyond APAC and capturing global growth opportunities.

Figure 3: Toku's AI-powered 360° CX Platform



Source: Company Data

Business model and product offerings

Toku provides an enterprise customer experience (CX) platform that consolidates customer interactions across channels such as voice, chat and email into a single workflow. This gives service teams unified customer history across channels, smoother handovers and service analytics from day-to-day interactions.

It targets enterprises handling high volumes of customer communications, especially those operating across multiple markets with varying compliance and operational requirements. Common use cases include complaints, cancellations, refunds and service recovery, where having complete context across channels helps improve consistency and speed of resolution.

The platform includes AI-enabled capabilities such as transcription and summarisation of conversations, sentiment analysis and real-time agent support, alongside analytics for service quality and performance monitoring. Over time, Toku aims to evolve from summarising interactions to deeper context interpretation across interactions, and eventually to more automated, permissioned service actions.

A simple way to visualise how Toku supports a customer service team is to imagine a customer who complains via chat about a late order. The conversation is captured in the system so the context is not lost. If the customer later escalates to a phone call, the agent can immediately see the full history, including a short summary of what was discussed on chat. During the call, the conversation can be transcribed and the system can flag potential sentiment issues, helping the agent respond appropriately and enabling supervisors to identify interactions that may require follow-up. After the case is resolved, the outcome and service metrics flow into analytics and quality monitoring, allowing teams to track performance and improve service processes over time.

How Toku makes money

Toku makes money through five revenue streams. Toku does not rely on just one “product fee”; it earns money from both recurring platform access and usage that increases when customers send more traffic through the system.

#1. Subscriptions and licensing revenue comes from providing enterprise customers time-bound access to the platform and licensing specific features. This can include per-seat or concurrent licences for contact centre, omnichannel and AI capabilities, as well as subscriptions to related services such as number leasing. The company describes this as a higher-margin stream because it is based on proprietary technology and can scale efficiently. These contracts are typically annual or multi-year, which supports more predictable recurring revenue. Revenue is generally recognised over time across the contract period, while perpetual software licences and related hardware are recognised when delivered. Toku reports net revenue retention of over 150% for its Subscriptions and Licensing segment, indicating that existing customers, on average, increased their spending with the company over time.

#2. Usage made up most of revenue during the period under review and mainly reflects voice, messaging and data traffic carried through Toku’s connectivity platform. Although margins can be affected by infrastructure costs and price competition, the company views this stream as strategically important because it embeds Toku into customers’ day-to-day operations and reduces vendor complexity through its one-stop modular approach. Usage revenue is generated mainly from voice and messaging APIs,

wholesale carrier services and network interconnection. It is billed monthly based on actual activity, such as call minutes and message volumes, which means revenue tends to scale in line with how much customers use the platform. Additionally, AI usage is progressively becoming part of Toku's usage-based revenue stream, which the team sees as an important aspect of how the business model continues to evolve over time.

#3. Professional services revenue is project-based and comes from implementation, consulting and enhancement work across the customer lifecycle. This can include system integration, digital transformation support and custom development. Toku states that this capability was strengthened through the Activeo SEA acquisition and positions services as a way to accelerate adoption, support expansion and deepen customer relationships. Professional services revenue is typically recognised over time based on project progress, which requires judgement in assessing milestones and completion.

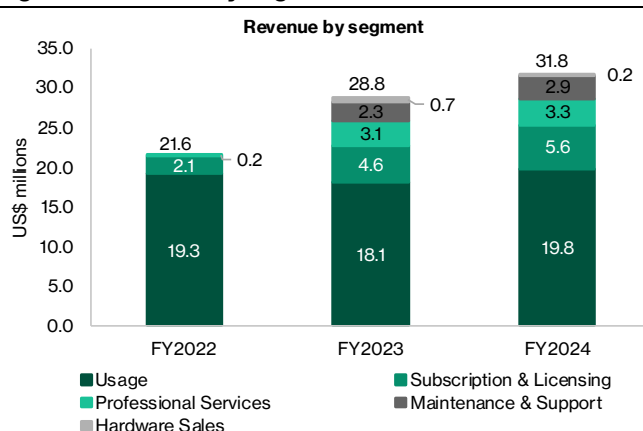
#4. Maintenance and support revenue is earned after implementation through technical support, account management and ongoing platform optimisation. It is delivered through tiered support packages and service level agreements and is described as a recurring stream that helps protect customer success and retention. This revenue is recognised evenly over the period the services are provided.

#5. Hardware sales are a smaller, ancillary revenue stream from specialised equipment used in hybrid or custom deployments, such as IP phones, network gateways and on-premise appliances. Hardware revenue is recognised when the equipment is delivered and control passes to the customer.

The biggest contributor to revenue is usage, representing 62.0% in FY2024 revenue. While Toku is heavily dependent on usage-based revenue, it has been building a larger base of recurring subscription and licensing revenue over time, as the contribution to revenue increased from 9.9% in FY22 to 17.6% in FY24.

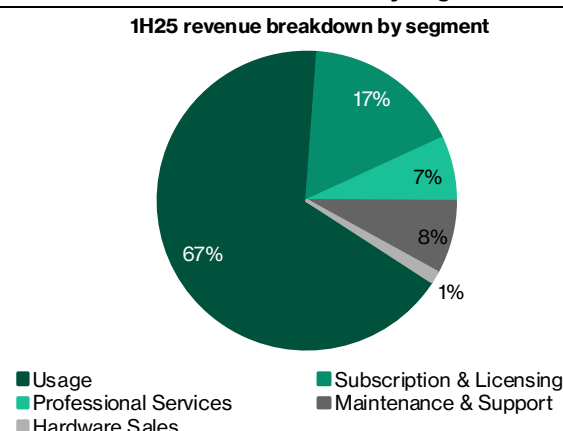
In terms of revenue by geography, Singapore became the dominant contributor in FY24, contributing 66.6% of full-year revenue. Hong Kong used to be the biggest contributor in FY22 revenue, contributing 46.9% but its revenue share has since declined to 6.3% in FY2024. Other countries contributed 27.1% in FY2024.

Figure 4: Revenue by segment

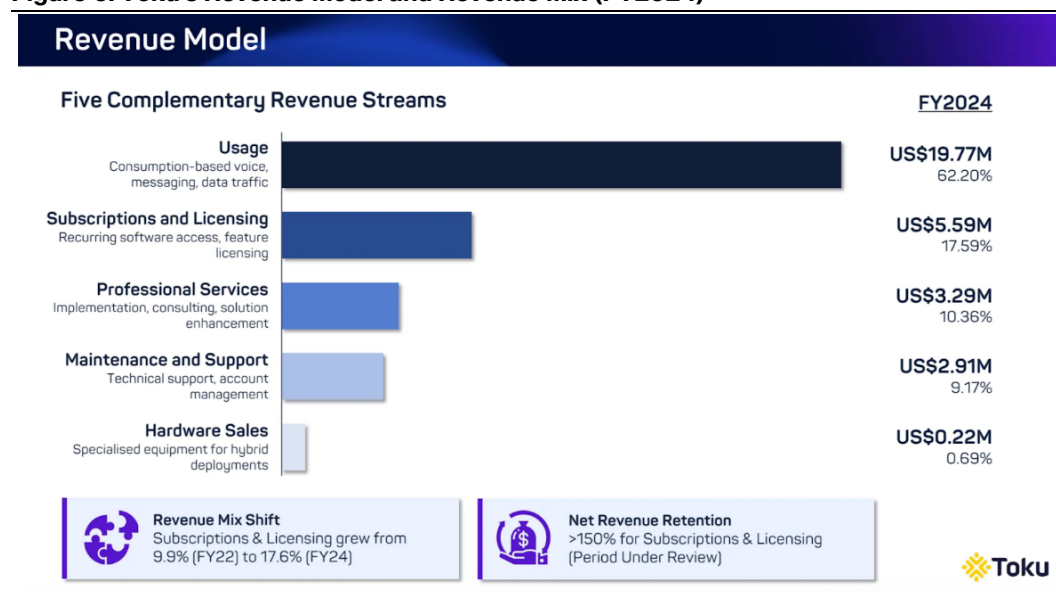


Source: Company data

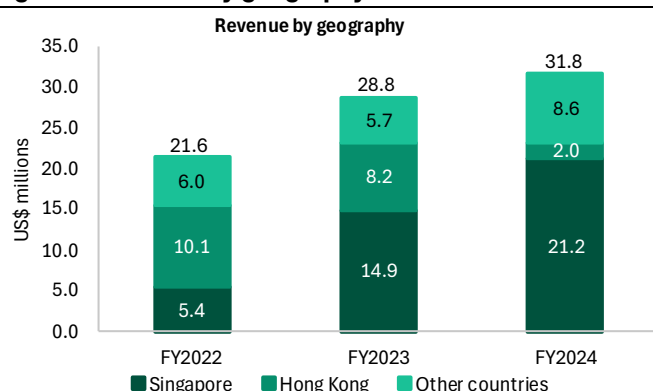
Figure 5: 1H25 revenue breakdown by segment



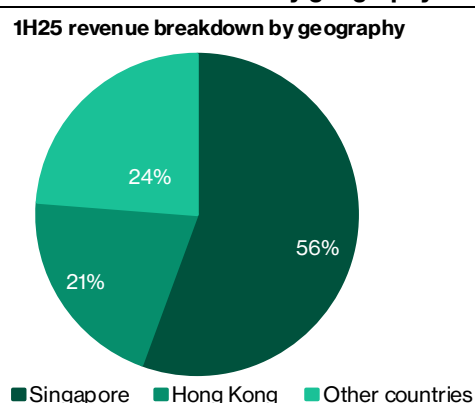
Source: Company data

Figure 6: Toku's Revenue Model and Revenue Mix (FY2024)

Source: Company data

Figure 7: Revenue by geography

Source: Company data

Figure 8: 1H25 revenue breakdown by geography

Source: Company data

Operations and delivery model

Toku typically implements its CX platform through configuration, integrations and user onboarding, with rollout timelines varying depending on customer readiness and deployment complexity. Implementations may be faster for enterprises with established digital customer-support processes, while more complex migrations can take longer, including edge cases of up to around 18 months for customers starting with limited digital infrastructure. Toku also earns professional services revenue from implementation and migration work.

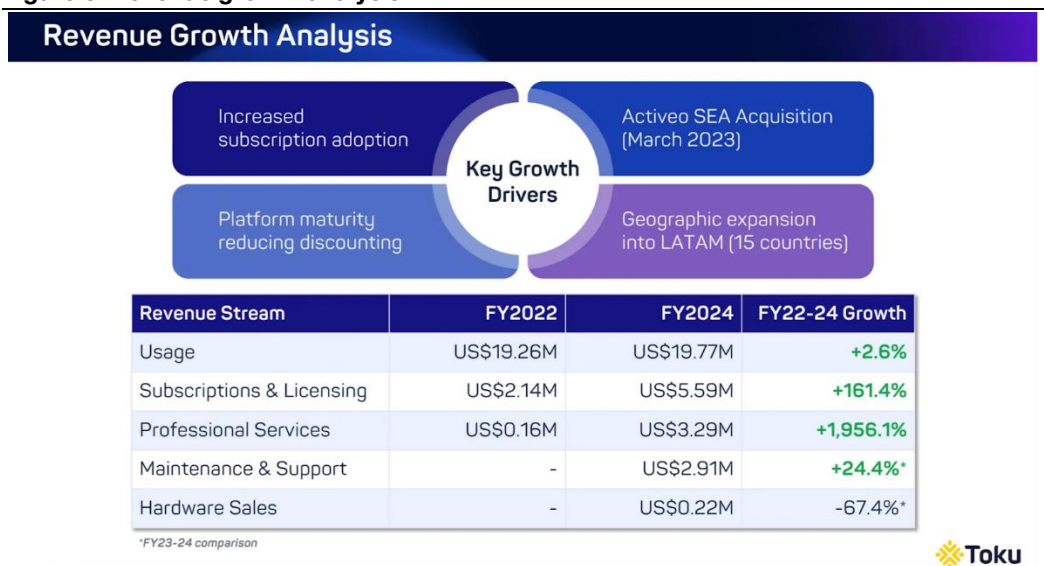
Toku positions its platform for regulated enterprise environments and jurisdictions with differing data requirements. The company has highlighted deployment flexibility across private infrastructure, government cloud and hyperscaler cloud environments, with stricter compliance and approval processes typically required for higher-assurance environments (e.g., government cloud). It also emphasises data sovereignty and privacy

considerations, supported by operational controls intended to improve auditability in customer-service workflows.

Financial Performance

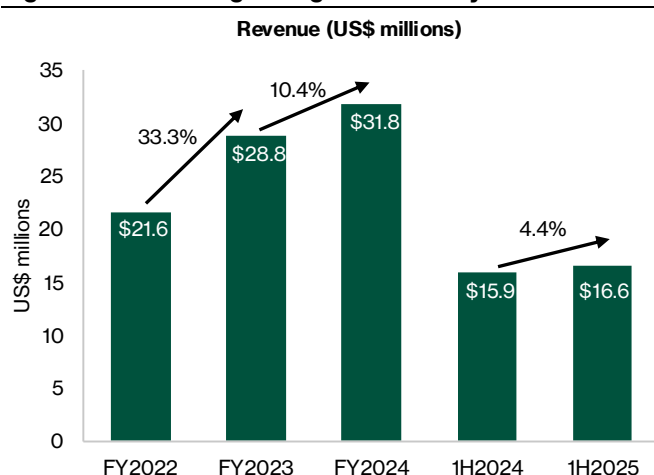
Toku delivered revenue growth over FY2022–FY2024, with revenue increasing from US\$21.6 million in FY2022 to US\$28.8million in FY2023 (+33.6% year-on-year) and US\$31.8million in FY2024 (+10.4% year-on-year). In 1H2025, revenue rose 4.4% y-o-y to US\$16.6million, from US\$15.9million in 1H2024.

Figure 9: Revenue growth analysis



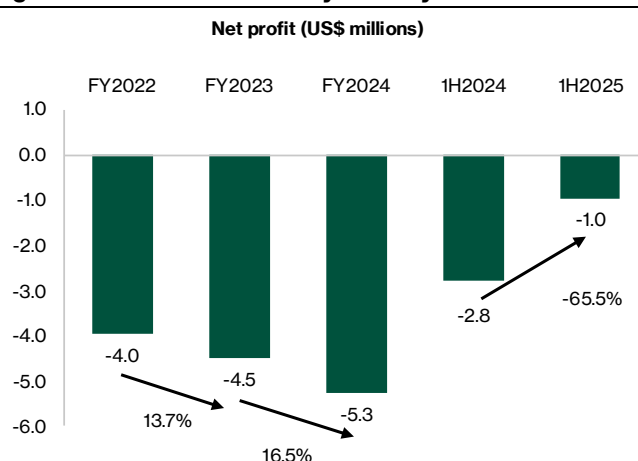
Source: Company data

Figure 10: Revenue growing in the last 3 years



Source: Company data

Figure 11: Net loss narrowed year-on-year in 1H2025



Source: Company data

During the same period, gross profit rose from US\$4.47million in FY2022 to US\$7.87million in 2023 (+76.0% year-on-year), and to US\$8.70million in FY24 (+10.5% year-on-year). Gross margin expanded from ~20.7% in FY2022 to ~27.3% in FY2023, and was broadly stable at ~27.4% in FY2024, before easing to ~24.5% in 1H2025 based on disclosed gross profit and revenue figures.

Toku explains that overall gross margins may be lower than pure software companies because it combines connectivity infrastructure with higher-margin software and services. Usage services represented 62.2% and 67.0% of total revenue in FY2024 and 1H2025 respectively, yet these services operate at single-digit gross margins. In other words, some parts of its revenue inherently come with large pass-through costs, but the company is of the view that this integrated approach creates customer lock-in and differentiation.

Over the same period, the company remained loss-making, with net losses of US\$4.0m (FY2022), US\$4.5m (FY2023) and US\$5.3m (FY2024). However, 1H2025 net loss narrowed to US\$1.0m, from US\$2.8m in 1H2024 (a reduction of ~65%).

As at the Latest Practicable Date, Toku disclosed an order book of approximately US\$23.44 million. This represents future secured revenue backed by signed customer contracts and covers three revenue streams, namely Subscriptions and Licensing, Professional Services, and Maintenance and Support. Usage-based revenue is excluded because it is consumption-driven and therefore not contractually committed. Of the total order book, around 88% is non-invoiced revenue relating to contracted services that have not yet been billed, while the remaining 12% is deferred revenue that has been invoiced but relates to services still to be delivered.

Cash flow from operations remained negative between FY2022 and FY2024 and in 1H25. As of 30 June 2025, Toku has US\$1.02 million cash and cash equivalents. Working capital had been tight, as of 1H25, the group's current liabilities exceeded current assets by US\$5.57million.

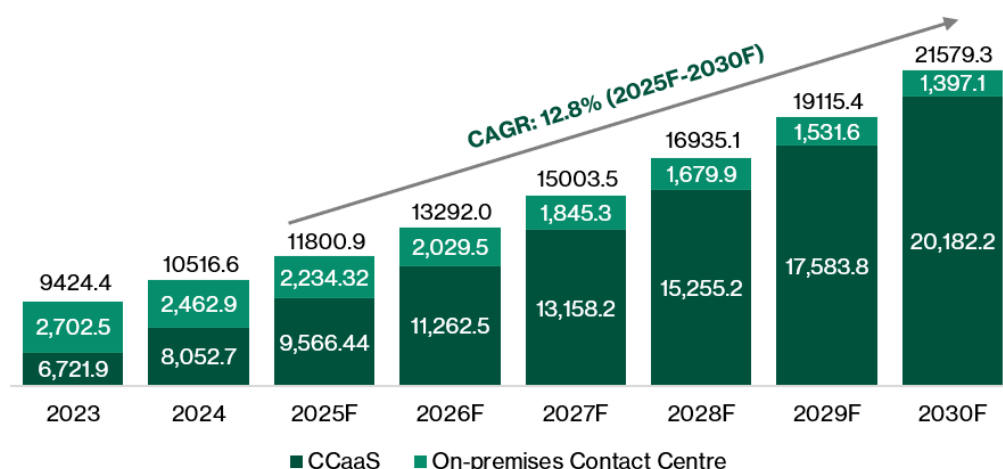
The company explains that after 30 June 2025 it reached agreements with certain shareholders to extend loan maturities, resulting in US\$1.56m being reclassified from current to non-current liabilities. It also explains why it adjusts working capital analysis by adding back contract liabilities, since those represent obligations to deliver services already paid for rather than cash debts. After these adjustments, it presents a pro-forma view showing positive working capital.

Industry outlook supported by cloud migration, AI adoption and platform consolidation

Toku operates in the broader market for cloud contact centre solutions and customer experience platforms. According to Frost & Sullivan, the global contact centre solutions market is projected to expand from US\$11.8 billion in 2025 to US\$21.6 billion by 2030, implying a 12.8% CAGR. Over the same period, the market mix is projected to tilt further towards Contact Centre as a Service (CCaaS), with CCaaS expected to grow materially while on-premises contact centre spending declines.

Figure 12: Global Contact Centre Solutions Market Size Forecast (2023–2030F)

(USD Million), Global, 2025F-2030F.



Source: Frost & Sullivan

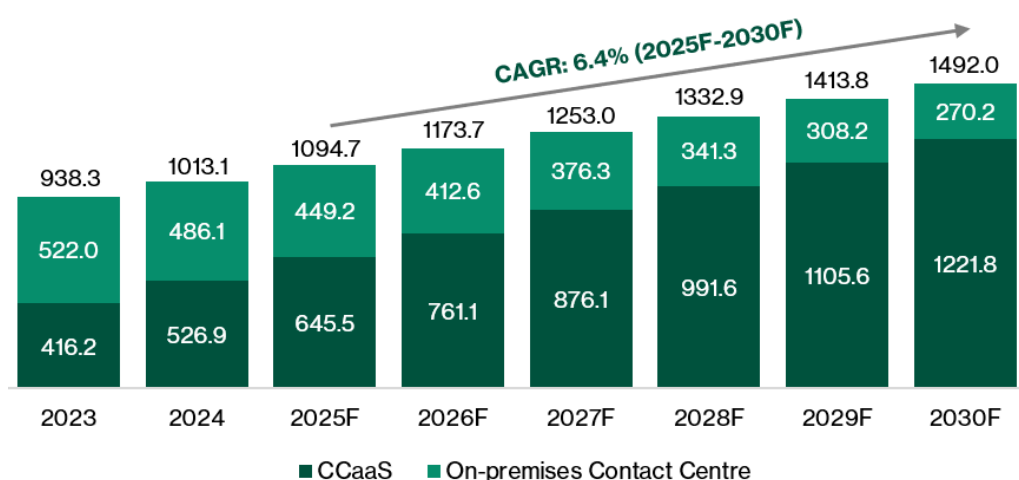
Note: The base year is 2024. All figures are rounded. The total may not be equal to the sum of the segments due to rounding off.

In Asia-Pacific, Frost & Sullivan forecasts the contact centre solutions market to increase from US\$1.09 billion in 2025F to US\$1.49 billion by 2030F, representing a 6.4% CAGR. Similar to the global trend, APAC's projected growth is driven mainly by CCaaS expansion, alongside a declining contribution from on-premises deployments.

Frost & Sullivan attributes industry growth to enterprise digital transformation initiatives, wider adoption of AI in customer service workflows, and the continuing shift from on-premises deployments to cloud-based solutions. It also notes that 44% of global organisations and 39% of APAC organisations plan to migrate applications to the cloud within two years, indicating ongoing momentum in cloud adoption.

Figure 13: Asia-Pacific Contact Centre Solutions Market Size Forecast (2023–2030F)

(USD Million), Asia-Pacific, 2025F-2030F.



Source: Frost & Sullivan
Note: The base year is 2024. All figures are rounded. The total may not be equal to the sum of the segments due to rounding off.

Beyond contact centre software, Frost & Sullivan describes a broader convergence across customer experience tools, where boundaries between contact centre solutions, unified communications and communications platforms are increasingly blurred. This has supported a shift from point solutions towards integrated enterprise CX platforms, as organisations seek to reduce vendor complexity and improve operating efficiency.

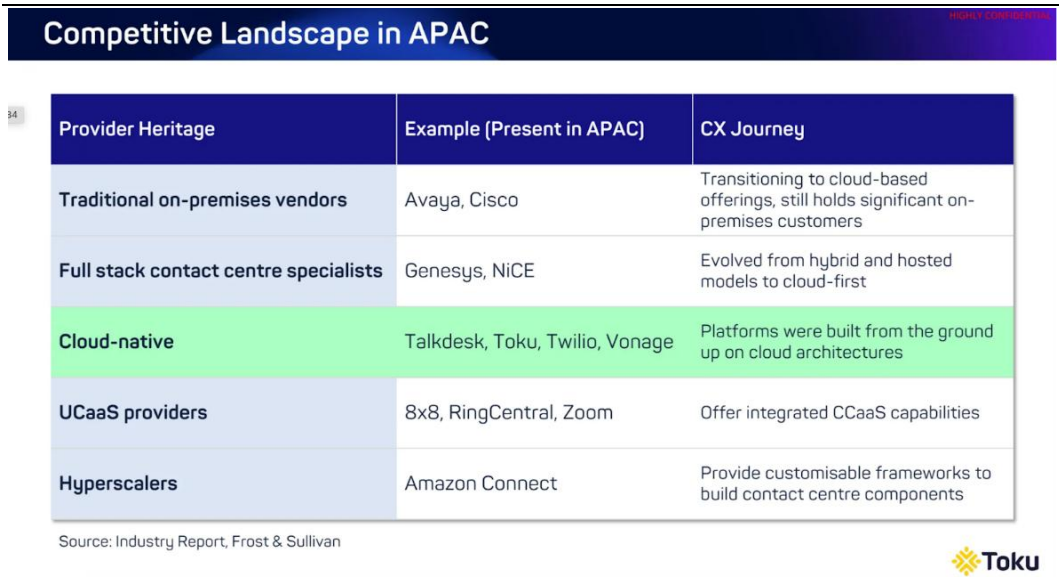
Competitive landscape and how Toku positions itself

According to Frost & Sullivan, the contact-centre and customer experience landscape can be grouped into several broad competitor categories. These include legacy on-premise contact-centre vendors such as Avaya and Cisco, full-stack contact-centre specialists such as Genesys and NICE, and cloud-native contact-centre platforms such as Five9 and Talkdesk. The competitive set also includes communications platform providers and CPaaS-style players such as Twilio and Vonage, UCaaS providers expanding into contact centre such as 8x8, RingCentral and Zoom, hyperscalers such as AWS, Google and Microsoft, and CRM/IT platforms with embedded customer-service capabilities such as Salesforce, Zendesk and ServiceNow.

Structural dynamics in APAC and complex markets

Frost & Sullivan notes that while global leaders offer broad product suites, execution in APAC and other complex markets can be shaped by local realities such as cost sensitivity, the need for local carrier integration, and reliance on partner ecosystems. In enterprise tenders, requirements such as data residency, in-country connectivity and compliance can be non-negotiable, which creates opportunities for providers that can meet these constraints more directly.

Figure 14: APAC Contact Centre Competitive Landscape (by Provider Heritage)



Source: Frost & Sullivan; Company data
Note: The list is non-exhaustive

Competitive strengths

Within the competitive landscape, Toku positions itself as an enterprise-focused provider built for complex and regulated environments, particularly in APAC. Its strategy combines telecommunications expertise with localised AI and a compliance-led delivery approach, supported by flexible deployment options that span cloud-agnostic and hybrid setups. The company also emphasises connectivity control, including local Public Switched Telephone Network (PSTN) integration, OTT (Over-the-Top) connectivity, and alignment with numbering and regulatory requirements, to support customers operating across multiple jurisdictions.


Management frames these complex markets as places where regulatory constraints, linguistic diversity and infrastructure variability shape how contact-centre platforms must be deployed and operated. In practice, this often means enterprises need in-country data processing and hosting, more configurable architectures, and stronger on-the-ground implementation support than standardised rollouts designed for more uniform markets.

Toku's differentiation is anchored in four main areas. First, it emphasises an enterprise AI layer embedded directly into customer-service workflows, supporting capabilities such as transcription, summarisation, sentiment and agent-assist to improve consistency and generate analytics for supervisors. Second, it highlights operating expertise in complex markets, including optimisation for multilingual environments and low/variable audio quality, while supporting region-specific requirements. Third, Toku describes an end-to-end approach across the CX value chain (from connectivity and engagement to AI and services), with the intent of reducing dependence on third parties and enabling a more integrated platform experience. Fourth, it positions its architecture for enterprise-grade deployment, citing flexible options across public, private and government cloud environments and highlighting security/compliance readiness for regulated customers.

Figure 15: Toku's Competitive Differentiation vs Global Incumbents and Pure SaaS Vendors

Competitive Differentiation			
Factor	Typical Global Incumbents	Pure SaaS Vendors	Toku
Strategy	On-prem heritage, Western-centric	SME-focused, standardised	Cloud-first, APAC-first, enterprise-focused
Deployment	Mostly public cloud	SaaS only	Cloud agnostic, hybrid options
AI Capability	Generic models	Basic/Third-party	Proprietary, multilingual and optimised for low audio quality
Professional Services	Partner-dependent	Limited	Direct delivery, 360° ecosystem
Data Sovereignty	Limited options (usually 1 PoP per region)	Centralised	In-country processing options for regulatory adherence


Enterprise Barriers to Entry:
 Significant technological/capital requirements, complex regulatory compliance, deep expertise requirements, established brand trust

Source: Company and Industry Report, Frost & Sullivan 

Source: Frost & Sullivan; Company data

Figure 16: Toku's stated competitive advantages and customer retention metric

Source: Company data

Company outlook & strategy

Management outlines a growth strategy built around six interconnected pillars.

Figure 17: Business strategies and future plans (including order book)

Source: Company data

The first pillar is an enterprise AI focus, with the aim of positioning Toku as an AI-powered customer experience platform for complex, multilingual markets, guided by principles of control, reliability, and compliance. The roadmap is described as progressing along two tracks. One track expands the Core AI Suite across new languages and industry verticals and includes no-code customisation tools to support faster localisation. The second track advances an Agentic AI programme that is

currently in customer pilots and is intended to introduce AI chat and voice agents that can handle more autonomous, context-aware interactions while operating within governance controls expected by regulated industries.

The second pillar is margin enhancement through revenue mix optimisation and operational improvements. While connectivity infrastructure remains a strategic differentiator, the company intends to improve gross margins by increasing the share of higher-margin subscriptions and licensing revenue. It also expects profitability to improve as brand awareness reduces the need for aggressive discounting, as proprietary technology replaces third-party components, and as platform maturity supports more premium pricing.

The third pillar is scaling through channel partners. Management describes the Activeo SEA acquisition as having strengthened professional services and maintenance capabilities, which now form a meaningful part of revenue. The strategy going forward is to make these services more scalable by shifting delivery toward certified partners, supported by standardised methodologies, training and certification, joint go-to-market activity, and revenue-sharing structures. The stated aim is to expand services revenue and market reach without requiring proportional increases in headcount, while maintaining consistent delivery quality.

The fourth pillar is product innovation and technology advancement, framed around a layered AI architecture. The Core AI Suite, which includes transcription, summarisation, conversation analytics and sentiment analysis, is positioned as the intelligence layer already deployed in production. Conversational AI is described as adding dialogue and intent understanding across chatbot and voicebot implementations. Agentic AI, currently in pilots, is intended to add reasoning, API-driven actions and multi-step autonomy for more complex resolutions. Across these layers, the company emphasises maintaining enterprise requirements for control, reliability, compliance, data sovereignty and scalability. Key initiatives include replacing third-party components with proprietary technology, improving journey orchestration, deepening integrations with enterprise systems, and strengthening predictive analytics.

The fifth pillar is geographic expansion. Management highlights that in 2025 the Group entered LATAM through a 15-country deployment and strengthened its APAC footprint, while also developing initial Middle East opportunities. For 2026 to 2027, the stated priorities include establishing a Middle East presence as opportunities materialise, entering Europe, and exploring North America. The go-to-market approach is described as partner-led for new market entry, complemented by direct enterprise sales for strategic accounts, with the intention of reducing capital requirements while expanding reach through channel partners. The company also indicates that part of the IPO proceeds is intended to accelerate expansion of its AI-powered platform, including investments in proprietary technology development, R&D, talent acquisition, partner ecosystem development and strategic market expansion across APAC, LATAM, MENA and Europe.

Figure 18: Geographic expansion strategy and go-to-market approach

Source: Company data

The sixth pillar is an opportunistic strategic M&A programme. While management states it believes its goals can be achieved organically, it views acquisitions as a potential accelerator, citing the Activeo SEA acquisition as evidence of impact. The company's acquisition criteria include targets that strengthen market positioning, open new markets, expand the customer base, improve technology capabilities and broaden the services and solutions portfolio. Management also highlights an integration approach that maintains core leadership teams for continuity while accelerating cross-selling and integrating acquired capabilities into a unified platform architecture. It intends to allocate a portion of IPO proceeds toward potential acquisitions, partnerships and general corporate purposes.

Geographically, Toku highlighted expansion beyond its APAC base into markets such as LATAM and MENA, with Europe and North America referenced as part of its broader expansion plan, using a combination of partner-led approaches and direct enterprise sales. The company also stated that it may pursue strategic acquisitions to add customers, markets or technology, using an integration approach intended to maintain continuity and accelerate cross-selling opportunities. In its investor materials, Toku disclosed an order book of US\$23.44 million, comprising approximately 88% non-invoiced revenue and 12% deferred revenue.

Path to Profitability

Management outlines several levers to improve margins over the medium term, with the aim of delivering meaningful expansion within about three years from the latest practicable date. The plan rests on three main drivers.

First, the company intends to improve its revenue mix by increasing the contribution from higher-margin subscriptions and licensing.

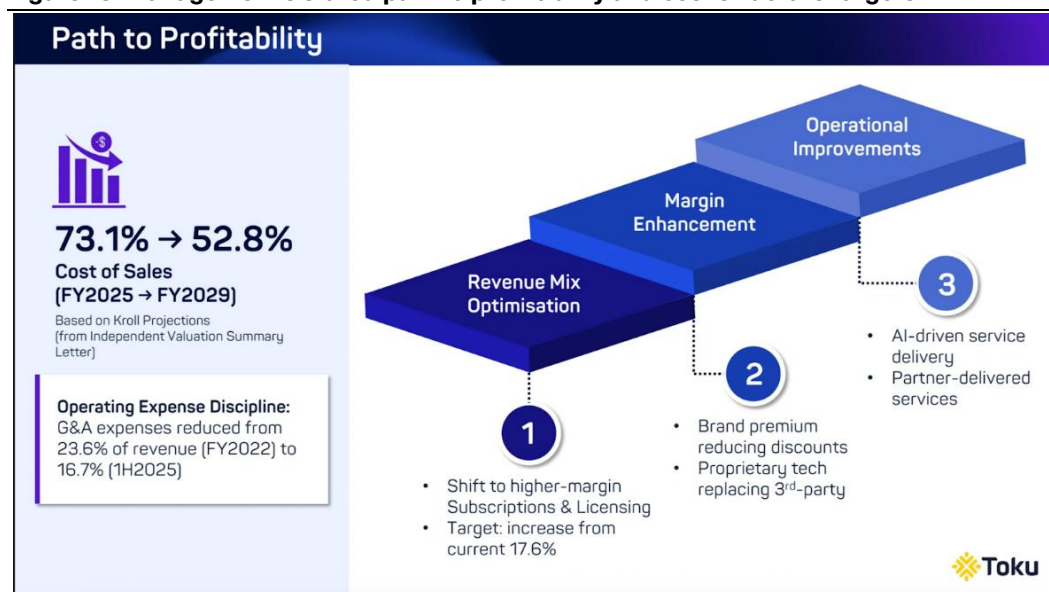
Second, it expects margins within existing segments to rise as brand awareness reduces the need for heavy discounting and as proprietary technology replaces third-party components, which should lower licensing costs while strengthening product capabilities.

Third, it aims to reduce cost-to-serve through operational leverage and automation, including AI-enabled service delivery, automated provisioning, and a greater shift toward partner-delivered services through its channel programme.

Management also notes that the Activeo SEA acquisition provides the methodologies and frameworks to scale services more efficiently via certified partners.

Overall, the company expects margin expansion to accelerate as these investments mature, supported by broader platform adoption, stronger brand recognition, and continued substitution of third-party technologies with in-house solutions.

Figure 19: Management's stated path to profitability and cost structure targets



Source: Company data; Kroll projections

Use of Proceeds

Toku expects to raise gross proceeds of S\$16.25 million from its IPO, intended mainly for strategic M&A and general corporate purposes (S\$4.551m, 28.0%), platform expansion and technology initiatives (S\$3.863m, 23.8%) such as product/R&D, talent and channel ecosystem build-out and geographic expansion, and shareholder loan repayment (S\$3.324m, 20.5%) to reduce related-party exposure and interest costs. The remaining allocations include estimated listing expenses (S\$2.515m, 15.5%) and a cash reserve (S\$1.996m, 12.3%) to support liquidity and working capital needs.

Figure 20: Use of IPO proceeds (S\$16.25m gross)

Source: Company data

Valuation

Toku is priced at 3.6x trailing price-to-sales, which is below the peer average of 4.2x, suggesting a modest discount on a revenue-multiple basis. However, valuation is harder to benchmark beyond sales because Toku is loss-making at both EBITDA and net profit levels, making P/E and EV/EBITDA comparisons not meaningful.

Figure 21: Valuation comparison

Company Name	Ticker	FY End	Country	Market Value (SGD million)	Price to Sales Actual (x)	Price to Sales FY1 (x)	NTM P/E (x)	NTM P/E(x)	EV/ EBITDA (x)	FY1 EV/ EBITDA (x)
Toku	TKU-SG	12/31/2024	Singapore	151.1	3.6	-	n.m.	-	n.m.	-
Cisco Systems	SCO-US	07/26/2025	United States	392,592.0	5.2	5.1	28.5	18.2	19.7	13.5
NICE	NICE-IL	12/31/2024	Israel	8,434.3	2.3	2.2	11.8	9.3	7.4	6.1
8x8	GHT-US	03/31/2025	United States	288.1	0.3	0.3	-	5.1	10.4	6.0
RingCentral A	RNG-US	12/31/2024	United States	2,772.7	0.9	0.9	174.0	5.3	9.7	5.8
Zoom Communications A	ZM-US	01/31/2025	United States	34,729.6	5.7	5.6	17.3	15.3	14.3	10.1
Twilio A	WLO-US	12/31/2024	United States	23,764.0	3.9	3.7	285.8	22.4	48.4	18.2
Salesforce	CRM-US	01/31/2025	United States	254,131.2	4.9	4.8	27.5	16.3	13.4	11.9
ServiceNow	NOW-US	12/31/2025	United States	153,562.6	8.9	7.6	67.8	27.5	45.9	20.8
Average					4.2x	4.1x	92.4x	15.6x	22.6x	12.6x
Median					4.5x	4.4x	29.6x	15.8x	13.7x	10.9x

Source: Factset. Prices as of 29 Jan 2026

Key Risks

Liquidity, working capital and funding risk

Toku remains in a scaling phase and has historically recorded net losses and negative operating cash flows. The offer document highlights tight liquidity conditions and working capital pressures, including periods where current liabilities exceeded current assets. This increases sensitivity to any slowdown in collections, unexpected cost

spikes, or delays in contract ramp-ups. While the IPO proceeds and refinancing actions can improve near-term flexibility, the longer-term risk is that the business may require ongoing funding if it does not progress toward sustainable cash generation.

Revenue quality and margin volatility

A significant portion of revenue is usage-based and linked to customer activity volumes. While this can scale with adoption, it is typically more exposed to pricing pressure and upstream cost movements than subscription revenue. Toku also relies on third-party networks and platform owners in parts of its connectivity and messaging stack, which can create margin volatility if input costs rise or commercial terms change. The company's margin improvement plan depends on shifting mix toward higher-margin subscriptions and licensing, replacing third-party components with proprietary technology, and improving operating leverage. If these initiatives do not materialise at pace, profitability may remain constrained.

Customer concentration and contract renewal risk

The business serves large enterprise and government customers, which can create revenue concentration. Loss of a small number of major accounts, reductions in usage volumes, or weaker renewals could meaningfully impact revenue and cash flows. In addition, procurement cycles for enterprise contracts can be long and competitive, and contract expansions may not be linear. The order book provides visibility for contracted subscription, services and support revenue, but usage-based revenue remains consumption-driven and therefore less committed.

Implementation, delivery and service-quality risk

Toku's platform is implemented through configuration, integrations and migration work that can vary widely in complexity. Longer deployments increase the risk of delays, scope changes and higher delivery costs, which can affect customer satisfaction and project economics. As the company scales, it must maintain consistent service quality across more markets, customers and partners. Any deterioration in delivery performance, uptime, or support standards could damage customer relationships and reduce renewal and expansion potential.

Execution risk in geographic expansion and channel scaling

Toku's strategy includes expansion into new regions and increased reliance on channel partners to scale service delivery. Entering new markets can bring unfamiliar regulatory requirements, higher operating complexity, and increased competition from established players. Channel expansion introduces additional risk around partner quality control, governance and execution consistency. If the partner programme scales slower than expected, or if partner-delivered projects underperform, the company may not achieve the intended "scale without proportional headcount" outcome.

Competitive intensity and displacement risk

The customer experience and contact centre software market is highly competitive. Toku competes with global CCaaS leaders, cloud-native platforms, CPaaS providers, hyperscalers, and CRM vendors embedding customer-service capabilities. Larger competitors may benefit from stronger brand recognition, broader product suites,

larger ecosystems and greater pricing flexibility. Customers may standardise on global platforms or hyperscaler building blocks, particularly where compliance and localisation requirements are less stringent. This could limit Toku's win rates, or retention in certain segments.

Regulatory, licensing and compliance risk

Operating across multiple jurisdictions creates ongoing regulatory exposure, particularly where telecom licensing, numbering rules, and data sovereignty requirements differ by country. Compliance failures, even if not financially material in the short term, can lead to restrictions, penalties, reputational damage, or loss of ability to operate in certain markets. Regulatory frameworks may also tighten over time, raising compliance costs or requiring changes to product architecture and deployment models.

Cybersecurity and data privacy risk

Toku's platform processes sensitive customer communications. A cybersecurity breach, data leakage incident, or service compromise could materially damage trust with enterprise and government customers and lead to legal, regulatory and commercial consequences. The cost of maintaining enterprise-grade security is also ongoing and may increase as requirements evolve.

Technology and product roadmap execution risk

The company's growth strategy includes expanding AI capabilities and replacing third-party components with proprietary technology. These initiatives require sustained R&D investment and successful execution. Development delays, performance gaps, or inability to meet enterprise governance standards could reduce product competitiveness or limit adoption. AI-related risks also include model quality, language coverage, and customer acceptance, especially in regulated environments where explainability and control are important.

Acquisition and integration risk

Toku intends to remain opportunistic with acquisitions. While acquisitions can accelerate capability building, they also introduce integration risk, including cultural alignment, system integration, retention of key staff, and achieving planned cross-selling. If integration underdelivers, acquisitions can create cost burdens and distract management from core execution.

Disclosure Appendix

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