

ASIA BRANDS BERHAD
 [Company No : 197501000740 (22414-V)]
 (Incorporated in Malaysia)

Questions & Answers During 49th Annual General Meeting

	Questions	Response
A.	Operational & Financial Matters	
1a.	<p><u>Baby Products Division</u> What were the main reasons for the lower profit before tax (“PBT”) despite the doubling of consignment counters from FY2022 to FY2024? Was the expected outcome of opening more consignment counters achieved, and is the Board satisfied with the results?</p>	Higher cost of goods and cost of operations resulted in lower PBT.
1b.	What was the revenue contribution from consignment counters in FY2024 compared to FY2022?	Consignment counter revenue contribution drop by 0.7%.
1c.	Please provide an overview of the locations of consignment counters and stand-alone outlets. Looking ahead, which geographic markets will the Group focus on for expansion?	No expansion plan at the moment due to the economic uncertainty.
2.	<p><u>Lingerie Division</u> The Group has identified diversifying product offerings and expanding market reach as two strategic measures to improve overall performance in the coming year (Page 17 of AR2024). What initiatives are planned for these two strategic measures?</p>	<ul style="list-style-type: none"> • Leverage on market trends to source products. • Online presence through targeted digital marketing and e-commerce platforms.
3a.	The Group's brands, particularly Anakku, have a notable presence on e-commerce platforms such as Shopee and Lazada. What was the revenue contribution from the e-commerce platforms in FY2024 compared to the previous year?	5% of gross sales.
3b.	What are the key digital marketing strategies and what progress has been made so far?	Strong progress with live streaming.

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Questions & Answers During 48th Annual General Meeting

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4.	What are the challenges the Group is facing in maintaining a healthy and steady operating cash flow.	<ul style="list-style-type: none"> • Fluctuating revenue and cost control management. • Investment in inventory and capital expenditure.
B	Sustainability Matters	
1.	Under the Bursa Enhanced Sustainability Framework, Main Market listed issuers are required to include a statement on whether the Sustainability Statement has been reviewed internally by internal auditors or independently assured in their annual reports issued for financial years ending on or after 31 December 2023. However, this assurance statement was not included in the Group's Annual Report 2024. Please consider including the assurance statement in future annual reports.	We are putting in place the right foundation.
2.	Has the Group established relevant targets and timeframes for each of these areas? Please consider disclosing this information and providing updates on progress in future annual reports?	We shall establish relevant targets in due time.
C	Corporate Governance Matters	
1.	Given the current gender disparity on the Board, when does the Board plan to appoint additional female directors?	The Company took note.
D	Other Matters	
1.	<p>Lower performance in the financial year ended 31 March 2024 was due to weaker RM. With the current strengthening of RM, how will it impact the performance in the financial year ending 31 March 2025 ("FYE 2025")?</p> <p>Will the recent surge in freight charges impact the import of goods and the performance of the Company in FYE 2025?</p>	<p>The management is not able to forecast the financial impact from the strengthened RM but hopeful it will be positive for FYE 2025.</p> <p>Majority of the Group's exchange rate is against RMB. The surge in freight charges impacted the Group in terms of port charges, which has also increased.</p>