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 FRIDAY, 28 OCTOBER 2022 AT 10.00 A.M.

PRESENT

Directors	:	Dr. Yu Lai Boon – Non-Executive Chairman and Independent Director Mr. Chan Hiang Tiak – Non-Executive and Independent Director Ms. Tan Poh Hong – Non-Executive and Independent Director Mr. Ong Bee Chip – Managing Director Mdm. Ong Chew Yong – Executive 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") 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 13 October 2022 ("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 B.A.C.S. Private Limited as polling agent and Abacus Corporate & Consulting Services Pte. Ltd. as scrutineers 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 Abacus Corporate & Consulting Services 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.

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 2022 and the Directors' Statements and the Independent Auditor's Report thereon.

Mr Khor Zheng Hou proposed and Mr Pang Seng Yuen 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") noted that the performance of Malaysia segment had deteriorated and the Group's revenue and gross profit margin has also reduced. Despite that, the expenses remained as high as the previous financial year ended 30 June 2021. With that, the Group's net profit margin decreased to 3.3%. Mr Woo asked if the Company has a recovery plan on this. In response, the Group Financial Controller ("Group FC"), Mr Ho Chor Yau ("Mr Ho") said that the Group's marketing and distribution cost increased mainly due to higher marketing expenses spent mainly on branding of new products and supermarket listing fees, offset by decreased delivery, advertising and promotion costs. The Group's administrative expenses increased mainly due to higher manpower cost and professional cost incurred in relation to the Company's SGX Catalist listing. The total increase of these costs is approximately S$1.0 million. For fixed manufacturing overheads, it is relatively stable unless the Group increases the production level significantly or expand its facility. One of the cost reduction initiatives considered by the Group includes installing solar panels to lower electricity costs. With the opening of borders, freight cost may stabilize, and the lifting of certain raw material export embargoes from a neighbouring country, may also ease part of the Group's manufacturing costs.

Question 2

A shareholder, Mr Lee Mun Seng ("Mr Lee") noted that the Group's net profit margin before the Company's Initial Public Offering ("IPO") was around 6.0% for the financial years ended 30 June 2018 and 2019 and 10% for the financial year ended 30 June 2020. After the IPO, it had dropped to 3.3%. Mr Lee raised his concern on the future net profit margin trend. In response, the Group FC said that in FY2022, the revenue from the Singapore segment decreased slightly by 3.5% and revenue from the Malaysia segment decreased by 28.2%. The decrease in revenue from the Malaysia segment was mainly due to a decline in selling prices and/or discounts given. The Company would need to carefully consider the various impacts before deciding whether to pass on some of the increase in costs to the consumers, and will also continue to explore other overseas markets, such as Australia, for launching of its products, as well as cost restructuring in certain markets.

Question 3

The shareholder, Mr Lee enquired about the competition in the Malaysia market. In response, the General Manager, Malaysia ("GM Malaysia"), Mr Teh Chong Piow ("Mr Teh") said that the Malaysia market's sales decreased due to the weakening of consumers' spending power and decline in selling prices of the Group's products in the market from competition from Korean and Chinese parallel products. On the recovery plan, the Malaysia team is looking to strengthen the Group's presence in the East Malaysia market (ie. Sabah and Sarawak), expand their distribution channels and launch other products.

Question 4

The shareholder, Mr Woo enquired about the update of product strategy for the Company's new plant-based product, "ANEW". In response, the Brand Marketing Manager, Ms Ong Shiya said that the Group has launched "ANEW" in June 2022 in Singapore market and the sales have been positive. The Group is looking to launch new products into online channels before the end of 2022, and offline channels post-Chinese New Year. The Group will also continue to work on exporting and distribute the plant-based products into more countries.

Question 5

The shareholder, Mr Lee noted that the Group has 3 modern food manufacturing facilities with 2 in Singapore and 1 in Indonesia. He enquired about the differences between the Indonesia facility and the Singapore facilities. In response, the Group FC, Mr Ho said that the Indonesia facility was started in 2019 and concentrated on the production of dried products, however due to COVID-19, production was stopped. In 2022, the Group deployed its operations team to the Indonesia facility on Bulan Island to set up another new production line to also produce canned products. Currently, they are undergoing the pilot testing phase.

Question 6

The shareholder, Mr Lee enquired on the contribution of the Indonesia facility to the Group's annual manufacturing production. In response, the Deputy General Manager ("Deputy GM"), Ms May Neo said that the Indonesia facility has not started production yet, and their sales is not significant. The products that will be manufactured cater to the Indonesia market. Based on the Singapore Food Agency's rules, these products cannot be sold or imported to Singapore. Ms May Neo also added that the Indonesia facility is a 50% joint venture of the Company.

Question 7

The shareholder, Mr Lee noted that the Modern Trade segment's profit margin is rather low and enquired on why the Group is doing more Modern Trade with low profit margin, as compared to General Trade. In response, the Deputy GM, Ms May Neo said that under the Modern Trade, they provide a variety of products to major supermarkets. The Group FC, Mr Ho added that the profit margin of each product may vary. The Investor Relation representative, Mr Alex Tan shared that Modern Trade is important for brand building and the Group needs to continue to use this channel to create more awareness among consumers. To the Group's credit, they have continued to create new channels whether via Modern Trade, General Trade or export sales. The Brand Marketing Manager, Ms Ong Shiya shared that the Modern Trade for Singapore market is stronger compared to other markets.

The Chairman said that the performance of Modern Trade and General Trade are not mutually exclusive and he summarized that the Company is looking at the matter very closely. In Malaysia, there is competition from low price products and lower consumers' spending power due to COVID-19. The Management and the Board would continue to review the Malaysian subsidiaries' performance as it focuses on targeting new market segments and bringing in new distributors for its products, and hope to get better results when the market recovers after COVID-19.

Question 8

The shareholder, Mr Lee enquired on the utilisation rate of the Singapore facilities. In response, the Deputy GM, Ms May Neo said that it is approximately 70% of the facilities' capacity.

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

RESOLUTION 2 - FINAL TAX EXEMPT (ONE-TIER) DIVIDEND FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The Board had recommended a final tax-exempt (one-tier) dividend of 0.22 Singapore cents per ordinary share for the financial year ended 30 June 2022.

Mr Kelvin Goh Soo Boon proposed and Ms Tan Ah Chien 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 - DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2023

The Board had recommended the payment of Directors' fees of S$124,000.00 for the financial year ending 30 June 2023, to be paid quarterly in arrears.

Mr Pang Seng Yuen proposed and Mr Khor Zheng Hou seconded the motion.

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

Question 1

The shareholder, Mr Lee enquired if there is any change of Directors' fees given the Company's performance. In response, the Group FC, Mr Ho said that there is no change of Directors' fee and the Directors' fees are only paid to the Independent Directors. The Deputy GM added that the Company and management recognised the time and efforts the Independent Directors have put in and the directorial services they have performed for the Company.

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

RESOLUTION 4 - RE-ELECTION OF MR. CHAN HIANG TIAK AS DIRECTOR

Mr Chan Hiang Tiak ("Mr Chan") retired pursuant to Regulation 96 of the Company's Constitution. Mr Chan being eligible had offered himself for re-election.

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

Mr Kelvin Goh Soo Boon proposed and Mr Khor Zheng Hou 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-ELECTION OF MR. ONG BEE CHIP AS DIRECTOR

Mr. Ong Bee Chip ("Mr Ong") retired pursuant to Regulation 96 of the Company's Constitution. Mr Ong being eligible had offered himself for re-election.

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

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

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

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

RESOLUTION 6 - 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 Kelvin Goh Soo Boon proposed and Mr Khor Zheng Hou seconded the motion.

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

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 7 - 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 of the SGX-ST.

The full text of the resolution was set out in the Notice of AGM dated 13 October 2022.

Mr Khor Zheng Hou 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, the Meeting proceeded to the last item on the Agenda.

RESOLUTION 8 - 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 13 October 2022.

It was noted that Mr Ong Bee Chip, Mdm Ong Chew Yong and their respective associates will abstain from voting on this Resolution 8.

Mr Kelvin Goh Soo Boon proposed and Ms Tan Ah Chien seconded the motion.

The Chairman then invited the shareholders present to ask any questions they may have on Resolution 8.

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 scrutineers 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 with correction to a miscalculation of the number of votes of Ordinary Resolutions 1, 2, 4, 5, 6 and 7 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 Adoption of the Directors' Statement and the Audited Financial Statements for the financial year ended 30 June 2022 together with the Auditors' Report thereon	~~172,474,473~~ **172,554,473**	~~172,474,473~~ **172,554,473**	**100**	**-**	**-**
Ordinary Resolution 2 Declaration of final tax exempt (one-tier) dividend of 0.22 Singapore cents per ordinary share for the financial year ended 30 June 2022	~~172,474,473~~ **172,554,473**	~~172,474,473~~ **172,554,473**	**100**	**-**	**-**
Ordinary Resolution 3 Approval of payment of Directors' fee of S$124,000 for the financial year ending 30 June 2023, to be paid quarterly in arrears	**172,449,773**	**172,309,373**	**99.92**	**140,000**	**0.08**
Ordinary Resolution 4 Re-election of Mr. Chan Hiang Tiak as a Director	~~172,474,473~~ **172,554,473**	~~172,474,473~~ **172,554,473**	**100**	**-**	**-**
Ordinary Resolution 5 Re-election of Mr. Ong Bee Chip as a Director	~~163,451,865~~ **163,621,865**	~~163,451,865~~ **163,621,865**	**100**	**-**	**-**
Ordinary Resolution 6 Re-appointment of Messrs RSM Chio Lim LLP as Auditor of the Company and to	~~172,474,473~~ **172,554,473**	~~172,474,473~~ **172,554,473**	**100**	**-**	**-**

authorise the Directors to fix their remuneration					
SPECIAL BUSINESS					
Ordinary Resolution 7 Authority to allot and issue Shares	~~172,474,473~~ **172,554,473**	~~172,474,473~~ **172,554,473**	**100**	**-**	**-**
Ordinary Resolution 8 Proposed Renewal of the General Mandate for Interested Person Transactions	**662,300**	**557,200**	**84.13**	**105,100**	**15.87**

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

CONCLUSION

There being no other business to be transacted, the Chairman thanked shareholders and members for their attendance at the AGM and declared the meeting closed at 11.30 a.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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