

NIKS PROFESSIONAL LTD.
(Company Registration No. 199804609D)
(Incorporated in Singapore)

QUESTIONS AND COMMENTS RAISED AT THE ANNUAL GENERAL MEETING HELD ON FRIDAY, 26 APRIL 2024

Resolution 1 – DIRECTORS’ STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

**Comment/
Question 1**
Shareholder No. 1

Shareholder No. 1 congratulated the Company, Board of Directors and Management for a successful IPO listing. He also thanked the Company for the proposed issuance of the final dividend.

He then asked if the distribution business in China operates through direct marketing or multi-level marketing.

Response 1
Chief Executive Officer
("CEO")
(Mr. Cheng Shoong Tat)

CEO clarified that the Group distributes its products through regional distributors in each province, who then sell to doctors or end users within the same province.

Additionally, the Group’s products are sold directly to end users via the WeChat application in China. He also mentioned that the Company started selling its products on the e-commerce platform, Tmall.

**Comment/
Question 2**
Shareholder No. 1

Shareholder No. 1 inquired whether the skincare products sold in China require a prescription.

Response 2
CEO
(Mr. Cheng Shoong Tat)

CEO clarified that the skincare products sold do not require a doctor’s prescription, as they do not contain medication. The CEO added that these products are manufactured in compliance with the stringent regulations of the Health Sciences Authority in Singapore and National Medical Products Administration in China.

**Comment/
Question 3**
Shareholder No. 2

Shareholder No. 2 asked the CEO to share the overall strategy, target revenue and expected returns outside China in the next 5 years.

Response 3
CEO
(Mr. Cheng Shoong Tat)

CEO explained that, as announced in the recent results announcement published via SGX-ST, the Company plans to expand organically by opening of new clinics and outlets in Singapore. The latest clinic expansion will be in Yishun Central. The Company will also be recruiting healthcare and management professionals and purchasing medical equipment for its clinics and salons this year to generate incremental revenues.

He added that a new doctor, Dr. Dennis Teng Shi Chong, joined the Company in March 2024. The Company intends to expand its beauty salons by hiring more beauticians and exploring product sales on other e-commerce platform such as Lazada and Shopee.

In China, the Group appointed a distribution agent for the Hunan Province, a distribution agent in Guangdong Province and a veteran in China’s medical skincare market to the newly created position of Deputy General Manager (Sales and Marketing) in its China subsidiary. The Deputy General Manager will be responsible for recruiting agents in provinces where the Group is not currently represented to boost sales. The Group is also investing in building its presence in China’s e-commerce marketplaces and the Company expects better revenue in

China market this year.

The CEO also mentioned the Group's plans to enter the Malaysian market through e-commerce platforms. The Group has an inactive wholly-owned subsidiary in Malaysia that could be used as a low risk means to introduce products to the Malaysia market.

Resolution 9 – AUTHORITY TO ISSUE SHARES

**Comment/
Question 4**

Shareholder No. 2

Shareholder No. 2 asked if the Company has any intention to allot shares for the purpose of acquisitions.

Response 4

CEO

(Mr. Cheng Shoong Tat)

The CEO explained that there are no short-term plans to allot shares for the acquisitions. However, the Company is actively seeking business opportunities, including mergers and acquisitions of complementary businesses and will first utilise the IPO proceeds should the need arise.

Resolution 11 – AUTHORITY TO GRANT AWARDS AND ISSUE SHARES PURSUANT TO THE NIKS PERFORMANCE SHARE PLAN (“PSP”)

**Comment/
Question 5**

Shareholder No. 1

Shareholder No. 1 asked if there is any moratorium for the shares awarded to eligible participants under the Niks PSP.

Response 5

CEO

(Mr. Cheng Shoong Tat)

The CEO confirmed that there is no moratorium for such shares under the Niks PSP.