



RESPONSE TO QUESTIONS RECEIVED FROM SHAREHOLDERS PRIOR TO THE COMPANY'S ANNUAL GENERAL MEETING

Yeo Hiap Seng Limited (the “**Company**”) refers to the questions received from shareholders ahead of the Company’s Annual General Meeting to be held on 29 April 2021 at 3.00 p.m. by way of electronic means. The Company wishes to provide its response below.

	Questions	Responses
1	What plans does the Group have in relation to its cash balances to enhance shareholders’ returns?	The Group’s strong balance sheet has enabled us to weather the Covid-19 pandemic situation with resilience. At the same time, our balance sheet allows us to invest for long-term growth in our core food and beverage business. These investments include enhancing our supply chain infrastructure, brand building, and exploring potential new joint ventures, M&As and other strategic partnerships. Our strategic partnership with Oatly is one of such milestones in our transformation journey. The Management Team is committed to focus on executing our plans well and translating into better financial performance for the Group. The Group also has an existing share buyback program and is evaluating various options to enhance shareholders’ returns.
2	With health and wellness being important considerations for consumers, what are the plans of the Company to serve these consumer needs in its food and beverage products?	<p>We agree that health and wellness are important considerations for our consumers and that they are important drivers in our product strategy.</p> <p>For our Food portfolio, we will be launching products that will maintain the same authentic taste but with newer and healthier recipes.</p> <p>On the Beverage front, we have launched new products in recent months that serve up health and wellness and provide non-sugar options. For example, in our Chrysanthemum Tea range alone, we have launched no sugar, low sugar, with honey and with wolfberry variants to provide our consumers with various options. In addition, we will roll out these new products in our overseas markets such as China. We will also expand no sugar and low sugar options to our other key products in the portfolio.</p>
3	What are the growth plans of the Group in the next 5 years? What are the main markets that the Company will focus on for growth?	<p>We are at the early innings of Yeo’s transformation journey and we see significant growth opportunities ahead.</p> <p>(a) Growth from Core Yeo’s Food and Beverage Yeo’s Core Food and Beverage business, such as our Tea (e.g. Chrysanthemum Tea) and Dairy alternative (e.g. Soy), offers us strong positions in these growing food and beverage segments. With improved innovation, marketing and execution in the market, we will be able to grow our Yeo’s Core Food and Beverage business.</p>

		<p>(b) Growth from Acceleration in International Markets' Growth While we enjoy a solid foundation in our home markets of Singapore and Malaysia, there remains substantial headroom for us to grow in key overseas markets like China and Indochina. These markets are much larger and our products are relevant in these markets. In addition, our businesses in Europe, US and Australia enjoy good margins and have a long runway for growth. With clear strategy, good execution and appropriate levels of investment, we will expand our overseas businesses.</p> <p>(c) Growth from New Ventures and Strategic Partnerships The Group is very open to building and participating in new ventures and strategic partnerships where it can source growth from. For example, the Group has teamed up with Oatly, one of the world's leading Oat milk companies. The Group will continue to look out for and evaluate other new ventures and strategic partnerships.</p>
4	Will the Company continue to be involved in property development or will the Company focus to be a pure F&B company? The Company holds farming lands in Malaysia, what are the Company's plans for these lands?	<p>Our vision is to be the leading Asian company in bringing innovative food and beverage products with natural goodness to our consumers. We see food and beverage as our core business and significant opportunity to grow this business. To that end, we have built a strong Management Team with extensive consumer goods background and international experience. We have also developed a clear roadmap to grow and enhance value of this business.</p> <p>With regard to real estate, any new real estate related investments would generally have to be synergistic towards supporting our core food and beverage business growth plans. As for the remaining investment properties on the Group's balance sheet, we will keep shareholders updated as and when we firm up our plans on these assets.</p>