

**RE&S HOLDINGS LIMITED**  
(Company Registration No. 201714588N)  
(Incorporated in Singapore)  
(the “**Company**”)

**MINUTES OF ANNUAL GENERAL MEETING**

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**PLACE** : 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972

**DATE** : 25 October 2023

**TIME** : 10.00 a.m.

**PRESENT** : Board of Directors

Mr. Ben Yeo Chee Seong	Non-Executive Chairman and Independent Director
Mr. Hiroshi Tatara	Executive Director and President
Mr. Foo Kah Lee	Executive Director and Chief Executive Officer
Mr. Lim Shyang Zheng	Executive Director and Chief Operating Officer
Mr. Yek Hong Liat John	Non-Executive and Non-Independent Director
Mr. Lee Lap Wah, George	Independent Director

Shareholders and Proxies

As set out in the Attendance List maintained by the Company

**IN ATTENDANCE** : Management and professionals as set out in the Attendance List maintained by the Company.

**CHAIRMAN** : Mr. Ben Yeo Chee Seong

**QUORUM**

The Chairman welcomed the shareholders of the Company (the “**Shareholders**”) to the Annual General Meeting of the Company (the “**Meeting**”).

As a quorum was present, the Chairman declared the Meeting open at 10.00 a.m.

The Chairman introduced the Board members, the Chief Financial Officer, Ms. Yap Fang Ling and the Audit Partner of RSM Chio Lim LLP, Mr. Poh Chin Beng.

**NOTICE**

With the consent of the Meeting, the Notice convening the Meeting was taken as read.

**VOTING BY WAY OF A POLL**

The Chairman exercised his right under Regulation 64 of the Company’s Constitution to demand a poll in respect of each of the resolutions to be put to vote by Shareholders at the Meeting.

The Chairman informed that, in his capacity as Chairman of the Meeting, he had been appointed as proxy by several Shareholders and would be voting the motions in accordance with their instructions.

Genteel Corporate Secretaries Pte Ltd and Boardroom Corporate & Advisory Services Pte. Ltd. (“**Boardroom**”) were appointed as scrutineer and polling agent respectively.

Shareholders were then briefed on the electronic poll voting procedures.

## PRESENTATION BY MANAGEMENT

Mr. Lim Shyang Zheng, the Executive Director and Chief Operating Officer (“**COO**”), was invited to present the Group’s financials for the financial year ended 30 June 2023 (“**FY2023**”).

After the COO’s presentation, Mr. Foo Kah Lee (“**Mr. Fenton Foo**”), the Executive Director and Chief Executive Officer (“**CEO**”), was invited to give an overview of the Company’s business outlook and direction. The CEO also shared with the Meeting questions received from Shareholders prior to the Meeting.

Copies of the COO’s and the CEO’s presentation slides have also been announced and released via the SGXNet prior to the meeting on 25 October 2023.

## QUESTIONS AND ANSWERS

After the presentation, Shareholders were invited to ask any questions relating to the proposed resolutions.

Queries from Shareholders were addressed as per **Annexure A**.

The Chairman then proceeded with the business of the Meeting.

## ORDINARY BUSINESS:

### 1. DIRECTORS’ STATEMENT AND AUDITED FINANCIAL STATEMENTS – ORDINARY RESOLUTION 1

The motion was proposed by the Chairman.

#### RESULTS OF THE POLL

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,964,315	319,964,315	100.00	0	0.00

Based on the results of the poll, the Chairman declared the Ordinary Resolution 1 carried and it was RESOLVED:

“That the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2023 together with the Auditors’ Report thereon be received and adopted.”

**2. DECLARATION OF FINAL DIVIDEND  
– ORDINARY RESOLUTION 2**

The Directors had recommended the payment of a final dividend (tax exempt one-tier) of 0.90 Singapore cent per ordinary share for FY2023.

The motion was proposed by the Chairman.

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,655,415	319,655,415	100.00	0	0.00

Based on the results of the poll, the Chairman declared the Ordinary Resolution 2 carried and it was RESOLVED:

“That the declaration of a final dividend (tax exempt one-tier) of 0.90 Singapore cent per ordinary share for the financial year ended 30 June 2023 be approved.”

**3. RE-ELECTION OF DIRECTOR, MR. BEN YEO CHEE SEONG  
– ORDINARY RESOLUTION 3**

The Chairman passed the chair to Mr. Fenton Foo to chair the Meeting for this item.

The motion on re-election of Mr. Ben Yeo Chee Seong as a Director of the Company was proposed by Mr. Fenton Foo.

Shareholders were informed that Mr. Ben Yeo will, upon re-election as a Director of the Company, remain as Chairman of the Board of Directors, Chairman of the Audit Committee, and a member of the Nominating Committee, Remuneration Committee and Administration Committee. Mr. Ben Yeo will be considered independent for the purpose of Rule 704(7) of the Listing Manual – Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”).

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,655,015	319,595,915	99.98	59,100	0.02

Based on the results of the poll, the Chairman declared the Ordinary Resolution 3 carried and it was RESOLVED:

“That Mr. Ben Yeo Chee Seong be re-elected as a Director of the Company.”

Mr. Fenton Foo then passed the chair back to Mr. Ben Yeo.

#### 4. RE-ELECTION OF DIRECTOR, MR. FENTON FOO – ORDINARY RESOLUTION 4

The motion on re-election of Mr. Fenton Foo as a Director of the Company was proposed by the Chairman.

Shareholders were informed that Mr. Fenton Foo will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Executive Officer of the Company.

#### RESULTS OF THE POLL

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,650,215	319,650,215	100.00	0	0.00

Based on the results of the poll, the Chairman declared the Ordinary Resolution 4 carried and it was RESOLVED:

“That Mr. Foo Kah Lee be re-elected as a Director of the Company. “

The Chairman then informed the Meeting that Mr. Fenton Foo would chair the meeting for the rest of the agenda items on his behalf.

**5. DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024  
– ORDINARY RESOLUTION 5**

The Board had recommended the payment of up to S\$199,000 as Directors' fees for the financial year ending 30 June 2024, to be paid quarterly in arrears.

The motion was proposed by Ms. Loo Puay Shan Winnie.

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,944,415	319,869,315	99.98	75,100	0.02

Based on the results of the poll, the Ordinary Resolution 5 was carried and it was RESOLVED:

"That the Directors' fees of up to S\$199,000 for the financial year ending 30 June 2024 be approved and that the fees be paid quarterly in arrears."

**6. RE-APPOINTMENT OF AUDITORS  
– ORDINARY RESOLUTION 6**

The retiring auditors, RSM Chio Lim LLP, had expressed their willingness to continue in office.

The motion was proposed by Mr. Fenton Foo on behalf of the Chairman.

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,655,415	319,635,415	99.99	20,000	0.01

Based on the results of the poll, the Ordinary Resolution 6 was carried and it was RESOLVED:

“That RSM Chio Lim LLP, Public Accountants and Chartered Accountants, be re-appointed as the Company’s Auditors until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”

**SPECIAL BUSINESS:**

**7. APPOINTMENT OF MS. HENG MUI MUI AS DIRECTOR  
– ORDINARY RESOLUTION 7**

As part of the Company’s effort towards in promoting and achieving its gender diversity target, Shareholders were informed that the Nominating Committee and the Board of Directors had put forth the appointment of Ms. Heng Mui Mui as a Director of the Company to the Meeting for approval.

Shareholders were further informed that Ms. Heng has over 25 years of banking experience. She specialised in equity fund raisings and had extensive experience in advising and executing initial public offerings for issuers on the Singapore Exchange. Detailed information of Ms. Heng has been provided on page 81 to page 84 of the Company’s Annual Report.

Mr. Fenton Foo added that Ms. Heng, if appointed, will add value to the Board.

The motion was proposed by Mr. Fenton Foo on behalf of the Chairman.

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,654,915	319,619,815	99.99	35,100	0.01

Based on the results of the poll, the Ordinary Resolution 7 was carried and it was RESOLVED:

“That Ms. Heng Mui Mui be appointed as a Director of the Company with immediate effect.”

Shareholders were further informed that Ms. Heng will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

**8. AUTHORITY TO ISSUE NEW SHARES  
– ORDINARY RESOLUTION 8**

The motion was proposed by Mr. Fenton Foo on behalf of the Chairman.

## RESULTS OF THE POLL

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read

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 (%)
319,654,915	319,559,615	99.97	95,300	0.03

Based on the results of the poll, the Ordinary Resolution 8 was duly carried and it was RESOLVED:

“That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into shares,
- at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

- (a) new shares arising from the conversion or exercise of any convertible securities;
  - (b) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

**9. AUTHORITY TO ISSUE SHARES UNDER THE RE&S EMPLOYEE SHARE OPTION SCHEME – ORDINARY RESOLUTION 9**

The motion was proposed by Mr. Fenton Foo on behalf of the Chairman.

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,630,915	319,594,815	99.99	36,100	0.01

Based on the results of the poll, the Ordinary Resolution 9 was duly carried and it was RESOLVED:

“That pursuant to Section 161 of the Companies Act 1967, the Directors of the Company be authorised and empowered to offer and grant options under the prevailing RE&S Employee Share Option Scheme (the “**RE&S ESOS**”) and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the RE&S ESOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the RE&S ESOS shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”



**9. RENEWAL OF SHARE BUY-BACK MANDATE  
– ORDINARY RESOLUTION 10**

The motion was proposed by Mr. Fenton Foo on behalf of the Chairman.

**RESULTS OF THE POLL**

Following the tabulation of votes, the results of the poll (percentage rounded to the nearest two decimal places) were read:

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 (%)
319,650,015	319,614,915	99.99	35,100	0.01

Based on the results of the poll, the Ordinary Resolution 10 was duly carried and it was RESOLVED:

“THAT:

(a) for the purposes of the Companies Act 1967 (“**Companies Act**”), and such other laws and regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (“**shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s), transacted through the SGX-ST or, as the case may be, any other securities exchange on which the shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose (“**Market Purchase**”); and/or
- (ii) off-market purchase(s) (if effected otherwise than on an approved exchange in Singapore or any securities exchange outside Singapore) in accordance with an equal access scheme as defined in Section 76C of the Companies Act as may be determined or formulated by the Directors of the Company as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules (“**Off-Market Purchase**”),

and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buy-Back Mandate**”);

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of passing of this resolution and expiring on the earlier of:

- (i) the date on which the next AGM of the Company is held or required by law to be held; or
  - (ii) the date on which purchases or acquisitions of shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
  - (iii) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked by the Company in a general meeting;
- (c) in this resolution:

**“Market Day”** means a day on which the SGX-ST is open for trading in securities;

**“Maximum Price”** in relation to a share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, the price per share which is not more than 5% above the average of the closing market prices of the shares over the last five (5) Market Days on the Catalist, on which transactions in the shares were recorded, immediately preceding the day of the Market Purchase by the Company, and which is deemed to be adjusted in accordance with the Catalist Rules for any corporate action occurring during the relevant five (5) Market Days period and the day of the Market Purchase; and
- (ii) in the case of an Off-Market Purchase, the price per share based on not more than 20% above the average of the closing market prices of the shares over the last five (5) Market Days on the Catalist, on which transactions in the shares were recorded immediately preceding the day on which the Company makes an announcement of an offer under an Off-Market Purchase scheme, and which is deemed to be adjusted in accordance with the Catalist Rules for any corporate action occurring during the relevant five (5) Market Days period and the day of the Off-Market Purchase;

**“Prescribed Limit”** means 10% of the total number of issued ordinary shares of the Company (excluding treasury share and subsidiary holdings, if any) as at the date of passing of this resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as hereinafter defined), in which event the total number of issued ordinary shares of the Company shall be taken to be the total number of issued ordinary shares of the Company as altered (excluding treasury share and subsidiary holdings, if any, from time to time). Shares which are held by the Company as treasury shares and subsidiary holdings will be disregarded for the purposes of calculating this 10% limit;

**“Relevant Period”** means the period commencing from the date on which this resolution in relation to the adoption of the Share Buy-Back Mandate is passed and expiring on the earliest of (i) the date on which the next AGM is held or is required by law to be held; (ii) the date on which the Share Buy-Back Mandate have been carried out to the full extent mandated; or (iii) the date which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company in a general meeting, after this resolution is passed; and

**“subsidiary holdings”** has the meaning given to it in the Catalist Rules; and

- (d) the Directors and each of them be and are hereby authorised and empowered to complete and do all such acts and things (including, without limitation, executing such documents as may be required) as they and/or he may consider desirable, expedient or necessary in the interest of the Company in connection with or for the purposes of giving full effect to the Share Buy-Back Mandate.”

**CONCLUSION**

There being no other business to transact, the Chairman declared the Meeting closed at 11.05 a.m. and thanked everyone for their attendance.

**CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD**

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**BEN YEO CHEE SEONG**  
**CHAIRMAN**

## ANNEXURE A

### RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RAISED AT THE ANNUAL GENERAL MEETING (“AGM”) OF RE&S HOLDINGS LIMITED (“RE&S”) HELD ON 25 OCTOBER 2023

Unless otherwise defined in this Annexure A or in the minutes of the AGM, all capitalised terms used shall have the meaning ascribed to them in the annual report of RE&S for the financial year ended 30 June 2023 (“FY2023”). Some questions/comments and answers have also been edited for clarity.

1.	<b>Question:</b>	<p>(i) What is the rationale for share buyback mandate when there is low liquidity of the Company’s shares?</p> <p>(ii) Has the Company thought of addressing its shares’ liquidity issue?</p> <p>(iii) The Group has done well for the Quick-Service Restaurants front. For the Group’s Full Service Restaurant, Kuriya which used to be one of best rated restaurants in Singapore has fallen off the list. What does the Company plan to address that?</p>
	Answer by CEO:	<p>We will deal with the last question first.</p> <p>We have a good balance of products between our Full-Service Restaurant (“FSR”) and Quick-Service Restaurants (“QSR”) concepts. While we are growing our QSR, we are maintaining our FSR. The Group serves every segment of the market from fine dining (eg Kuriya) to takeaway kiosk. We offer various products under each of FSR and QSR to serve the whole spectrum of the market.</p> <p>It is not true to say that Kuriya has fallen off the list. Kuriya still enjoys good business. There is always entrance of new players into the F&amp;B market. Kuriya has been in the market for about 20 years and is not easily replaced.</p> <p>The Company is aware of the low liquidity of its shares. One of the reasons is due to the Company’s size. There are limited things which the Company can do to improve its shares’ liquidity. Our shares buyback volume is small. We will buy back our shares to support our shares when appropriate such as when declining share price is noted for no reason or when the market value is not reflective of our shares’ true value.</p>
2.	<b>Comment from a shareholder:</b>	To increase liquidity of the Company’s shares, the Company can consider issuing scrip dividend.
	Answer by CEO:	<p>Thank you. The Board will consider your suggestion.</p> <p>Bonus shares issuance is also another way to increase liquidity.</p>
3.	<b>Question:</b>	<p>The shareholder thanked Management for the presentation and the Company for the proposed final dividend.</p> <p>The shareholder noted that there were no Jobs Support Scheme grants for FY2023 whereas in FY2022, S\$4.2m was recorded on page 113 of the Company’s Annual Report. He further enquired the below:</p> <p>(i) What are “Other government grants” of c.\$2.0m about?</p> <p>(ii) What is the estimated government grant for the coming year?</p>

	Answer by COO:	<p>The “other government grants” arose from the Wage Credit Scheme which is paid to all retailers. This is to reduce wage pressure from the Progressive Wage Model. We expect to receive the same for current year.</p> <p>We have also obtained government grant in the form of our investment in machinery where the government will grant up to 30% of what we have invested. We are also expecting to receive some of such government grant this year.</p>
4.	<b>Question:</b>	For the second half of FY2023, there was a significant decline in net profit. While this was explained earlier that it was broadly due to the increase in labour costs, recruitment of staff for new outlets, what exactly is the main factor causing the decline in net profit?
	Answer by COO:	<p>It is an interplay of many factors and we cannot single out a sole factor which caused the decline in net profit.</p> <p>As explained earlier, the increase in costs was partly due to opening of new outlets and increase in labour cost. Further, the overall economic factors which are beyond our control also come into play. We will focus on areas which we can control to bring value to our customers.</p>
5.	<b>Question:</b>	Because of increase in cost, it is inevitable that the Group will increase its price. In terms of timing, how do you do the price increase?
	Answer by CEO:	<p>We do periodic review of our products (in batches) and also re-designing our menu from time to time.</p> <p>There is a lot of considerations when doing price adjustments. Among which, the Company ensures that the price increase also aligns with the value increase.</p> <p>There is also always a time lag between the time when price adjustments are incorporated and the time when margin growth is noted. Previously, we were faced with food prices increase followed by labour cost increase, then market revenge spending and now revenge travelling. At the same time, consumers are also tightening their pockets due to increase in interest cost. Our employees are also facing living cost increase and we have to adjust their remuneration after review. All these dynamics require on-going adjustments and there is no straightforward solution. We will adjust our price with care. The Company is committed to providing good food quality and value to the market.</p>
6.	<b>Question:</b>	How many new outlets do you intend to open?
	Answer by CEO:	We are not in the position to disclose. It depends on our ability to find the right location, rental rate, etc.
7.	<b>Question:</b>	<p>Referring to the Company’s response to query 2 submitted by shareholder in advance of the Meeting.</p> <p>The Company has indicated that it will embark on price increase amid the increase in labour cost. (i) Are the restaurants opened in the afternoon? (ii) What do staff do during the off-peak hours?</p>

	<b>Answer by COO:</b>	<p>We have moved our operational model to hiring part timers so that we can optimize the deployment to account for off-peak hours. We also offer off-peak menu of lower pricing to attract more customers.</p> <p>We have already started making adjustments to have flexibility built-in for the past three or four years. We have gradually shifted our FSR towards QSR concept such that the two are in a more equitable proportion. Previously, FSR contributed a major proportion to the Group's revenue.</p> <p>We have also foreseen labour tightening situation years ago when the government started cutting quota for foreign labour. We have since made plans to structure our models to be less labour reliant.</p>
8.	<b>Comment:</b>	The shareholder suggested for Management to capitalise on the crowd at Mister Donuts outlets to introduce high tea or coffee to go along concepts. This will help to increase revenue and keep staff occupied.
	<b>Answer by COO:</b>	As of now, we can't produce enough donuts to sell. We are working on some other plan.
	<b>Answer by CEO:</b>	There are a lot of considerations before opening of new outlets or introducing new concepts, not limiting to labour cost alone.
9.	<b>Question:</b>	<p>With the number of the Group's outlets in various parts of Singapore, you could consider ways to anchor or group them so as to benefit from economies of scale, for example you have :</p> <ul style="list-style-type: none"> <li>❖ Jurong Point – 11 outlets</li> <li>❖ NEX – 8 outlets</li> <li>❖ Great World – 6 outlets</li> </ul> <p>What is your strategy going forward?</p>
	<b>Answer by CEO:</b>	<p>We have maintained good relationship with our landlords. The Group has established its major footprint in three main malls in Singapore such as Jurong Point, NEX and Great World.</p> <p>We do not consider ourselves as anchor tenant in the respective shopping malls. We are however a major tenant which enables us to command certain bargaining power.</p> <p>Notwithstanding, there are many considerations before committing to a sizeable space in a mall.</p> <p>We are selective in deciding on location of our outlets. Every mall is different and unique. If there is any opportunity for opening new outlets, we will give our due consideration before arriving at any decision.</p> <p>We have a dedicated department looking at the suitability of outlets location/opening. We are mindful of not to expand aggressively in the market because there are other factors such as labour cost issue.</p>
10.	<b>Question:</b>	What is the advantage of being a major tenant?
	<b>Answer by CEO:</b>	Being a major tenant of a mall, we have a sense of understanding the customers flow and spending. This would help us when we consider upgrading or changing our outlet's concept. So far, the results have been encouraging.

11.	<b>Question:</b>	Is it cheaper to refurbish the outlet than to reinstate it?
	<b>Answer by CEO:</b>	It is not mainly reinstatement cost. Instead, we will consider whether the new concept is suitable for the location.
12.	<b>Question:</b>	(i) The outlet at Capital Spring mainly serves lunch crowd and only takeaway. How do you overcome such challenge?  (ii) How much are the takeaway orders?
	<b>Answer by CEO:</b>	Capital Spring is our first outlet in the Central Business District. We test the concept by having our central kitchen do the necessary preparation, leaving the completion of the order to the outlet.  The takeaway orders comprise about 10.9% of the outlet's revenue. (afternote: the delivery sales comprise about 7.7% of the outlet's revenue)
13.	<b>Question:</b>	How many outlets do you intend to have for Mister Donuts?
	<b>Answer by COO:</b>	Our Master Franchise Agreement with Duskin Co. Ltd in Japan is to have a minimum of nine outlets for Mister Donuts in Singapore. With the good response received today, we will probably open more than nine outlets.
14.	<b>Question:</b>	How are you going to ramp up such opening?
	<b>Answer by COO:</b>	Currently, the donuts are made fresh in the outlets. We are thinking to have a suitable range of products to be made in our central kitchen to support the outlets.
15.	<b>Question:</b>	(i) What is the capacity of your central kitchen? (ii) Have you thought about having outlets in the MRT station, HDB town centres?
	<b>Answer by COO:</b>	Our central kitchen is currently operating at 70% and there is room to fill up the capacity. However, we are mindful to take one step at a time.  As for alternative outlet locations you mentioned, we have previously considered them. However, the rental for setting up a kiosk in the MRT station is much higher than having it in a mall and such high cost would not be sustainable in the long run.