**OTS HOLDINGS LIMITED**
(Company Registration Number: 201505559W)
(Incorporated in the Republic of Singapore)
(the "Company")

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT 30 SENOKO SOUTH ROAD, SINGAPORE 758088 ON TUESDAY, 24 OCTOBER 2023 AT 2.30 P.M.**

**PRESENT**

| | | |
|---|---|---|
| **Directors** | : | Dr Yu Lai Boon – Non-Executive Chairman and Independent Director<br>Mr Ong Bee Chip – Managing Director<br>Mdm Ong Chew Yong – Executive Director<br>Mr Chan Hiang Tiak – Non-Executive and Independent Director (joined via video link)<br>Ms Tan Poh Hong – Non-Executive and Independent Director |
| **Shareholders** | : | As per Attendance Sheet |
| **Proxies** | : | As per Attendance Sheet |
| **In Attendance** | : | As per Attendance Sheet |

**CHAIRMAN**

The Chairman, Dr. Yu Lai Boon ("Dr. Yu" or the "Chairman") welcomed the shareholders to the Annual General Meeting ("AGM" or the "Meeting") of the Company.

**QUORUM**

As the quorum was present, the Chairman declared the Meeting open.

**NOTICE OF MEETING**

As the Notice of the AGM dated 9 October 2023 ("Notice of AGM") had been published on SGXNet and the Company's website, the Notice of AGM was taken as read.

The Chairman then introduced the Directors and Key Executives of the Company present at the Meeting to the shareholders. The Company's sponsor, auditors, polling agent, scrutineer and company secretary were also present and attended the AGM.

**POLL VOTING**

The Chairman informed that the Company has appointed The Board Advisory Pte. Ltd. as polling agent and Anton Management Solutions Pte. Ltd. as scrutineer for the Meeting. The proxy forms received by the Company via post and email by the cut-off time have been checked and validated.

The Chairman invited a representative of Anton Management Solutions Pte. Ltd. to explain the procedure for conducting a poll.

The Chairman informed that, in his capacity as Chairman of the Meeting, he has been appointed as a proxy by some shareholders and he would be voting in accordance with their instructions. All proposed resolutions tabled at this Meeting would be voted by way of poll.

The results of the vote counting would be announced at the end of the Meeting.

**QUESTION FROM THE SHAREHOLDERS**

The Chairman informed that the Company did not receive any questions from shareholders prior to the AGM other than the queries raised by Shareholders of the Company and Securities Investors Association (Singapore) ("SIAS"). The Company has published its responses to the queries raised by SIAS on SGXNet on 19 October 2023.

The Chairman proceeded with the Meeting and had requested the Company Secretary, Ms Lee Bee Fong, to assist him with reading all proposed resolutions tabled at this Meeting.

## ORDINARY BUSINESS

### RESOLUTION 1 – AUDITED FINANCIAL STATEMENTS, DIRECTORS' STATEMENTS AND THE INDEPENDENT AUDITOR'S REPORT

The first item on the Agenda which was to receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2023 ("FY2023") and the Directors' Statements and the Independent Auditor's Report thereon.

Mr Pang Seng Yuen proposed and Ms Fiona Tan seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on the Audited Financial Statements.

**Question 1**

A shareholder, Mr Woo Mun Yin ("Mr Woo") enquired when did the Company noted that it is in a loss-making position. In response, the Group Financial Controller ("Group FC"), Mr Ho Chor Yau ("Mr Ho") said that the Group was in a profitable position in the first half of FY2023 but it was almost at a breakeven point. The Company continued to monitor on a quarterly basis and incurred losses for FY2023 due to an impairment exercise towards the end of the financial year.

**Question 2**

The shareholder, Mr Woo commented that the Company's revenue and gross profit had dropped. He enquired if the Company actively pursue a larger market share in the industry. In response, the Group FC, Mr Ho said that the decrease in revenue was mainly due to decrease in sales, particularly on the General Trade, and the gross margin had decreased approximately 3% from 28 % in FY2022 to 25% for FY2023 due to increase in cost of production. The Company had taken into consideration whether the increase in price will result in a loss of market share. The Brand Marketing Manager in Golden Bridge Foods Manufacturing Pte Ltd ("Golden Bridge"), Ms Ong Shiya ("Ms Ong") added that the Company had revised its product prices and offset the cost burden to consumers by offering price discount to retain customers. The Company has also tried to introduce new products via new marketing channels to increase its market share. It will continue to create more awareness to its products, and introduce new products.

**Question 3**

A shareholder, Mr Lee Mun Seng ("Mr Lee") noted that the administrative expenses remain at S$5 million and the gross margin is coming down. He enquired about other strategy that the Company will be implementing. In response, Ms Ong said that the Company has new products in the pipeline, with the objective that the new products can capture new markets. The Company is also working towards obtaining more vegan certification on the Group's plant-based products to reach out to more customers.

**Question 4**

The shareholder, Mr Woo noted that the cost of marketing and distribution had increased. He enquired the strategy that the Company will take to address this. In response, Ms Ong said that the Company has invested in marketing efforts where more roadshows and fairs are held to increase brand awareness. Ms Ong added that the Company's entry into Philippines market is still in the early stages and will require the Company to focus its efforts to increase its brand awareness in this market. As such, the Company will have to increase its marketing efforts in Philippines via holding roadshows and product sampling to create more product awareness.

**Question 5**

The shareholder, Mr Woo enquired about the percentage of plant-based products versus traditional products. In response, Ms Ong said that plant-based products in Singapore and Malaysia are less than 10% of the total sales of the Group. Ms Ong added that the plant-based products are currently distributed mainly in Singapore, Indonesia and Malaysia. In addition, the Company is in contact with potential customers in other regions including the UAE, Europe and Australia. The Company has been in touch with government agencies to reach out to overseas distributors and markets, and has participated in fairs overseas.

**Question 6**

The shareholder, Mr Lee noted that the Company's retail products are positioned with a premium branding and pricing but have been sold to Malaysia and Indonesia. He enquired if the Company should sell to markets like Australia that potentially has higher spending power for such products. In response, the General Manager, Malaysia, Mr Teh Chong Piow ("Mr Teh") said that the Company has a multi-brand, multi-product portfolio with both halal-certified and non-halal products. The flagship brands are "Golden Bridge" and "Kelly's". The products are manufactured mainly in Singapore, hence the production cost is higher. The Malaysian market has faced reduced spending power and higher market competition in recent years. As Malaysia's consumers shift to lower-priced products, the Company had adjusted its strategy by distributing more lower-priced products, partnering with OEM suppliers in Malaysia; and expanding the presence of the Food Services segment within Malaysia.

**Question 7**

The shareholder, Mr Lee enquired if Golden Bridge and Kelly's are working with overseas manufacturer to produce lower-priced products to sell in Malaysia, and if the Company will become a reseller of other brands. In response, Mr Teh said that the Company will continue the distribution of Golden Bridge and Kelly's products but will distribute more lower-priced range products under the same brands. At the same time, the Company will explore partnering with OEM suppliers in Malaysia to manufacture products under the house brands so as to control and lower some of the costs.

**Question 8**

The shareholder, Mr Woo asked about the definition of OEM. In response, Mr Teh said that it is a third-party manufacturer to manufacture products on behalf of the Company.

**Question 9**

A shareholder, Mr Patrick Tan ("Patrick") requested the Company to give an overview of the business under inflationary environment, supply chain disruptions, and changes in consumer taste. In response, the Managing Director, Mr Ong Bee Chip ("Mr Ong") informed that the business environment has changed. The Company has obtained the licence to sell its products in the European market. However, the market conditions in Europe are challenging. The Company has re-formulated its strategy including exploring other countries like Philippines and Indonesia; penetrating the Australia market and starting to sell its products in Costco; and planning to relocate some manufacturing plants out of Singapore to reduce its manufacturing costs.

**Question 10**

The shareholder, Patrick enquired about the increase in impairment of accounts receivable. In response, the Group FC, Mr Ho said that out of the total impairment of trade and other receivables of approximately S$0.5 million during FY2023, approximately S$0.4 million was arising from Delta Bridge Pte. Ltd., the joint-venture company in Indonesia which includes the a shareholder's loan of S$0.3 million. The impairment is due to the Indonesian manufacturing plant being temporarily shut down during the year caused by the African Swine Fever detected in pigs in Bulan, Indonesia. The remaining impairment of S$0.1 million is due to the prolonged outstanding period on the accounts receivable, and is in line with the Group's impairment provision policy.

Patrick further enquired whether the shareholder's loan of S$0.3 million has been announced. In response, the Group FC, Mr Ho said that the shareholders' loan and the shareholders' agreement for the

joint venture in Indonesia have been disclosed in the Notes to the audited financial statements for FY2023. No separate announcement was required.

**Question 11**

The shareholder, Mr Woo enquired whether the inventories of S$7.9 million are built to stocks. In response, the Deputy General Manager ("Deputy GM"), Ms May Neo said that the inventories are built to order but the Company will keep a certain level of stocks depending on the demand. On a monthly basis, the Company monitors the inventories level and adjusts it according to the market demand. Inventories level is generally higher prior to the festive seasons.

**Question 12**

The shareholder, Mr Lee noted that the remuneration mix of the key management personnel shifted to higher percentage of basic salary and less bonus/profit sharing. He enquired the reason for that. The Company explained that the base salary of the key management personnel remains the same as compared to the previous financial year, however with lower profits in FY2023, the bonus/profit sharing portion was lowered. As a result, the base salary of the key management personnel accounted for a larger percentage proportion of their remuneration.

There being no further questions, the Meeting proceeded to the second item on the Agenda.

**RESOLUTION 2 - DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024**

The Board had recommended the payment of Directors' fees of S$124,000.00 for the financial year ending 30 June 2024, to be paid quarterly in arrears.

Mr Felip Pong proposed and Ms Yang Li Sin seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 2.

There being no questions, the Meeting proceeded to the third item on the Agenda.

**RESOLUTION 3 - RE-ELECTION OF MS TAN POH HONG AS DIRECTOR**

Ms Tan Poh Hong ("Ms Tan") retired pursuant to Regulation 96 of the Company's Constitution. Ms Tan being eligible had offered herself for re-election.

The Company Secretary informed the shareholders that upon re-election, Ms Tan would remain as the Non-Executive Independent Director, the Chairman of Nominating Committee and member of Audit and Risk Management Committee and Remuneration Committee. Ms Tan shall be considered independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules").

Ms Fiona Tan proposed and Mr Pang Seng Yuen seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 3.

There being no questions, the Meeting proceeded to the fourth item on the Agenda.

**RESOLUTION 4 - RE-ELECTION OF MDM ONG CHEW YONG AS DIRECTOR**

Mdm Ong Chew Yong ("Mdm Ong") retired pursuant to Regulation 96 of the Company's Constitution. Mdm Ong being eligible had offered herself for re-election.

The Company Secretary informed the shareholders that upon re-election, Mdm Ong would remain as the Executive Director of the Company.

Mr Felip Pong proposed and Ms Yang Li Sin seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 4.

There being no questions, the Meeting proceeded to the fifth item on the Agenda.

**RESOLUTION 5 - RE-APPOINTMENT OF AUDITORS**

The Chairman proceeded to the next item on the Agenda which was to re-appoint Messrs RSM Chio Lim LLP as the Company's Auditors and to authorise the Directors to fix their remuneration.

The Company Secretary informed the shareholders that Messrs RSM Chio Lim LLP have expressed their willingness to accept the re-appointment as auditors.

Mr Pang Seng Yuen proposed and Ms Fiona Tan seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 5.

There being no questions or any other ordinary business received by the Company Secretary, the Chairman moved on to the special business of the meeting.

**SPECIAL BUSINESS**

**RESOLUTION 6 - AUTHORITY TO ALLOT AND ISSUE SHARES**

This resolution was to seek shareholders' approval for granting authority to the Directors to allot and issue shares in the capital of the Company pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Catalist Rules.

The full text of the resolution was set out in the Notice of AGM dated 9 October 2023.

Ms Yang Li Sin proposed and Mr Felip Pong seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 6.

There being no questions, the Meeting proceeded to the last item on the Agenda.

**RESOLUTION 7 - PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS**

This resolution was to seek shareholders' approval for the proposed renewal of the general mandate for Interested Person Transactions.

The full text of the resolution was set out in the Notice of AGM dated 9 October 2023.

It was noted that Mr Ong, Mdm Ong and their respective associates will abstain from voting on this Resolution 7.

Ms Fiona Tan proposed and Mr Pang Seng Yuen seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 7.

There being no questions or further business, the Chairman requested for the shareholders to complete and sign all the poll slips and hand them to the scrutineers.

**(The Meeting paused for 35 minutes while the scrutineer collected, verified and counted the votes).**

## RESULTS OF THE POLL

Upon the completion of the verification and counting of the votes, the results of the poll were handed to the Chairman. Thereafter, the Chairman announced the results of the poll as follows:

| Resolutions number and details | Total number of shares represented by votes for and against the relevant resolution | For | | Against | |
|---|---|---|---|---|---|
| | | Number of shares | As a percentage of total number of votes for and against the resolution (%) | Number of shares | As a percentage of total number of votes for and against the resolution (%) |
| **ORDINARY BUSINESS** | | | | | |
| **Ordinary Resolution 1**<br><br>Adoption of the Directors' Statement and the Audited Financial Statements for the financial year ended 30 June 2023 together with the Auditors' Report thereon | **174,670,473** | **174,670,473** | **100.00** | **-** | **-** |
| **Ordinary Resolution 2**<br><br>Approval of payment of Directors' fee of S$124,000 for the financial year ending 30 June 2024, to be paid quarterly in arrears | **174,670,473** | **174,322,473** | **99.80** | **348,000** | **0.20** |
| **Ordinary Resolution 3**<br><br>Re-election of Ms Tan Poh Hong as a Director | **174,670,473** | **174,322,473** | **99.80** | **348,000** | **0.20** |
| **Ordinary Resolution 4**<br><br>Re-election of Mdm Ong Chew Yong as a Director | **174,670,473** | **174,322,473** | **99.80** | **348,000** | **0.20** |
| **Ordinary Resolution 5**<br><br>Re-appointment of Messrs RSM Chio Lim LLP as Auditor of the Company and to authorise the Directors to fix their remuneration | **174,670,473** | **174,322,473** | **99.80** | **348,000** | **0.20** |
| **SPECIAL BUSINESS** | | | | | |
| **Ordinary Resolution 6**<br><br>Authority to allot and issue Shares | **174,670,473** | **174,322,473** | **99.80** | **348,000** | **0.20** |

| Resolutions number and details | Total number of shares represented by votes for and against the relevant resolution | For | Against | Resolutions number and details | Total number of shares represented by votes for and against the relevant resolution |
|---|---|---|---|---|---|
| **Ordinary Resolution 7**<br><br>Proposed Renewal of the General Mandate for Interested Person Transactions | **2,716,300** | **2,368,300** | **87.19** | **348,000** | **12.81** |

Based on the result, the Chairman declared all the Resolutions carried.

**CONCLUSION**

There being no other business to be transacted, the Chairman thanked shareholders for their attendance at the AGM and declared the meeting closed at 3.51 p.m.

CONFIMED AS A CORRECT RECORD

DR YU LAI BOON
CHAIRMAN

*This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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