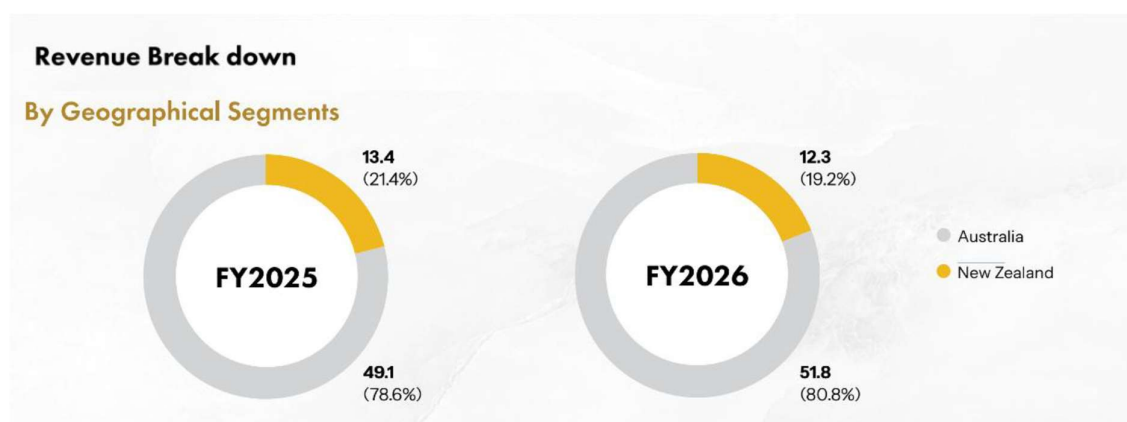

RESPONSE TO QUESTIONS FROM THE SECURITIES INVESTORS ASSOCIATION (SINGAPORE) FOR ANNUAL GENERAL MEETING TO BE HELD ON 27 OCTOBER 2026

The Board of Directors (“**Directors**” or “**Board**”) of ST Group Food Industries Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to provide its responses to the queries received from the Securities Investors Association (Singapore) (“**SIAS**”) in relation to the Company’s Annual Report for the financial year ended 30 June 2026 (“**FY2026**”) prior to the forthcoming annual general meeting to be held on 27 October 2026 at 10.00 a.m., as set out below. There were no questions received from shareholders as at 19 October 2026, 5.00 p.m.

Question 1

Q1. With the cessation of its UK operations, the group now operates in the key geographical markets of Australia and New Zealand. Through Pafu and Homm, the group has also expanded to Indonesia, Singapore, Malaysia and Vietnam via sub-franchised and sub-licensed outlets.



(Source: company annual report)

Despite a reduction in Australian outlets from 136 to 131, revenue increased by 5.5% to \$51.8 million. In New Zealand, outlet numbers increased from 37 to 38, yet revenue fell by 8.2% to \$12.3 million.

- (i) How do Australia and New Zealand differ in terms of market size, competitive intensity, consumer demand, pricing power and growth prospects? Which market offers the stronger prospects for profitable growth over the next three to five years, and what evidence supports management’s assessment?

Response:

Australia and New Zealand differ significantly in market size and growth opportunities. Australia has a substantially larger population, generally providing a larger market and greater opportunities for expansion across multiple urban centres. Whilst both markets are competitive and mature, the opportunities in Australia are more diverse. Its larger consumer base and wider geographical reach provide the Group with greater opportunities to expand its brand portfolio,

reach new customers and strengthen its market presence. Considering amongst others, the above factors, the Group focuses more of its resources to support its geographical presence in Australia. Focusing a stronger presence in a particular geographical market allows the Group a greater potential for central kitchen economies of scale. A broader brand portfolio also provides greater opportunities for expansion and reduces reliance on any single brand segment.

The Group operates 12 brands and 131 outlets in Australia across various segments, compared with 4 brands and 38 outlets in New Zealand, of which 32 of them are Gong Cha outlets.

Management will continue to pursue sustainable growth in both markets utilising a different strategy for each market, with a focus on operational efficiency, profitability and long-term value creation.

- (ii) **How does management allocate capital between the two markets? How do company-owned outlets in Australia and New Zealand compare in terms of sales growth, outlet-level profitability and returns on invested capital?**

Response:

Please refer to the Company's response in Q1(i) above. In FY2026, the Group's capital allocation was weighted towards Australia, where majority of new outlet openings and brand launches took place, in line with the Group's strategy in Australia. The Group's strategy for New Zealand focuses more on selected brands.

Revenue from company-owned outlets indicated stronger sales performance in Australia and softer performance in New Zealand resulting a better profitability and higher ROI in Australia than New Zealand.

The Group remains open to explore suitable growth opportunities in both markets. Future capital allocation continues to be guided by amongst others, market conditions, outlet-level profitability and expected investment returns, with expansion pursued selectively to support sustainable growth and attractive returns.

Profit attributable to equity holders of the company decreased from A\$498,061 to A\$150,784 in FY2026.

- (iii) **What are management's three highest-priority actions to restore profitability, and what quantified improvements in revenue, margins or operating costs is each expected to deliver?**

Response:

The Group constantly seeks to remain competitive amidst challenges to deliver sustainable long-term growth. Amongst others, Management will prioritise the following in implementing its strategic initiatives:

- 1) Improve outlet performance and optimise the brand portfolio:** Review existing outlets and the various operating models to assess how outlet performance may be improved. New outlet openings will be assessed based on their commercial viability and expected returns.
- 2) Strengthen gross margins:** Review menu offerings of various brands and outlets to assess adjustments that may strengthen gross margins, whilst remaining competitive. At the same time, to review procurement methods, including proactively sourcing for more competitive suppliers to manage procurement costs and counter mounting cost pressures.

- 3) **Improve operational efficiency and manage overheads:** Review kitchen and outlet operations for operational efficiency, including considering management of staffing and inventories. The Group will monitor key operating metrics regularly to identify inefficiencies and improve cost discipline across its operations.

The potential improvements will be assessed with reference to historical performance, adapted to changing market environments for changes in operating conditions. Key indicators include outlet sales growth, gross profit margins, labour and food costs as a percentage of revenue, and overall operating profitability, with the objective of improving revenue performance, strengthening margins and enhancing cost efficiency.

Question 2

Would the board and management provide greater clarity on certain operational matters? Specifically:

- (i) **New brands:** The group opened its first TamJai Mixian outlet in Melbourne's central business district in November 2024. In March 2025, it launched Onimusubi, a Japanese-style flavoured rice ball concept, opening its first outlet in Chadstone, a major shopping centre in Melbourne. Since then, two additional TamJai outlets have opened, one company-owned and one operated under a sub-franchise or sub-licensing arrangement, while the number of Onimusubi outlets has remained at one. **What objective criteria does it use to determine whether a new concept has achieved product-market fit and is ready to scale? Conversely, what performance thresholds and review periods trigger changes to the menu, pricing or operating model, or a decision to discontinue the concept?**

Response:

The Group adopts different development approaches for TamJai Mixian and Onimusubi, reflecting their respective brand maturity and track records.

(a) Criteria for product-market fit and readiness to scale

TamJai Mixian is an established Hong Kong brand founded in 1996, with more than 200 outlets in Hong Kong. In 2024, the Group formed a majority-owned joint venture with TamJai International to develop the brand in Australia. Its first Melbourne CBD outlet opened in November 2024, followed by two additional outlets, one company-owned and one operated under a sub-franchise or sub-licensing arrangement.

Onimusubi, a Japanese-style flavoured rice ball concept developed by the Group, launched its first outlet at Chadstone in March 2025 and currently operates at one location.

In assessing whether a concept has achieved product-market fit and is ready to scale, the Group considers amongst others, outlet-level profitability, the replicability of the operating model and market conditions. TamJai Mixian benefits from an established overseas track record and brand recognition, which may facilitate expansion through sub-franchising or sub-licensing. Onimusubi remains at an earlier stage of development, requiring further assessment before broader expansion.

(b) Performance reviews and corrective actions

Please refer to the Company's response in Q1(iii). The Group regularly reviews the existing operations and makes adjustments as it deems necessary. Its pricing and operating approach may be adjusted in response to significant changes in cost pressures, consumer preferences or market conditions.

The Group also monitors changes in applicable laws and regulations and will make the necessary adjustments to ensure compliance and maintain operational viability.

- (ii) **Homm: How has the brand performed in Singapore against its original business case in terms of sales, outlet-level profitability and customer demand? What were the principal reasons for closing its Raffles City outlet after two years of operations?**

Response:

Homm's performance in Singapore was slightly below the original sales forecasts. While customer demand was present, sales patterns did not fully align with initial expectations.

The Raffles City outlet was operated by a sub-franchisee. The sub-franchisee made the decision independently to close the outlet following its own review of performance and business outlook.

- (iii) **Gong Cha: How does the brand maintain its competitive position amid competition from Chinese tea and beverage brands such as HEYTEA, CHAGEE, Molly Tea and Mixue? Separately, what implications, if any, does the change in ownership of Gong Cha's brand intellectual property have for the group's franchise or licensing rights, royalty obligations, operating costs and long-term ability to develop the brand?**

Response:

The Group currently operates Gong Cha in New Zealand, with a total of 12 company-owned outlets and 20 sub-franchisee outlets. The Group monitors competition from both established bubble tea operators and emerging international tea and beverage brands. Whilst Chinese tea and beverage brands such as HEYTEA, CHAGEE, Molly Tea and Mixue continue to expand into overseas markets, the competitive landscape in New Zealand remains subject to ongoing developments.

To maintain Gong Cha's competitive position, the Group regularly refreshes its product offering and runs targeted marketing activities to strengthen brand awareness, retain existing customers and attract new customers.

The change in Gong Cha's brand ownership has not had a significant impact on the Group's franchise rights and arrangements. The Group will continue to monitor the situation closely to ensure stability and long-term growth of the brand.

Question 3

The company has outsourced its internal audit function to CLA Global TS Holdings Pte. Ltd.

- (i) **Is the joint venture operating the Maita supermarket business included within the scope of the group's internal audit function? If not, how does the board obtain independent assurance over the joint venture's financial controls, risk management and compliance, and what alternative assurance arrangements are in place?**

Response:

The Maita supermarket business is operated through TST (Aust) Pty Ltd and its subsidiaries, a 50:50 joint venture between the Group and its joint venture partner. As the joint venture is independently governed and accounted for using the equity method, it is not included within the scope of the Group's internal audit function.

The Group oversees the finance function of the joint venture, while the other shareholder oversees its operational functions. Certain key matters are subject to joint approval, providing a

governance mechanism for both shareholders to oversee key decisions and the joint venture's operations.

The financial statements of TST (Aust) Pty Ltd and its subsidiaries are subject to independent external audit. The Group considers that the existing governance arrangements, segregation of responsibilities and joint approval mechanisms and independent external audit provide appropriate oversight over the joint venture. The Group will continue to monitor the adequacy of these arrangements and assess whether additional assurance measures are required where appropriate.

- (ii) **Given that the group's operations are primarily in Australia and New Zealand, while its outsourced internal audit provider appears to be the Singapore-based entity, could the company clarify how internal audits are conducted on the ground? Are the audits performed by Singapore-based personnel, local teams in Australia and New Zealand, or a combination of both?**

Response:

The Group's internal audits are conducted by Singapore-based personnel from a Singapore-based outsourced internal audit provider. While there is no local internal audit team based in Australia or New Zealand, the audit approach includes on-site fieldwork to Australia and New Zealand depending on the scope and nature of the audit, to review the relevant operational processes and internal controls. Accordingly, the internal audit team adopts a combination of Singapore-based audit planning and oversight, together with on-site fieldwork in Australia and New Zealand.

- (iii) **How does the IA bridge any gaps in local knowledge of Australia and New Zealand, where regulatory requirements, business practices and workplace cultures may differ from Singapore, while meeting the internal audit standards and governance expectations applicable to an SGX-listed company?**

Response:

The IA team is based in Singapore and undertakes the necessary research and familiarisation with the relevant laws, regulations and business practices applicable to the Group's operations in Australia and New Zealand. The team also engages with local management to understand the local operating environment and, where necessary, seeks input from relevant subject matter experts to validate its understanding of applicable requirements.

All reviews are conducted using a consistent risk-based internal audit methodology aligned with the International Standards for the Professional Practice of Internal Auditing and the governance expectations of an SGX-listed company. This includes assessing the adequacy and effectiveness of internal controls, risk management processes and compliance frameworks, while taking into consideration both SGX governance requirements and local regulatory obligations.

- (iv) **What was the scope of the internal audit in FY2026 and what were the key findings?**

Response:

The FY2026 internal audit covered three outlets in Australia and New Zealand and reviewed key business processes, including Sales to Collection, Procurement, Payables and Payment, Fixed Assets and Inventory Management, Human Resources and Payroll, together with an internal review of selected environmental, social and governance ("ESG") matters.

The review identified Moderate-risk and Low-risk findings, with no High-risk findings identified.

BY ORDER OF THE BOARD

Saw Tatt Ghee
Executive Chairman and CEO

21 October 2026

This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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