

YOONG OON CORPORATION BERHAD

16th ANNUAL GENERAL MEETING

QUESTIONS & ANSWERS

	Attendee	Question	Answer
1.	Alvin Yeo Taw Yong	<p>a. May I know the business plan and direction of the Company in expansion locally and Singapore?</p> <p>b. The revenue contribution target for Singapore business?</p>	<p>a. Our business expansion plans are as follow:</p> <ul style="list-style-type: none">• Opening more fully owned retail outlet• Expand consignment counters.• New e-commerce platforms to increase online sales.• New customers from institutional supply and consignment.• Venturing into other locations like east coast, Sabah, and Sarawak• Business diversification into new products, business venture and market.• To appoint new agents and distributors in oversea to market and sell our products overseas. <p>We envisaged there is opportunities to expand Singapore business as follow:</p> <ul style="list-style-type: none">• Opening more fully owned shops• Expand consignment counters.• Offering wider range of products to sell online.• Expand the institutional supply to cruise, hotel, hospital, resort etc. <p>b. TC Homeplus is expected to contribute approximately RM60 million in sales to the Group in the coming year.</p>
2.	Chia Kim Seng	Is the company plan to incorporate Internet of Things (IoT) or industrial 4.0 in the near future for better company efficiency?	We will incorporate Internet of Things or industrial 4.0 in future.

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3.	Chai Ming Chiuan	<p>a. There is a newly acquired of Singapore TC Homeplus. How is the performance of TC Homeplus actually?</p> <p>b. As this company is private limited, so has YOCB management gone through on the business performance before acquired?</p>	<p>a. TC Homeplus has a proven financial track record over the past years, in which TC Homeplus has been registering growth in revenue and profit year-on-year, whilst also maintaining healthy profit after tax margins.</p> <p>As announced on Bursa Malaysia on 2 November 2023, TCHompelus posted sales of RM 55.42 million and profit before tax of RM9.49 million for FY2022.</p> <p>b. We have engaged a professional accounting firm to conduct a financial due diligence review and it was assessed that TC Homeplus has no potential risks and is financially healthy.</p>
4.	Chai Ming Chiuan	Appreciate there is Home Harmony Voucher to be given to shareholders so shareholders can purchase home living stuffs which also support YOCB.	We will consider giving Home's Harmony discount voucher to shareholders in the coming years
5.	Cheong Kok Kik	With the Singapore company acquisition, what are top 3 benefits to YOCB in long term?	<p>The proposed acquisition will give YOCB Group the opportunities as follow:</p> <ol style="list-style-type: none"> 1. To enable the Group to extend its range of brands, products, and services in Singapore. 2. YOCB Group has the flexibility to implement its business plan to further grow and expand the business of institutional supply, retailing, trading and distribution of home linen and homeware via TC Homeplus in Singapore. 3. It will enhance the Group's earning base and benefit from the consolidation of TC Homeplus' results and bring synergistic value and enhance the future growth prospect of YOCB Group.
6.	Cheong Kok Kik	Is there any e-voucher and e-Wallet like other company for attending virtual AGM?	We will consider giving out e-voucher and e-wallet to shareholders in the coming years.

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7.	Cheong Kok Kik	Resolution 6 and Resolution 7 are contradictory. What's the objective to approval to issue new shares and then to buy back the shares?	<p>Resolution 6 is to obtain members' approval in the annual general meeting, authorizing the directors to issue shares up to 10% of the total issued share capital. This mandate if obtained will be valid until the conclusion of the next annual general meeting. The rationale of the mandate is to ease the fund raising and corporate exercise of the Company, if any, within the mandate period. If the Management decides to have any corporate exercise such as private placement, bonus issue, etc., there is no need to incur additional cost and time to organize another shareholders' meeting to seek shareholders' approval to issue shares.</p> <p>Resolution 7 is a mandate given by shareholders, authorizing the Company to purchase its shares up to 10% of the total issued shares. This mandate will also save the Company's additional cost and time to hold another general meeting should the Management decide to purchase its shares from the open market. The rationale of share buyback is stated in the Company's circular to shareholders dated 24 Oct 2023.</p> <p>Both resolutions are commonly proposed in annual general meetings of public listed issuers to provide flexibility to the Management in carrying out corporate exercises when the need arises. The 2 resolutions are for different purposes/rationale as stated under the explanatory note of the AGM Notice and circular to shareholders respectively and as those resolutions are not inter-conditional and not necessary to be carried out simultaneously, hence the resolutions shall not be deemed to be contradicting.</p>
8.	Ee Yih Chin	What is the Group's estimated market share and position in Malaysia for the bed linen market?	<p>We estimated our Group's market share for home linen and bedding accessories is approximately 40% in Malaysia.</p> <p>We believe YOCB Group is the leading manufacturer and distributor in home linen and bedding accessories in Malaysia in view of our 36 fully owned retail outlets under the trademarks of Home's Harmony and Niki Cains Home fashion concept stores and more than 260 consignment counters in Malaysia as of today.</p>

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9.	Ee Yih Chin	There are startup bedsheet companies that sell 100% online in Malaysia. Do their business models pose a threat to the Group which relies more on traditional sales channels?	<p>YOCB Group's core competencies include in-house design, strong brands, loyal customers, high standards quality, one stop supply center offering full range of products, diverse customer type, extensive distribution network, financial stability and economy of scale which make the Company to have a competitive edge over the newly startup companies that sell online.</p> <p>Nonetheless, we have ventured into online sales by marketing and selling the Group's wide range products on our own Jean Perry online store, as well as other third-party e-commerce platforms including Lazada, Shopee, Zalora etc.</p>
10.	Ee Yih Chin	<p>Refer to the Note on Property, Plant and Equipment. The categories "plant and machinery" and "factory and warehouse equipment" have almost fully depreciated. There has been little capex addition in recent years. While the management cost control is commendable, may I know.</p> <p>a. How many products are still manufactured in house versus being sourced externally, such that the Group needs very little production equipment investment?</p> <p>b. Does the use of outdated equipment mean lower efficiency, and put YOCB at a competitive disadvantage in the long term?</p>	<p>a. We manufacture the Group's home linen, bedding accessories and custom-made curtains. The Group also supplies homeware like living room and kitchen accessories, rugs, carpets, floor mats, lifestyle furniture and other household items which are sourced externally to complement our own manufactured home linen and bedding accessories.</p> <p>b. The manufacturing plant operates on both new and older equipment using advanced technology like line production, computerized sewing, embroidering and automation to achieve manufacturing efficiency.</p>
11.	Ee Yih Chin	An article with The Edge on Oct 2 mentions YOCB's strategy of "shadowing" reputable township developers by opening stores in townships with growing communities. Can you share some examples of success with this strategy?	We believe The Edge was referring to our established and well-received Home's Harmony retail outlets that have become household names and shopping destinations amongst Home's Harmony members and the residents around the vicinity concerned like One-Utama Shopping Mall, IOI Shopping Mall, Hartamas Shopping Centre and Sunway Carnival Mall.

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12.	Ee Yih Chin	As compared to other forms of distribution channels, operating your own retail outlets is capital intensive. What are your thoughts on the pros and cons of operating your own outlets?	<p>The advantages for retail outlets comparing with third-party retailers are as follow:</p> <ul style="list-style-type: none"> i. Higher profit margin because no trade margin and commission ii. Improved cash flow with no credit term and sales on cash basis. iii. Customer engagement that tied to customers' needs and foster brand loyalty and awareness. iv. Flexibility in implementing marketing policies and strategies like product mix, price matching, target discount, special discount etc. v. Member Loyalty rewards vi. One-stop supply center serves full range of products including custom made curtains, furniture, homeware, and all household related products. <p>The disadvantages for retails outlets are as follow:</p> <ul style="list-style-type: none"> i. Fixed monthly rental and service charges ii. Manpower shortage iii. High overhead from electricity usage, shop maintenance, public liability insurance coverage etc. iv. Renovation cost a sunk cost.
13.	Ee Yih Chin	Refer Note 9, finished goods inventories have increased by 53% Year-on-Year to RM80.491m from RM52.716m. Over the same period, revenue has only increased by 15%; only one Home's Harmony is added, and the number of consignment stores remains about the same at about 260. Why the marked increase in finished goods inventories?	The Group stocked up its inventory to meet its business expansion plans requirement from July 2023 onwards which included opening of five (5) new Home's Harmony retails outlets in Great Eastern Mall, Pearl Point Shopping Mall, Pinnacle Sri Petaling Mall, Kiara Bay Outdoor Retail and Paradigm Mall Johor Bahru, two (2) new Niki Cains' Home fashion concept stores in Komtar JB CC and KL Gateway Mall, sale and promotion that have consequently resulted in relatively high inventory position as of June 2023.

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14.	Ee Yih Chin	<p>a. What are the differences between Niki Cains' Home and Home's Harmony?</p> <p>b. What are the plans for these two different chains?</p>	<p>a. Home's Harmony retail outlet serves as a one-stop supply center target mid-range to premium market offering full range of products including custom made curtain.</p> <p>Niki Cains Home fashion concept stores serve the mid-range market selling mainly home linen, bedding accessories, bath linen, homeware, floor coverings, ready-made curtains, and household related products.</p> <p>b. We have opened five (5) new Home's Harmony retails outlets in Great Eastern Mall, Pearl Point Shopping Mall, Pinnacle Sri Petaling Mall, Kiara Bay Outdoor Retail and Paradigm Mall Johor Bahru and two (2) new Niki Cains' Home fashion concept stores in Komtar JB CC and KL Gateway Mall since July 2023. As of today, we have thirty (30) Home's Harmony retails outlets and six (6) Niki Cains' Home fashion concept stores.</p> <p>We plan to open more Home's Harmony retails outlets and Niki Cains' Home fashion concept stores in other suitable locations throughout Malaysia including east coast and East Malaysia, Sabah and Sarawak in moving forward.</p>
15.	Ee Yih Chin	Based on experience, what is the investment and payback period for a new store?	The average Investment cost for a new shop is approximately RM800,000 depending on the size of the shop. The payback period normally takes about 2 years.
16.	Ee Yih Chin	<p>Note 33(a)(i) shows that if USD/RM strengthens by 5%, FY2023 profit after tax could have increased by RM351k.</p> <p>a. Does it mean the Group benefit from a stronger USD (i.e., weaker RM), despite more than 92% of revenue is derived within Malaysia (Note 29)?</p> <p>b. How will the exchange rate affect profitability in FY24?</p>	<p>a. The Group's export sales in USD will benefit from a stronger USD.</p> <p>b. The Group's overseas purchases are mostly in Renminbi and some in USD, weaker Renminbi will result in lower purchase costs in FY2024 or vice versa.</p>

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17.	Ee Yih Chin	<p>a. What is the percentage revenue contribution and growth from e-commerce platform?</p> <p>b. How do you ensure there is no conflict with selling through other channels such as consignment and own retail stores?</p>	<p>a. E-commerce contributed approximately 5% of Group Sales in FY2023.</p> <p>b. E-Commerce, Consignment and Retails outlets have their market characteristic as detailed below:</p> <ol style="list-style-type: none"> 1. E-commerce: - <ol style="list-style-type: none"> i. Deliver to your doorstep. ii. No charge and Free shipping for eligible member iii. Discount voucher iv. Member loyalty points v. Further discount from sponsorship vi. Loyal e-commerce platforms customers or members 2. Third party Consignment counters: - <ol style="list-style-type: none"> i. Department stores sale and promotion ii. Member Day discount iii. Member redemption points iv. Loyal department store customers or members. 3. Fully owned Home's Harmony Retails Shops: <ol style="list-style-type: none"> i. One stop supply center offering a full range of home linen, bedding accessories, bath linen, homeware, custom made curtains, floor coverings and household products that are tied to the customer's needs. ii. Custom made curtains specially designed for your home. iii. Home's Harmony Member discount voucher iv. Home's Harmony Member Day discount v. Home's harmony loyal customers vi. Different brands and collections <p>In view of the above, e-commerce, consignment counters and retail outlets should therefore have no conflict amongst them because they have different characteristics, offer different benefits, preferences and target different customers.</p>

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18.	Ee Yih Chin	The composition of the Board has been overhauled. I also notice one of the new board members Mr. Fung has technology background. Can Mr. Fung share his view on technological disruption to industry and how the Group could respond?	<p>Mr. Fung is pleased to state that, based on his current knowledge and engagement with the management and board of YOCB, the company has taken the necessary steps to protect and grow its retail business by venturing into online platforms to make its products readily available to the wider online audience and invested in related technologies internally to support such a venture. From answers to related questions during the AGM, one can see that YOCB online business is growing,</p> <p>The YOCB Board, which comprises Directors with multi-faceted capabilities and varied experiences is knowledgeable of potential impact of technological disruptions, especially to YOCB's business.</p> <p>The YOCB board is open to new ideas and progressive in its outlook to continue adopting new proven technologies whenever relevant and pragmatic.</p>
19.	Ee Yih Chin	<p>Refer Note 29, both revenue and profit from Retailing segments have experienced rapid increase in FY2022 and FY2023, better than pre-pandemic years.</p> <p>a. What are the factors contributing to better retail performance?</p> <p>b. Are they also helped by a one-time surge in post pandemic spending, which might not be sustainable?</p>	<p>a. Higher retail revenue was mainly from its four (4) new fully owned Home's Harmony retails outlets in Starling Mall, Sunway Putra Mall and KL East Mall, Home's Outlet in EkoCheras Mall, sale and promotions in FY2023.</p> <p>Higher profit was attributed from higher sales, better profit margin from Online Sales, reversal of allowance for impairment of doubtful debt and slow-moving stocks.</p> <p>b. The retail sector generally experienced a significant expansion last year due to the reopening of the retail business after a two-year lockdown.</p> <p>We are confident that our retails sales growth is sustainable with our strong brands, loyal customers, high standards quality, one stop supply center offering full range of products, proactive marketing strategies, sale and promotion, and our business expansion plan in opening more retail outlets in other suitable locations throughout Malaysia including east coast and East Malaysia, Sabah and Sarawak in moving forward.</p>

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20.	Ee Yih Chin	<p>AR note 22 Staff cost has increased by 32% Year-on-Year to RM47m from RM36m</p> <p>Can you comment on the substantial increase in staff costs and the coming trend?</p>	<p>Wage subsidy, staff cost-saving measures including temporary cessation on staff overtime claims, travelling allowances, staff recruitment etc. in year 2022 had generally resulted in lower salary costs in FY2022.</p> <p>In FY2023, the staff cost was escalated due to the following: -</p> <ul style="list-style-type: none"> i. Minimum wage of RM1,500 ii. Additional foreign worker iii. Additional sales personnel for new shops iv. Additional staff for staff replacement v. Foreign worker levy vi. Higher overtime in line with higher sales activities vii. HRDF mandated for the entire YOCB Group of companies. <p>We reckon that the staff costs in coming years will not significantly fluctuate because certain costs like HRDF, levy, minimum wage etc. would have been normalized in coming years.</p>
21.	Ee Yih Chin	<ul style="list-style-type: none"> a. Is T. C. Homeplus an existing customer of YOCB, and vice versa? b. If yes, what are the annual sales and purchase amounts? c. How much additional business can be generated after the acquisition? 	<ul style="list-style-type: none"> a. TC Homeplus is a distributor for YOCB Group. b. The Group sales to Singapore including TC Homeplus for FY2023 was RM6.79 million. c. TC Homeplus targets to contribute approximately RM60 million in sales to the Group in the coming year.
22.	Ee Yih Chin	<ul style="list-style-type: none"> a. Can you provide an overview of T.C Homeplus business, besides what has already been shared in the Bursa Announcement. For example, how many retail outlets, consignment stores, customers? b. Where are their factory and supply sources? 	<ul style="list-style-type: none"> a. TCHomeplus is one of the leading home linen distributors in Singapore, involves in fully owned retail outlets, 3rd party consignment counters and institutional supply. b. TCHomeplus does not have a factory, it sources its supplies from various manufacturers and suppliers including YOCB Group.

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23.	Ee Yih Chin	<p>a. How to retain and motivate T. C. Homeplus management after the acquisition?</p> <p>b. Any performance guarantees?</p>	<p>a. We may consider rewarding TC Homeplus management with performance bonuses, incentives, monetary rewards, overseas fairs and exhibitions, training and courses, fringe benefits and perhaps employee share option schemes in coming years to motivate them.</p> <p>b. We are familiar with and confident of running TC Homeplus business and it was commercially decided that there wasn't a need to have a performance guarantee as part of the acquisition because they have recorded profitability over the past few years.</p>
24.	Jason Poh Yion Sun	<p>Comparing pre-pandemic of 2019 vs latest financial year, revenue increased by approximately RM7.0m but PBT increased by approximately RM20.0m. This shows significant efficiency improvement.</p> <p>Can the management recap what was done to achieve such good performance at the bottom line?</p>	<p>Higher Profit in FYE2023 comparing with FYE2019 were mainly due to the following: -</p> <ul style="list-style-type: none"> i. Higher online sales that command higher profit margin ii. Lower purchase cost iii. Higher interest income iv. Higher reversal of allowance for impairment for slow-moving stock v. Higher reversal of allowance for impairment for doubtful debt
25.	Jason Poh Yion Sun	<p>Can management elaborate what are the organic growths shareholders should expect? For e.g. the doubling of Vietnam export sales in FY2022 although still small. Where else can we see such 2x growth moving forward.</p>	<p>Our business expansion plans in coming years are as follows: -</p> <ul style="list-style-type: none"> i. Open more fully owned outlets. ii. Expand more consignment counters. iii. New e-commerce platforms to increase online sales. iv. New customers from institutional supply and consignment. v. Venturing into other locations like east coast, Sabah and Sarawak vi. Business diversification into new products, business venture and market vii. To appoint new agents and distributors in overseas to market and sell our products overseas.

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26.	Jason Poh Yion Sun	Since the company has e-commerce capability, what is stopping the brands in penetrating US & other developed markets using Amazon FBA or any other means? Please consider this as potential organic growth opportunities. If tried before, do share why it wasn't successful.	We will look for e-commerce platforms to market our products in the international marketplace.
27.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. What is the road map in export/domestic mix? b. Can management guide on this starting from the current mix of near 10% export & 90% domestic? c. Will it be 50/50 or beyond, by when? 	<ul style="list-style-type: none"> a. To appoint new agents and distributors in overseas to market and sell our products overseas. b. We will strive to achieve higher export sales in coming years. c. We expect our export sales to increase by approximately RM60.0 million with the acquisition of TC Homeplus in Singapore. We believe the Group export sales will increase exponentially if we could tie-up with the strategic partners in overseas to market and sell our products overseas.
28.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. What are the challenges in expanding overseas to reach a 50/50 mix? b. Or the desired mix by the management. 	<ul style="list-style-type: none"> a. Challenges in expanding overseas include business culture, foreign exchange control, currency risks, political stability, economic considerations, regulatory and legal compliance. b. We will strive to achieve higher export sales in coming years.
29.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. How much are your costs is in USD? b. Do you import cotton & other raw materials in USD? c. How do you counter for these costs fluctuation since 90% of sales is in Malaysia. 	<ul style="list-style-type: none"> a. Approximately 10% of our overseas purchases in USD. b. No. c. Export sales received in USD are kept in a USD foreign currency account earmarked to settle overseas purchases in USD. We also hedge through forward contract against USD for trade purchases.
30.	Jason Poh Yion Sun	How about breakdown by OEM vs OBM in terms of company's B2B supply & branded products?	Our own in-house brand contributed approximately 80% of Group sales and the remaining 20% are third party brands for FY2023.

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31.	Jason Poh Yion Sun	<p>a. Can you breakdown your sales by brands?</p> <p>b. Which brand has the highest contribution to revenue & profit?</p>	<p>a. Yes, we can breakdown our sales by brands.</p> <p>b. Jean Perry is our core brand, and it has the highest contribution in terms of both revenue and profit.</p>
32.	Jason Poh Yion Sun	<p>a. Why the focus in Vietnam as your export sales?</p> <p>b. What are the prospects in terms of outlets or consignment sales?</p>	<p>a. Vietnam is one of the fastest growing economies among Asean countries.</p> <p>b. Vietnam's retail market has been growing significantly and is expected to continue with strong growth in moving forward.</p>
33.	Jason Poh Yion Sun	<p>a. Do you still see further growth in Malaysia?</p> <p>b. Via consignment vs outlets, what are the penetrations like currently?</p>	<p>a. Malaysia economy is expected to have moderate growth in moving forward.</p> <p>b. Consignment contributed approximately 48% and retail outlets contributed approximately 36% of Group Sales for FY2023.</p>
34.	Jason Poh Yion Sun	Major customer with RM68.57m of revenue, on total revenue of RM262m - this is about ~25%. This doesn't match the statement of not having any major customer with revenue more than 10% in the same paragraph in the annual report. Please clarify?	<p>The RM68.57 million is made via of a local department store.</p> <p>The 10% in annual report are the said local department store's walk-in consumers who are deemed to be the Company's customers.</p>
35.	Jason Poh Yion Sun	Impairments & reversal of trade receivables, please explain what contributes to such impairments & reversals.	<p>Full Impairment will be provided for debtors whose debts exceeded credit term and appear doubtful (Doubtful debt).</p> <p>Reversal or written back of the impairment is when the doubtful debts are fully recoverable, and provision is no longer required.</p>

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36.	Jason Poh Yion Sun	What's the roadmap to a RM500m & RM1 billion revenue company?	<p>Our business expansion plans in coming years are as follows: -</p> <ul style="list-style-type: none"> i. Open more fully owned outlets. ii. Expand more consignment counters. iii. New e-commerce platforms to increase online sales. iv. New customers from institutional supply and consignment. v. Venturing into other locations like east coast, Sabah and Sarawak vi. Business diversification into new products, business venture and market vii. To appoint new agents and distributors in in oversea to market and sell our products overseas. viii. To undertake mergers and acquisitions.
37.	Jason Poh Yion Sun	Can explain what is considered as capex under Distribution/Trading?	Capital expenditure under Distribution/Trading include office equipment, counter display, warehouse equipment, renovation, and solar photovoltaic module system.
38.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. How do you classify Retailing vs Distribution/Trading in terms of own products? b. What is the capex of RM2m that is allocated for distribution/retailing segment. Similarly, another RM2m depreciation charge in this segment? 	<ul style="list-style-type: none"> a. Retailing is mass end-consumer market through our fully owned retail outlets under brand names Home's Harmony, Home's Outlet and Niki Cains Home concept store. Distribution/ Trading are through third party retailers like department stores, hypermarkets, specialty stores and online platforms. b. The capital expenditure and deprecation were mainly office equipment, counter display, warehouse equipment, renovation, and solar photovoltaic module system.
39.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. Can management guide next year's dividend payout vis-a-vis the recent cash acquisition? b. Will it be maintained or lower? 	<ul style="list-style-type: none"> a. The unwritten dividend policy of the Group is to pay 1/3 or 33.33% of the current year's profit after tax as a dividend to reward shareholders. The acquisition of TC Homeplus is from the Group's bank coffer and will not have an impact on the dividend pay-out of the Group in coming years. b. We will strive to achieve higher profits and pay higher dividends to reward shareholders in coming years.

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40.	Jason Poh Yion Sun	<p>a. Inventories have 1.4x in a year while revenue is only 1.15x. Can management discuss if there's any concern in holding this much inventory without reflection in sales efficiently?</p> <p>b. Would there be impairment on these inventories?</p> <p>c. In fact, what is your policy in writing down & reversing write down of inventories?</p>	<p>a. The Group stocked up its inventory to meet its business expansion plans requirement from July 2023 onwards which include opening of five (5) new Home's Harmony retails outlets in Great Eastern Mall, Pearl Point Shopping Mall, Pinnacle Sri Petaling Mall, Kiara Bay Outdoor Retail and Paradigm Mall Johor Bahru, two (2) new Niki Cains' Home fashion concept stores in Komtar JB CC and KL Gateway Mall, fairs and events, sale and promotion that have consequently resulted in relatively high inventory position as of June 2023.</p> <p>b. Allowances for impairment for slow-moving stock has been adequately provided as evidenced by the Group's reversal of allowance for impairment for slow-moving stock for FY2023 and FY2022 of RM2.09 million and RM3.07 million respectively.</p> <p>c. The impairment for slow-moving stock are detailed below:-</p> <p>a) Raw Materials</p> <ul style="list-style-type: none"> - 25% allowance for impairment will be provided for raw material exceeded 2 years and 100% if exceeded 5 years (slow moving raw materials) - 100% reversal for allowance for Impairment for slow-moving raw materials when they are subsequently consumed or manufactured. <p>b) Finished Goods</p> <ul style="list-style-type: none"> - 50% allowance for impairment will be provided for finished goods exceeded 2 years and 100% if exceeded 5 years (slow moving finished goods) - 100% reversals for allowance for Impairment for slow-moving finished goods when they are subsequently sold.
41.	Jason Poh Yion Sun	<p>a. In terms of stores expansions, can management guide out how many stores to open per year?</p> <p>What was the average count historically per year?</p>	<p>a. We intend to open 5 to 6 shops every year depending on the location and favorable terms in moving forward.</p> <p>On the average, we have opened 1 to 2 shops every year.</p>

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42.	Jason Poh Yion Sun	As an investor, I would be keen to know how management intend to reinvest to capitalize on more Return on Invested Capital. More overseas sales? More acquisitions? More local stores expansions? More OBM product categories?	<p>The Group recorded a return on invested capital growth as evidenced by its sustainable profit growth. The Group's on-going measures in achieving higher return on invested capital are as follow: -</p> <ul style="list-style-type: none"> a) Maintain sustainable sales growth. b) Improve manufacturing and operation efficiency. c) Install solar photovoltaic module system to reduce energy cost. d) Increase online sales which command better profit margin. e) To maintain a healthy stock position. f) To ensure high returns from excess funds placement.
43.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. What is the capacity & utilization of the company's manufacturing plant with 303,500 sf currently? b. Any plans to expand? 	<ul style="list-style-type: none"> a. Our manufacturing plant is operating at 70% capacity. b. Our manufacturing plant meets our current production requirements, and we will expand when the needs arise.
44.	Jason Poh Yion Sun	Is there a plan to diversify production base outside of Malaysia?	Yes, diversifying production base outside of Malaysia is our Group long term plan depending on locations and favorable conditions.
45.	Jason Poh Yion Sun	<ul style="list-style-type: none"> a. When it was mentioned, the plant being state-of-the-art, what do you mean? b. Can it run 24/7 in the dark? How much automation has replaced manual labour? c. What is your foreign labour to local labour mix? 	<ul style="list-style-type: none"> a. Our manufacturing plant has installed a 671 KW solar photovoltaic module system and operates using advanced technology like line production, computerized sewing, embroidering and automation for production efficiency. b. Our manufacturing plant can operate on 24/7 basis under normal circumstances, but it is not required at this juncture. Computerized sewing, embroidering and automation has improved manufacturing efficiency, increased production, and reduced the dependency on foreign workers. c. Our foreign workers presently make up approximately 50% of the total staff in our manufacturing plant.

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46.	Jason Poh Yion Sun	Corporate guarantee of RM61m, this looks unusually high considering there are no liabilities that reflect the same quantum and please explain the purpose of this?	Corporate guarantee of RM61million are security financial collateral arrangements for banking facilities for trade purchases which include letters of credit, trust receipt, foreign bill exchange purchase, bank guarantee and bankers' acceptance.
47.	Jason Poh Yion Sun	How many owned & JV outlets are currently outside of Malaysia?	We do not have any fully owned and joint-ventured outlets outside of Malaysia.
48.	Jason Poh Yion Sun	<p>a. The 4 listed companies given to justify P/E of 8x is not comparable considering TC Homeplus is a SG company with 100% business in SG as well.</p> <p>b. Can please provide the same listed company comparable in SG at least?</p>	<p>a. There are no directly comparable listed company with similar business as TC Homeplus either in Malaysia or Singapore.</p> <p>b. The 4 entities disclosed in the announcement are the closest listed comparable companies for which data is publicly available and can be reliably used for reference purposes.</p>
49.	Jason Poh Yion Sun	Why is there no profit guarantee by TC Homeplus, how do investors ensure there's certainty of profits next year?	We are familiar with and confident of running TC Homeplus business and it was commercially decided that there wasn't a need to have a profit guarantee as part of the acquisition because they have recorded profitability over the past few years.
50.	Jason Poh Yion Sun	What's the market size in SG given the segment TC Homeplus is in?	TC Homeplus's market share for home linen is approximately 20% of market share in Singapore.
51.	Jason Poh Yion Sun	Are there any call option or put option terms in this transaction?	Yes. The terms on call option and put option are provided in Clause 13 of the Shareholders Agreement (to be entered into upon completion of the sale and purchase transaction) in the event of default of the shareholders.
52.	Jason Poh Yion Sun	What are the plans for the remainder 40% stake, why not acquire it now if the valuation is justified?	We see synergies from acquiring a 60% equity stake with the remaining 40% held by the original shareholders, to ensure smoother integration and continued growth.
53.	Jason Poh Yion Sun	<p>a. How was the Singapore business of YOCB generated all this while?</p> <p>b. Is YOCB a main supplier to TC Homeplus?</p>	<p>a. YOCB Group sales to Singapore including TC Homeplus was RM6.8 million for the FY2023.</p> <p>b. TCHomeplus sources its supplies from various manufacturers and suppliers including YOCB Group</p>

	Attendee	Question	Answer
54.	Jason Poh Yion Sun	Or rather where does TC Homeplus source their supplies from, do they also have their manufacturing plant?	TC Homeplus has no manufacturing plant, and it sources its supplies from various manufacturers and suppliers including YOGB Group.
55.	Jason Poh Yion Sun	A quick search found that TC Homeplus carries the Home's Harmony brand in SG as well, please clarify this relationship.	TC Homeplus is our authorised distributor to market and distribute home linen and bedding accessories to third party retailers. TC Homeplus also markets and sells our products via its fully owned retail outlets under "Home's Harmony" with the consent from YOGB Group.
56.	Jason Poh Yion Sun	In doing the proforma consolidation as indicated in the circular, should there be elimination?	Yes, Inter-Company Sales are eliminated in consolidation accounts.
57.	Jason Poh Yion Sun	On a post-elimination proforma basis, what % of SG's segment will be in terms of total revenue & operating profit post-acquisition?	Based on Bursa Announcement on 2 November 2023, TCHompelus sales and profit after tax was RM 55.42 million and RM7.96 million respectively for FY2022. Hence, profit after tax less non-controlling interest is approximately RM4.78million.
58.	Lee Kin Khuen	<ul style="list-style-type: none"> a) What is the utilization rate of the plant's capacity? b) How will the Group address the escalating staff costs? c) How many percent of sales and profit generated from in-house brands product? d) What is the demand outlook for the Group's product? e) Kindly give some briefing about acquisition of TC Homeplus and profit target in future. 	<ul style="list-style-type: none"> a) Our manufacturing plant is operating at 70% capacity. b) Staff need to multi-task or double up, close monitoring of staff overtime and staff recruitment on a need basis. c) In-house brands contributed approximately 80% of Group Sales and profit. d) We expect our products to have moderate growth in moving forward. e) The sales and profit after tax contribution from TC Homeplus is expected to be approximately RM60.0 million and RM5.25 million in the coming year.

	Attendee	Question	Answer
59.	Lam Hsien Jin	Do you expect any major capex plans in the next 5-10 years?	Yes, we plan to invest in renovation for shop expansion, new warehouse, Information techniques system and equipment, commercial vehicles, plants, and machinery in future.
60.	Lam Hsien Jin	<p>a. What are you seeing in terms of the demand situation in Malaysia?</p> <p>b. Has it remained strong into the 2nd Half Year 2023?</p> <p>c. Can you elaborate further on the rationale of your acquisition of T.C. Homeplus, beyond what you have announced in your disclosures?</p> <p>d. Who are the founders and operators of T.C. Homeplus?</p> <p>e. What value do you see in the company, and what do you think are the prospects of the company going forward?</p> <p>f. Have they agreed to stay on to operate the company?</p> <p>g. Will the operations of the company be consolidated at YOCB's holding company level?</p>	<p>a. Malaysia economy is expected to have moderate growth in moving forward.</p> <p>b. October till December are the favorable seasons for the retail sector in view of Christmas sales, year-end sale, and promotions.</p> <p>c. The proposed acquisition will give YOCB Group the opportunities as follow:</p> <ul style="list-style-type: none"> • To enable the Group to extend its range of brands, products, and services in Singapore. • YOCB Group has the flexibility to implement its business plan to further grow and expand the business of institutional supply, retailing, trading and distribution of home linen and homeware via TC Homeplus in Singapore. • It will enhance the Group's earning base and benefit from the consolidation of TC Homeplus' results and bring synergistic value and enhance the future growth prospect of YOCB Group. <p>d. Wong Fun Ngian and his brother, Wong Fun Foong are the founders and operators of T.C. Homeplus.</p> <p>e. Opportunity for the Group to extend its range of brands, products, and services in Singapore.</p> <p>f. Yes, they have agreed to stay on to operate the company.</p> <p>g. TC Homeplus will become a 60% owned subsidiary of YOCB, consolidation accounts is to combine assets, liabilities, and other financial items of YOCB Group and TC Homeplus into one.</p>

	Attendee	Question	Answer
60.	Lam Hsien Jin (Cont'd)	<p>h. How will you incentivize the management?</p> <p>i. Can you elaborate on the put and call option?</p> <p>j. You have attained shareholders' approval to buy back up to 10% of your issued share base every year, but you haven't bought back any shares in the last few years. What is your thinking around the potential for doing share buybacks in the coming year?</p> <p>k. Would you also consider raising your payout ratio above 1/3, since your free cash flows have been much higher than the dividends you have announced so far?</p>	<p>h. We may consider rewarding TC Homeplus management with performance bonuses, incentives, monetary rewards, overseas fairs and exhibitions, training and courses, fringe benefits and perhaps employee share option schemes in coming years to motivate them.</p> <p>i. In the event of default of any Shareholder ("Defaulting Shareholder") and upon a Default Notice being served by the other shareholder(s) to the Defaulting Shareholder provided that the Defaulting Shareholder does not dispute the specified defaults, the other shareholder(s) ("Non-Defaulting Shareholder") is entitled to:-</p> <ol style="list-style-type: none"> 1) A put option – where the Non-Defaulting Shareholder will require the Defaulting Shareholder to purchase all the shares held by the Non-Defaulting Shareholder for the time being in the capital of the Company. This is to be done within 30 days from the date of the Default Notice and the purchase price of such default option shares shall be the sum equal to 130% of the fair market value of the default option shares; or 2) A call option – where the Non-Defaulting Shareholder will require the Defaulting Shareholder to sell all the shares held by the Defaulting Shareholder for the time being in the capital of the Company to the Non-Defaulting Shareholder. This is to be done within 60 days from the Default Notice and the purchase price of such default option shares shall be the sum equal to 70% of the fair market value of the default option shares. <p>j. We will do share buybacks when the time is right.</p> <p>k. We will strive to achieve higher profits and pay higher dividends to reward shareholders in coming years.</p>

	Attendee	Question	Answer
61.	Lam Hsien Jin	<p>a. Could you share the breakdown in FY23 revenue between your fully owned stores, third party stores, consignment counters, e-commerce and to hotels, clubs, resorts, hospitals etc.?</p> <p>b. What were the drivers for the strong growth in both domestic and export sales in FY23?</p> <p>c. To what extent were domestic sales boosted by fairs/events at shopping malls etc.?</p> <p>d. Do you expect to continue to do more of such marketing initiatives?</p> <p>e. The jump in export sales in FY23 was mainly driven by Vietnam. What caused this, and will sales to Vietnam continue to grow from here on?</p> <p>f. Can you explain the competitive dynamics in the industry in Malaysia today?</p> <p>g. What market share do you have?</p> <p>h. Who are your closest competitors (understand one of them is Akemi), and how are they faring?</p>	<p>a. Consignment approximately 48%, Retails approximately 36%, others including export, online, project and outright are approximately 16% of Group Sales.</p> <p>b. Higher domestic sales were mainly from its four (4) new fully owned Home's Harmony retails outlets in Starling Mall, Sunway Putra Mall and KL East Mall, Home's Outlet in EkoCheras Mall, new third-party consignment counters and sales and promotions. Higher export sales were mainly export to Vietnam which has a significant expansion due to its fast-growing economy.</p> <p>c. Fairs/event sales contribute approximately 10% of Group sales for FY2023.</p> <p>d. Yes, fairs and events are still well-received in the retail sector and are an opportunity to create brands awareness and publicity.</p> <p>e. Vietnam is one of the fastest growing economies among Asean countries. Higher sales to Vietnam were due to higher demand and we believe sales to Vietnam will increase higher in coming years.</p> <p>f. YOCB Group's core competencies include in-house design, strong brands, loyal customers, competitive pricing, high standards quality, one stop supply center offering full range of products, financial stability, diverse customer type, extensive distribution channels, economy of scale which make the Company have a competitive edge over our competitors.</p> <p>g. We estimated our Group's market share for home linen and bedding accessories is approximately 40% in Malaysia.</p> <p>h. There are many home linen distributors in Malaysia, but we believe YOCB Group is the leading manufacturer and distributor in home linen and bedding accessories in Malaysia in view of our thirty (30) fully owned Home's Harmony retail outlets, six (6) Niki Cains Home fashion concept stores, and more than 260 consignment counters in Malaysia as of today.</p>

	Attendee	Question	Answer
61.	Lam Hsien Jin (cont'd)	<ul style="list-style-type: none"> i. Going forward, how do you see competition evolving, and do you expect to gain more market share? j. What is your main competitive advantage separating you from peers? k. How do the returns or the profitability profiles differ across your various sales channels, fully-owned stores, third party stores, consignment counters, e-commerce and via hotels, clubs, resorts, hospitals? 	<ul style="list-style-type: none"> i. We are confident the Group's business will expand in going forward with our innovative design, strong brands, loyal customers, high standards quality, wide range of products, proactive marketing strategies, sale, and promotion. j. YOCB Group's core competencies include in-house design, integrated operations, strong brands, loyal customers, competitive pricing, high standards quality, one stop supply center offering full range of products, diverse customer type, extensive distribution network, financial stability and economy of scale which make the Company to have a competitive edge over its peers. k. Profitability profiles range from 10% to 55% depending on the various distribution channels.
62.	Lam Hsien Jin	What is your long-term vision for Yoong Onn in 10-15 years' time, Roland and Raymond?	We will strive to maintain as market leader for manufacturer and distributor of home linen and bedding accessories in Malaysia, market and sell our products in the international marketplace and continue to have sustainable sales and profit growth in our long-term plan.
63.	Lau Thing Sing	<ul style="list-style-type: none"> a. May I know what is the company's future outlook? b. Will the Board consider giving door gift such e-voucher or e-wallets for those participating in this AGM as a token of appreciation? 	<ul style="list-style-type: none"> a. New wave of Covid-19 rising globally, the conflicts in Ukraine and Gaza still on-going will certainly escalate higher purchase cost and cause local retail market and export sales to remain challenging and competitive. We are confident the Group will achieve satisfactory growth in the financial performance in moving forward with the Group's underlying fundamental strengths of efficient business operations, financial stability, diversified products, and wide distribution network. b. We will consider giving e-vouchers/ e-wallet in coming years.
64.	Lew Tuck Wai	What is the % sales contributed to the Company's own retails outlets and concept stores compared to the Consignment Sales in FY2023?	Consignment sales contributed approximately 48% and fully own retails outlets and concept stores contributed approximately 36% of Group Sales FY2023

	Attendee	Question	Answer
65.	Lew Tuck Wai	<p>Exports sales increase by 5.91% in FY2023 due to higher export sales to Vietnam (page 13 of AR)</p> <ol style="list-style-type: none"> What are the reason(s) for the increase in sales to Vietnam? What are the profit margins from export sales compared to domestic sales? Which countries contributed to the export sales? 	<ol style="list-style-type: none"> Vietnam is one of the fastest growing economies among Asean countries. Higher sale to Vietnam was due to higher market demand of our product in Vietnam. Export Sales range from 10% to 25% and domestic sales range from 10% to 55%. We export to Vietnam, Singapore, Cambodia, New Caledonia and Brunei for FY2023.
66	Lew Tuck Wai	<p>On 2 Nov 2023, the Co. announced the acquisition of 60% interest in TC Homeplus in Spore for RM38.2 million.</p> <ol style="list-style-type: none"> Apart from gaining a stronger foothold in the Spore market, what are the future benefits to be realised from the acquisition? Are the company products currently sold by TC Homeplus? 	<ol style="list-style-type: none"> Opportunity for the Group to extend its range of brands, products, and services in Singapore. TC Homeplus is our authorised distributor to market and distribute our products to its fully owned retail outlets, third party retailers like department stores, specialty stores and online platforms.
67.	Lew Tuck Wai	<p>Based on the segmental information in Note 29 - page 94 of the AR, the Group's main export markets are Singapore and Vietnam</p> <ol style="list-style-type: none"> Are there any plans to increase sales to other ASEAN countries especially Indonesia with its huge population and increasing middle class? Target for the export sales? 	<ol style="list-style-type: none"> We will look for new agents and distributors overseas to market and sell our product overseas. We are targeting export sales to grow more than 10% in coming year.

	Attendee	Question	Answer
68.	Mono Kari A/P Sokkalingam	<p>Good morning. We have zero borrowings, is it? Previous year we had but this year none. Excellent. It has a very strong balance sheet with retained earnings of RM225 million. Fantastic. Very quiet Company but performance wise fabulous. Thank you.</p> <p>Do take care of participating hard-core shareholders today. Probably some discount vouchers. Anyway, no requirement to wait for the poll results as 100 per cent votes in favor will be in order. Great Companies secure great results. Best wishes to all.</p>	Thank you and we will consider giving discount vouchers in coming years.
69.	Poravi A/L S P Sithambarampillay	<p>Good morning. Thank you very much to all our directors and employees. Truly dedicated and fully committed. Our Company is performing extremely well.</p> <p>My full support for all the resolutions. Sincerely hoping our Company will reward patriotic shareholders with some discount vouchers to purchase our products. 100 percent votes in favor of all resolutions coming up beyond all doubt.</p>	Thank you and we will consider giving discount vouchers in coming years.
70.	Reemarachna A/P Poravi	<p>Good morning. Our good Company is performing well financially. Even during Covid, we were not dented. We stayed resilient. Good people in this good Company. Borrowings are near zero. No other Company on Bursa can match this. Cash and bank balances RM17m. Deposits with banks, another RM42m. Wow! Absolutely marvelous. Thank you very much to all.</p> <p>Do consider some discount vouchers for loyal shareholders to buy our products. Thank you to all.</p>	Thank you and we will consider giving discount vouchers in coming years.

	Attendee	Question	Answer
71.	Reevanash A/L Poravi	<p>Good morning to all. This is a super Company with super people. Very quiet but performing well financially. I am proud to be part of this Company. For any finance needed, please come back to us with rights issues.</p> <p>Hope some discount vouchers will be given for loyal shareholders participating in this AGM. Full support for all the resolutions tabled.</p>	Thank you and we will consider giving discount vouchers in coming years.
72.	Shum Thin Soon	<p>Business model/operation related questions:</p> <ol style="list-style-type: none"> What is the company's competitive edge in home linen, bedding accessories, and homeware products in this competitive market? Due to the impact of inflation, is there any plan to increase ASP for any products? When was the latest ASP increase? AR Pg. 16 mentions a shortage of skilled foreign labour. Is the labour shortage issue still happening? To support in which area? R&D, manufacturing, sales promoter, etc. As of June 30, 2023, we have twenty-five (25) fully owned Home's Harmony retail boutique outlets, four (4) Niki Cains Homes home fashion concept stores, and one (1) Home's Outlet. (Stated in AR Pg. 12 As of today, any changes in the above numbers? How many outlets are expected to open in FY2024? 	<ol style="list-style-type: none"> YOCB Group's core competencies include in-house design, integrated operations, strong brands, loyal customers, competitive pricing, high standards quality, one stop supply center offering full range of products, diverse customer type, extensive distribution network, financial stability and economy of scale which make the Company to have a competitive edge over its peers. The Company will absorb the cost escalation and has no plans to increase ASP despite recent inflation at this juncture. The ASP seldom revised. Yes, the Group is still plagued by skilled foreign workers mainly for manufacturing. The business expansion plans from July 2023 onwards include opening of five (5) new Home's Harmony retails outlets in Great Eastern Mall, Pearl Point Shopping Mall, Pinnacle Sri Petaling Mall, Kiara Bay Outdoor Retail and Paradigm Mall Johor Bahru, two (2) new Niki Cains' Home fashion concept stores in Komtar JB CC and KL Gateway Mall. As of today, the Group has thirty (30) fully owned Home's Harmony retail boutique outlets and six (6) Niki Cains Homes home fashion concept stores. The Group plans to open 6 to 8 outlets in FY2024 subject to suitable locations and favorable terms.

	Attendee	Question	Answer
73.	Shum Thin Soon	<p>Business prospects related questions</p> <ul style="list-style-type: none"> a. FY2023 export sales contributed less than 10% of total revenue. Is there any solid plan to increase export sales to 10% or 20% within a targeted timeframe (in years)? b. Any plans to open fully owned retail outlets in Singapore after the acquisition of T.C. HOMEPLUS PTE LTD? c. T.C. Homeplus reported a FY2022 PAT of SGD2.28 million? d. Are there any 9M FY2023 PAT available? e. How confident is the company in its ability to further expand its profitability in the Singapore market, which has only about 5–6 million people? Potential for 10% yearly growth? f. Could you please provide more insights into potential synergies from this acquisition? g. Any changes to their existing contractor manufacturer or source of supply practice? 	<ul style="list-style-type: none"> a. Yes, we will appoint new agents and distributors in overseas to market and sell our product oversea in coming years. b. Yes, we plan to open more fully owned retail outlets in Singapore after the acquisition of T.C. Homeplus c. Based on Bursa Announcement on 2 November 2023, TCHompelus reported profit after tax of SGD 2.28 million or RM7.96 million for FY2022. d. TC Homeplus posted profit after tax for the 9 months ended 30 September 2023. e. We are familiar with and confident of running TC Homeplus business and we are confident we can synergistically grow its fully owned shops, consignment counters and target to expand institutional supplies. f. The acquisition will enable the Group to extend its range of products and services and potential synergies by leveraging on each other's existing customer base in Singapore. g. TC Homeplus will continue with its existing procurement practices.

	Attendee	Question	Answer
74.	Shum Thin Soon	<p>Financial numbers related questions</p> <p>a. Inventory level is as high as RM95 million as of FY2023Q4. Is there any potential for inventory impairment or inventory write-off due to slow-moving stocks?</p> <p>b. If yes, how significant is the potential amount in FY2024? This is a key audit matter, as stated in the latest annual report.</p> <p>c. Is the company doing any OEM products? If yes, contribute how many % of total sales?</p>	<p>a. The Group stocked up its inventory to meet its business expansion plans requirement from July 2023 onwards including opening of five (5) new Home's Harmony retails outlets in Great Eastern Mall, Pearl Point Shopping Mall, Pinnacle Sri Petaling Mall, Kiara Bay Outdoor Retail and Paradigm Mall Johor Bahru, two (2) new Niki Cains' Home fashion concept stores in Komtar JB CC and KL Gateway Mall, fairs and events, sale and promotion that have consequently resulted in relatively high finished goods position as of June 2023.</p> <p>Allowance for impairment for slow-moving stock has been adequately provided for FY 2023.</p> <p>b. Allowance for impairment for slow-moving stock has been adequately provided as evidenced by the Group's reversal of allowance for impairment for slow-moving stock for FY2023 and FY2022 of RM2.09 million and RM3.07 million respectively.</p> <p>c. Yes, OEM contributed approximately 5% of Group Sales for FY2023.</p>
75.	Tan Pei Leng	Hi, is there any F&B e-Voucher for attendees of this AGM?	We will consider giving F&B and E-Voucher in coming years.
76.	Tan Ching Yew	I see you doing lots of temporary sales booths and promotions in shopping malls. How much of your sales in FY2023 come from this channel?	Fair and Events sales contributed approximately 10% of Group sales for FY2023.
77.	Tan Ching Yew	How much of your sales are contributed by the e-commerce channels?	E-Commerce contributed approximately 5% of Group sales for FY2023.

	Attendee	Question	Answer
78.	Teow Foo Chuan	<ul style="list-style-type: none"> a. Please explain the reasonable of purchase of Singapore's T.C. Homeplus? b. What is the long-term plan Singapore's T.C. Homeplus to our company's growth? 	<ul style="list-style-type: none"> a. The acquisition of TC Homeplus gives YOCB group the opportunities as follow: <ul style="list-style-type: none"> 1. To enable the Group to extend its range of brands, products, and services in Singapore. 2. The flexibility to implement the Group's business plan to further grow the business of institutional supply, retailing, trading and distribution of home linen and homeware via TC Homeplus in Singapore. 3. It will enhance the Group's earning base and benefit from the consolidation of TC Homeplus' results and bring synergistic value and enhance the future growth prospect of YOCB Group. b. We are familiar with and confident of running TC Homeplus business and we are confident we can synergistically grow its fully owned shops, consignment counters and expand its institutional supplies to cruise, hotels, hospital, and resorts.
79.	Teow Foo Chuan	Any long-term plan for the company's growth?	We will strive to maintain as market leader for manufacturer and distributor of home linen and bedding accessories in Malaysia, market and sell our products in the international marketplace and continue to have sustainable sales and profit growth in our long-term plan.