

DELFI LIMITED
Company Registration No. 198403096C
(Incorporated in the Republic of Singapore)
(the “**Company**”)

MINUTES OF ANNUAL GENERAL MEETING

MINUTES OF ANNUAL GENERAL MEETING (“**AGM**” or “**Meeting**”) OF THE COMPANY HELD ON TUESDAY, THE 28TH DAY OF APRIL 2026 AT 10:00 A.M., AT VOCO ORCHARD SINGAPORE, 581 ORCHARD ROAD, SINGAPORE 238883 IN THE VISTA ROOM, ON LEVEL 3.

PRESENT : As set out in the attendance records maintained by the Company

CHAIRMAN OF THE MEETING : Mr Doreswamy Nandkishore

1. WELCOME ADDRESS

The Representative of Company Secretary welcomed the Shareholders to the AGM and reminded the Shareholders that the AGM was being conducted physically, and that there would not be an audience participating remotely.

2. VOTING BY WAY OF POLL

The Representative of Company Secretary informed the Shareholders that in line with Rule 730A of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Listing Manual**”), all the resolutions set out in the Notice of AGM would be voted on by way of poll by using the wireless handheld device that had been made available to them.

The Representative of Company Secretary also informed the Meeting that Boardroom Corporate & Advisory Services Pte. Ltd. (“**Boardroom**”) had been appointed as Polling Agent and MSA Business Solutions Pte. Ltd. (“**MSA**”) had been appointed as Scrutineers for the voting.

The Representative of Company Secretary invited the representative from MSA to explain the poll voting process by showing Shareholders a short video on how to vote for the resolutions at the AGM and by conducting a test resolution to familiarise Shareholders with the live voting system.

3. QUORUM

The Chairman, Mr Doreswamy Nandkishore, welcomed all Shareholders to the AGM. He called the Meeting to order, after confirming with the Company Secretary that a quorum was present.

Before the introduction of the Board of Directors (the “**Board**”), the Chairman updated the Shareholders on the following important changes to the composition of the Board that were announced by the Company on 10 April 2026:-

- (a) After nine years serving as an Independent Director on the Board, the Chairman would no longer be deemed to be an Independent Director and would be stepping down as the Chairman of the Board and Independent Director of the Company at the conclusion of the AGM;
- (b) He then explained that upon the re-election of Mr John Chuang Tiong Choon (“**John**”) as a Director of the Company at this AGM, John would assume the position of Executive Chairman of the Board at the conclusion of the AGM;

- (c) He also mentioned that further to prevailing governance guidelines, with John serving as Executive Chairman, Mr Chin Koon Yew ("**Chin**") would become Lead Independent Director, effective at the conclusion of the AGM; and
- (d) He added that Mr Pedro Mata-Bruckmann ("**Pedro**") had indicated his intention to retire from the Board at the conclusion of the AGM, after 25 years on the Board and at the age of 81 years, dedicating more time to his personal pursuits. The Board thanked Pedro for his significant contributions.

4. INTRODUCTION

The Chairman proceeded to introduce each of the Directors, all of whom were present at the Meeting, seven in person and two remotely via Zoom connection. The Chairman also noted the attendance at the AGM of the Company's Chief Financial Officer ("**CFO**"), Representative of Company Secretary, Polling Agent, Share Registrar, Scrutineers, Auditors and Management.

5. NOTICE

There being no objection from Shareholders, the notice of AGM dated 13 April 2026 ("**Notice**" or "**Agenda**") was taken as read.

The Meeting noted that the Proxy Forms lodged had been checked and were in order.

6. QUESTION AND ANSWERS

The Chairman informed Shareholders that all questions submitted by 10:00 a.m. on 20 April 2026 had been answered and published on SGXNet and the Company's website on 23 April 2026. The summary of questions and answers is annexed hereto and marked as **Appendix 1**.

The Chairman also informed Shareholders that during the formal business portion of the AGM, and prior to the votes cast on each Resolution, there would be time made available for them to verbally ask substantial and relevant questions, related to each specific Resolution, which Management and the Board would answer.

7. CFO'S PRESENTATION

Mr Richard Chung, CFO of the Group, then provided a brief presentation of the Group's 2025 financial performance, prior to the commencement of the formal business of the AGM.

After the CFO's presentation, the Chairman proceeded with the formal business of the AGM.

ORDINARY BUSINESS

8. DIRECTORS' STATEMENT AND THE AUDITED FINANCIAL STATEMENTS - RESOLUTION 1

The Chairman informed the Meeting that the first item on the Agenda was to receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2025, together with the Auditors' Report thereon.

With the consent of the Shareholders, the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2025, together with the Auditors' Report were taken as read.

Questions raised by the Shareholders were addressed by the Directors of the Company. The section that lists these Questions and Answers is attached hereto as **Appendix 2**.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that the first item on the Agenda was to put the following motion to vote:

“That the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2025, together with the Auditors’ Report thereon, be received and adopted.”

The Chairman announced the results as follows and declared **Resolution 1 carried**:

	Number of Shares	Percentage (%)
For the Resolution	441,087,187	99.995
Against the Resolution	20,100	0.005
Total number of valid votes cast	441,107,287	100.000

9. FINAL DIVIDEND - RESOLUTION 2

The Meeting was informed that the Directors had recommended the payment of a final dividend of 2.15 Singapore cents per ordinary share for the financial year ended 31 December 2025.

Questions raised by the Shareholders were addressed by the Directors of the Company. The section that lists these Questions and Answers is attached hereto as **Appendix 2**.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 2 on the Agenda was to put the following motion to the vote:-

“That the declaration of a final dividend of 2.15 Singapore cents per ordinary share for the financial year ended 31 December 2025 be approved.”

The Chairman announced the results as follows and declared **Resolution 2 carried**:

	Number of Shares	Percentage (%)
For the Resolution	438,908,757	99.988
Against the Resolution	54,100	0.012
Total number of valid votes cast	438,962,857	100.000

10. RE-ELECTION OF MR CHUANG TIONG CHOON AS A DIRECTOR - RESOLUTION 3

The Chairman informed the Meeting that John was due for retirement under Regulation 104 of the Constitution of the Company or Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and he had consented to continue in office. John would, upon re-election, remain as an Executive Director, Group Chief Executive Officer and Managing Director, Chairman of the Executive Committee and as a member of the Risk Management Committee and the Nominating Committee.

Upon his re-election, John would be appointed as an Executive Chairman of the Board at the conclusion of the AGM.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 3 on the Agenda was to put the following motion to the vote:

“That Mr Chuang Tiong Choon be re-elected as a Director of the Company.”

The Chairman announced the results as follows and declared **Resolution 3 carried**:

	Number of Shares	Percentage (%)
For the Resolution	435,186,421	98.550
Against the Resolution	6,402,436	1.450
Total number of valid votes cast	441,588,857	100.000

11. RE-ELECTION OF MR GRAHAM NICHOLAS LEE AS A DIRECTOR - RESOLUTION 4

The Chairman informed the Meeting that Mr Graham Nicholas Lee (“**Graham**”) was due for retirement under Regulation 104 of the Constitution of the Company and he had consented to continue in office. Graham would, upon re-election, remain as an Independent Director and Chairman of the Audit Committee.

Upon his re-election, Graham would be appointed as a member of the Sustainability Committee at the conclusion of the AGM.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 4 on the Agenda was to put the following motion to the vote:

“That Mr Graham Nicholas Lee be re-elected as a Director of the Company.”

The Chairman announced the results as follows and declared **Resolution 4 carried**:

	Number of Shares	Percentage (%)
For the Resolution	439,504,821	99.585
Against the Resolution	1,831,736	0.415
Total number of valid votes cast	441,336,557	100.000

12. RETIREMENT OF MR PEDRO MATA-BRUCKMANN AS A DIRECTOR

The Chairman informed the Meeting that Pedro was due for retirement under Regulation 104 of the Constitution of the Company and would not be seeking re-election. Upon his retirement, he would relinquish his position as Chairman of the Sustainability Committee, and as a member of the Nominating Committee and the Risk Management Committee.

The details on retirement of Pedro as required pursuant to Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited had been announced by the Company on 10 April 2026.

The Chairman reminded Shareholders that this item was a notification of the retirement of Pedro and thus would not require a vote.

The Board placed on record its deep appreciation to Pedro for his exemplary service on the Board and his invaluable insights over the years.

13. STEPPING DOWN OF MR DORESWAMY NANDKISHORE AS CHAIRMAN OF THE BOARD AND INDEPENDENT DIRECTOR

As this Agenda item pertained to the Chairman's stepping down as Chairman of the Board and Independent Director, the Chairman handed over the conduct of the meeting to John.

John informed the Meeting that as part of the Company's ongoing assessment and in compliance with the 9-year requirement for Independent Directors, Mr Doreswamy Nandkishore ("**Nandu**") would be stepping down as the Chairman of the Board and Independent Director at the conclusion of the AGM. Upon Nandu's stepping down, he would relinquish his position as Chairman of the Remuneration Committee, and as a member of the Audit Committee, the Nominating Committee and the Sustainability Committee.

The details on stepping down of Nandu as required pursuant to Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited had been announced by the Company on 10 April 2026.

John reminded Shareholders that this item was a notification of Nandu's stepping down and thus would not require a vote.

The Board placed on record its deep appreciation to Nandu for his exemplary service on the Board and his invaluable insights over the years.

John returned the chairmanship of the Meeting to Nandu.

14. DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2026 - RESOLUTION 5

The Chairman moved on to the next item on the Agenda. Shareholders were informed that the Board had recommended the payment of Directors' fees of US\$412,622 for the financial year ending 31 December 2026.

The following motion was duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 5 on the Agenda was to put the following motion to the vote:

"That the payment of Directors' Fees of US\$412,622 for the financial year ending 31 December 2026, be approved."

The Chairman announced the results as follows and declared **Resolution 5 carried**:

	Number of Shares	Percentage (%)
For the Resolution	440,761,257	99.889
Against the Resolution	489,100	0.111
Total number of valid votes cast	441,250,357	100.000

15. RE-APPOINTMENT OF AUDITORS - RESOLUTION 6

The Meeting was informed that PricewaterhouseCoopers LLP had expressed their willingness to continue as auditors of the Company for the ensuing year.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 6 on the Agenda was to put the following motion to the vote:

“That PricewaterhouseCoopers LLP be re-appointed as auditors of the Company for the financial year ending 31 December 2026 and the Directors be authorised to fix their remuneration.”

The Chairman announced the results as follows and declared **Resolution 6 carried**:

	Number of Shares	Percentage (%)
For the Resolution	441,159,067	99.965
Against the Resolution	154,300	0.035
Total number of valid votes cast	441,313,367	100.000

16. ANY OTHER BUSINESS

As no notice was received in respect of any other ordinary business, the Chairman proceeded to deal with the special business set out in the Notice.

SPECIAL BUSINESS

17. SHARE ISSUE MANDATE - RESOLUTION 7

Under section 161 of the Companies Act 1967, Shareholders' approval would be required to authorise the Directors to issue further shares and/or instruments in the capital of the Company.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 7 on the Agenda was to put the following motion to the vote:

“That the Directors be authorised to issue Shares and/or Instruments in the capital of the Company pursuant to Section 161 of the Companies Act 1967 and the Listing Manual of the SGX-ST as set out in item 8 of the Notice.”

The Chairman announced the results as follows and declared **Resolution 7 carried**:

	Number of Shares	Percentage (%)
For the Resolution	405,365,400	91.871
Against the Resolution	35,866,267	8.129
Total number of valid votes cast	441,231,667	100.000

18. AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE DELFI LIMITED SCRIP DIVIDEND SCHEME - RESOLUTION 8

The Chairman proceeded to the next item on the Agenda which was to seek Shareholders' approval to authorise the Directors to issue shares in the Company under the Delfi Limited Scrip Dividend Scheme.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 8 on the Agenda was to put the following motion to the vote:

“That under Section 161 of the Companies Act 1967, authority be given to the Directors to allot and issue from time to time such number of new ordinary shares in the capital of the Company as may be required to be allotted and issued under the Delfi Limited Scrip Dividend Scheme.”

The Chairman announced the results as follows and declared **Resolution 8 carried**:

	Number of Shares	Percentage (%)
For the Resolution	434,693,047	98.464
Against the Resolution	6,780,620	1.536
Total number of valid votes cast	441,473,667	100.000

19. **RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS ("IPT") - RESOLUTION 9**

The Meeting was informed that the last item on the Agenda was to seek Shareholders' approval for the renewal of the Shareholders' Mandate for IPT and to authorise the Directors to do all acts necessary to give effect to the IPT mandate. Details of the IPT mandate were set out in the Appendix to the Annual Report.

The Chairman reminded members who are interested persons, as defined under the IPT mandate and the Listing Manual, to abstain from voting on this resolution and informed the Meeting that the Executive Directors and their immediate family and associates would abstain from voting on the motion.

The following motion was then duly proposed and seconded by the Shareholders, and the Chairman informed the Meeting that Resolution 9 on the Agenda was to put the following motion to the vote:

“That authority be given to the Directors to renew the IPT mandate as set out under item 10 of the Notice.”

The Chairman announced the results as follows and declared **Resolution 9 carried**:

	Number of Shares	Percentage (%)
For the Resolution	114,054,347	99.987
Against the Resolution	15,200	0.013
Total number of valid votes cast	114,069,547	100.000

20. **CONCLUSION**

Before declaring the Meeting closed, the Chairman shared some words with Shareholders in consideration of his stepping down.

The Chairman also invited Pedro to share some words with Shareholders in consideration of his retirement.

John also shared his appreciation for Nandu's and Pedro's exemplary service on the Board and their invaluable insights over the years. He further shared some words with Shareholders in consideration of his appointment as the Executive Chairman of the Board upon the conclusion of this AGM.

There being no other business, the Chairman declared the Meeting closed at 11:30 a.m. and thanked all present for their attendance.

CERTIFIED AS A TRUE RECORD OF MINUTES

**DORESWAMY NANDKISHORE
CHAIRMAN**

Appendix 1

1. When can we expect to see the effects of low cocoa prices on the company's results?

Response

We are encouraged by the decline in cocoa prices and its anticipated benefits for the confectionery industry. However, as chocolate manufacturers, including Delfi, hedged ingredient costs to mitigate peak cocoa prices during 2024 and 2025, margin improvements will not align linearly with the substantial decline in cocoa prices recently (c. 75% from the 2025 peak). As a result of this, there will be a lag before lower costs are reflected in the cost base as existing forward contracts expire and inventory are worked through.

Delfi anticipates that, consistent with the broader industry, a gradual margin recovery may be expected. This timeline depends on inventory levels, forward contract durations, and finished goods delivery schedules.

We expect the impact from the Middle East conflict and resulting uncertainties to temper these benefits, however we remain focused on disciplined pricing and operational efficiency to navigate these headwinds.

2. Could you elaborate on Delfi's capital expenditure plans for the next three years?

Response

Our capital allocation strategy focuses on four pillars: maintaining infrastructure, driving productivity, expanding capacity (on anticipation of increased demand), and meeting sustainability commitments.

Following significant investments in FY2023 and FY2024 to support capacity expansion for high-growth products, we shifted focus in FY2025 toward production automation, labour efficiency and food quality. Consequently, we anticipate a more moderate capital investment program in the near-term, prioritising these productivity enhancements.

Delfi maintains a disciplined, profit-accretive approach to capital investment, governed by rigorous strategic and financial assessment. Our capital expenditure plans remain dynamic, guided by the prevailing business outlook and macroeconomic environment with flexibility to accelerate investments if conditions warrant or defer them if a more conservative approach is necessary.

Ultimately, we balance long-term growth plans with financial prudence, ensuring our capital deployment remains responsive, preserves our balance sheet strength, and positions the Group to capture growth as the landscape evolves.

- 3. Could you explain how the impact of the ongoing conflict in the Middle East, and the closure of the Strait of Hormuz has affected Delfi's operations? Specifically, could you elaborate on the impact the rise in global energy prices has had on Delfi? What measures is Delfi Limited implementing to mitigate these risks?**

Response

The Board and Management are closely monitoring the Middle East conflict and potential for continued disruptions to the Strait of Hormuz. While these events have increased macroeconomic uncertainty and volatility in energy and logistics costs, Delfi's strategy remains supported by our core strengths of heritage brands, manufacturing efficiency, and robust distribution and route-to-market capabilities in our key markets. Additionally, the domestic-oriented economies in Indonesia, Malaysia, and the Philippines benefit from local demand, offering a degree of support from international economic shifts. However, as fossil-fuel-dependent nations, they remain exposed to global energy markets.

We anticipate the ongoing conflict in the Middle East to exert upward pressure on some of our operating costs. To mitigate these risks, we are proactively increasing our purchases of raw materials that may be impacted by these effects. Furthermore, our manufacturing and distribution activities in Indonesia and Malaysia are partially softened in the short-term by government-supported energy cost programs that include a combination of fuel subsidies and electricity tariff freezes in Indonesia, and similar support in Malaysia.

While we currently benefit from this near-term support, we remain vigilant regarding potential long-term pressures the longer the disruption in the Middle East continues, which could result in higher production costs and an increased risk of softer consumer demand across our regional markets. However, it is also important to note that the benefits expected from a lower-price environment for cocoa, should help mitigate some of these higher costs.

To navigate this environment, we intend to rely on, and leverage, our heritage brands, operational efficiency, retail partnerships, and strong distribution network. Our strong balance sheet and cash flow continue to provide us with the resilience that allows us to navigate uncertainties.

- 4. What is the succession plan for Delfi Limited's CEO position? Is the next CEO already working in Delfi Limited and ready to take over as the CEO anytime if the need arises?**

Response

The Board views succession planning as a core, multi-year mandate of our Nominating Committee. Our guiding philosophy is to cultivate a strong leadership bench rather than relying on any single individual to set strategy or manage daily operations. Over the years, we have deliberately decentralised decision-making, ensuring that our next-tier leaders possess the autonomy to manage major segments of the business. This approach ensures that critical functions are supported by a multi-layered, resilient, and agile structure. Under the current CEO's guidance, we have systematically strengthened our senior management tier.

We refrain from naming a "CEO-designate" prematurely, choosing to develop a group of internal leaders with deep operational experience who are actively mentored to assume broader responsibilities, should the need arise. We are confident our internal framework is designed to manage a leadership transition with the appropriate stability to support continuity and minimise handover disruption.

We expect Delfi's next CEO to embody our core values and possess the leadership and vision to drive our next phase of sustainable growth. Whether that individual emerges from our current team or is identified through an external search, the Board's paramount objective is to ensure long-term strategic continuity.

5. For the Agency Brands segment, is the company able to pass on higher energy costs?

Response

Our Agency Brands segment operates as a margin-driven distribution business, where principals of our agency brands retain responsibility for manufacturing, pricing, and cost management.

Accordingly, the ability to pass through cost increases, including energy costs, depends on the pricing strategies of our principals and prevailing market conditions. In practice, cost pass-through is typically partial and may not be immediate.

6. Considering the broader economic instability caused by the Middle East conflict, how does the potential weakening of our core regional currencies impact Delfi's operations and financial results? Could you elaborate on the mitigation framework Management uses to handle this currency exposure?

Response

Managing currency volatility is a fundamental and long-standing feature of our business. While the Middle East conflict and resulting energy price increases have introduced additional pressures on global currencies, including those of our markets, the Group has the experience to manage these currency related risks.

Regional currency depreciation primarily impacts us through higher US Dollar denominated raw material costs and translational effects on our US Dollar reported financial results. To mitigate these risks, we employ a disciplined, multi-faceted strategy to manage cost pressures through operational efficiency. We also proactively review pricing to offset input cost inflation from currencies, and through product innovation, manage cost pressures while maintaining our value proposition to the consumer.

Delfi remains in a robust financial position, underpinned by a strong balance sheet and consistent cash flow generation that provide resilience against challenging market conditions. We continue to prioritise our core strengths, operational efficiency, an extensive distribution network, and our portfolio of heritage brands, to support our margins.

- 7. With the recent appointment of our Group CEO, Mr. John Chuang, to the additional role of Executive Chairman, could the Nominating Committee elaborate on the reasoning behind this decision and his re-election as an Executive Director?**

Furthermore, how does the Board plan to maintain a robust governance balance moving forward.

Response

Following the retirement of our Chairman due to the nine-year tenure limit for Independent Directors, the Board conducted a comprehensive leadership review and appointed Mr. John Chuang as Executive Chairman, effective upon his re-election at the 2026 AGM. This decision ensures strategic continuity during an increasingly complex period for the global cocoa and confectionery industry. The Nominating Committee strongly recommends Mr. Chuang's re-election, as his 45 years of industry and operational experience are essential for providing the stability and commercial acumen necessary to guide Delfi through its next phase of growth.

The Board believes this dual role is in the Group's best interest, positioning Mr. Chuang to bridge the gap between strategic oversight and executive execution. His leadership will foster unity of purpose, facilitate agile decision-making, and ensure the Board remains promptly briefed on critical, time-sensitive developments.

To maintain robust governance related checks and balances, the Board has concurrently appointed Mr. Chin Koon Yew as Lead Independent Director. Mr. Chin brings extensive financial and governance expertise and will serve as an additional independent oversight, acting as a principal point of reference for shareholders and the Board. While this structure differs from our historical model, our independent safeguards remain stringent, with Independent Directors constituting a majority of the Board and all committees (excluding the Executive Committee). These measures are intended to mitigate the concentration of power, preserve independent judgment, and ensure full accountability to our shareholders.

- 8. A few days ago, it was reported by CNBC that Barry Callebaut with the following headline, "World's biggest chocolate maker issues profit warning as cocoa prices collapse; shares plunge 17%".**

Is Delfi facing the same challenges as Barry Callebaut? If not, why not? If yes, what is Delfi's strategy to mitigate these challenges? What is Delfi's outlook going forward? Please explain and elaborate.

Response

It is essential to distinguish the respective roles of Barry Callebaut and Delfi within the cocoa value chain. Whereas Barry Callebaut is a global leader in upstream industrial cocoa processing and supply, Delfi operates a downstream branded chocolate confectionery business driven by consumer demand. Barry Callebaut is a long-time supplier of cocoa ingredients for Delfi.

According to their recent results statement, the challenges facing Barry Callebaut primarily stem from the unique pressures large-scale ingredient processors have been facing following the record-high cocoa prices of 2024 to 2025. These processors have faced pressure on sales volumes as some of their B2B customers, including large, global food and beverage manufacturers, have responded to market volatility by reducing orders, reformulating recipes, and curbing cocoa usage. Furthermore, competitive overcapacity in the market and supply disruption have added to these issues.

We are not exposed to the same challenges as the industrial sector since our business model is focused on the strength of our regional heritage brands for sale to consumers.

Appendix 2

Questions and Answers Session

Question 1 : A Shareholder inquired whether the growth in sales of the Company's own brands was driven primarily by price increases or volume growth. The Shareholder also asked whether the Company expects to reduce prices following the decline in cocoa bean prices and sought clarification on the rationale for terminating certain agency brands.

Response 1 : John explained that one of the most significant developments in FY2025 was the sharp increase in cocoa bean prices, which necessitated price adjustments and other measures to protect margins, while balancing pricing decisions against potential demand disruptions and long-term customer relationships. He added that the growth in sales of the Company's own brands was driven mainly by price increases, with some contribution from volume growth.

In response to the decline in cocoa prices, John stated that pricing decisions are determined with reference to input cost trends, market competitiveness, consumer affordability and the Company's margin objectives. He added that while lower input costs may support margin recovery over time, the Company will continue to calibrate pricing and promotional activities to support both market share and sustainable profitability.

On agency brands, John explained that such brands provide strategic benefits, including improving scale in negotiations with retail customers, enhancing supply chain efficiencies and strengthening relationships with potential business partners. John further added that agency brands are reviewed regularly to ensure that the arrangement remains commercially viable.

Question 2 : A Shareholder sought clarification on the gain on divestment of supply contracts amounting to approximately US\$2.78 million disclosed under other operating income on page 113 of the Annual Report, noting that a similar item was not recorded in the previous financial year. The Shareholder also queried the increase in accrued trade incentives under other payables on page 134, from approximately US\$23.84 million to US\$30.84 million.

Response 2 : The CFO explained that the gain on divestment of supply contracts was a one-off item arising from the Group's cost mitigation strategy implemented during the period of elevated cocoa prices. In implementing the initiatives to reduce the usage of certain cocoa ingredients, this resulted in excess cocoa inventory, which was subsequently divested.

In relation to the increase in accrued trade incentives, the CFO explained that this was mainly attributable to higher advertising and promotional activities undertaken during the financial year.

Question 3 : A Shareholder noted that the Company's total assets and net cash position in FY2025 were higher compared to FY2024 and sought clarification as to why the Company's return on equity ("ROE") was lower than in the previous year.

Response 3 : The CFO explained that ROE is primarily measured based on the Company's profit relative to shareholders' equity. Although the Company's total assets and net cash position improved in FY2025, profit for the year was lower compared to FY2024, which resulted in a lower ROE. He added that the stronger cash position was mainly attributable to the Group's improved working capital management.

Question 4 : A Shareholder sought clarification on the Company's market positioning and growth strategy. In particular, the Shareholder queried whether the Company was primarily targeting the mass-market segment with lower margin products and whether it had considered focusing more on premium products with potentially higher margins and profitability.

Response 4 : John explained that the Group's principal markets are Indonesia and the Philippines, which together represent the majority of the Group's business. He added that they are among the largest chocolate markets in Southeast Asia, with the Group holding a leading market position in Indonesia and has been gaining market share in the Philippines.

John further explained that the Indonesian market broadly comprises two segments: the premium segment and the mass-market affordable segment. The Group's strategy is to participate in both segments, with premium products such as *SilverQueen* generally offering stronger margins and lower sensitivity to price increases, while the mass-market segment provides scale and volume, which remain important contributors to profitability.

Question 5 : A Shareholder commended the Company for its performance despite the depreciation of the Indonesian Rupiah and inquired about the Company's hedging policy and approach towards managing foreign exchange risks. The Shareholder also asked about the pipeline of new products under the Company's brands and whether the Company is considering expansion into new markets.

Response 5 : John explained that foreign exchange management remains an important area of focus given the Group's operational exposure to the Indonesian market. The Group adopts a disciplined risk management approach that prioritises natural hedging through local currency borrowings, supported by pricing actions, cost management and margin protection measures.

On product development, John emphasised that continuous innovation is a key part of the Group's strategy, driven by evolving consumer preferences, competition and the need to strengthen brand equity and appeal to younger consumers. The Group will continue introducing new products, flavours, formats and price points under its brands, including *SilverQueen*, to maintain consumer interest and market competitiveness.

On market expansion, John shared that the Group is focused on strengthening its presence in its core markets of Indonesia and the Philippines, where growth opportunities remain significant. John further added that entering new markets requires careful consideration of local consumer preferences, market scale and the availability of suitable local partners.

Question 6 : A Shareholder noted that younger consumers are becoming increasingly health-conscious and asked whether the Company is developing healthier product offerings to cater to evolving consumer preferences.

Response 6 : In response to the question on healthier products, John acknowledged the growing consumer interest in healthier offerings and said that the Group continues to incorporate market trends and consumer preferences as part of its ongoing product development initiatives.

John further explained that the Group is developing and evaluating products with lower sugar formulations, higher protein content and alternative ingredients, particularly within the snacking category, while ensuring that taste, quality and affordability remain aligned with consumer expectations. He added that consumer demand in chocolate broadly spans both indulgence-led and health-oriented occasions and the Group intends to participate thoughtfully across both segments.

Question 7 : A Shareholder sought further clarification on the Group's hedging policy for cocoa beans and how the Group manages the risks associated with significant fluctuations in cocoa prices.

Response 7 : John explained that the Group's cocoa hedging policy is primarily focused on long-term margin protection and risk management rather than attempting to speculate on market movements. The objective is to secure cocoa supply at price levels that support sustainable margins and business stability.

Depending on market conditions, the Group adjusts its level and duration of forward cover with reference to margin visibility, demand outlook, prevailing cocoa prices and competitive positioning in order to reduce exposure to volatility, while avoiding over-commitment at unfavourable price levels.

John added that the recent period of record-high cocoa prices had tested the Group's hedging and pricing strategies and the impact remained manageable due to the Group's disciplined approach to forward purchasing, pricing adjustments and margin management.

Question 8 : A Shareholder sought clarification on the Company's dividend pay-out policy, including whether dividends are determined based on a fixed percentage of net profit after tax or another internal framework.

Response 8 : John explained that the Company does not have a fixed dividend pay-out policy and that dividend declarations are determined by the Board after taking into account factors such as the Group's financial performance, cash flow, capital expenditure requirements, business outlook and other relevant considerations.

He added that the Board has historically paid primarily cash dividends, with a pay-out ratio of approximately 50% of Profit After Tax and Minority Interest in most years.